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## Report on IFAD's Development Effectiveness 2022

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**Useful references:** Development Effectiveness in the Decade of Action: An update to IFAD's Development Effectiveness Framework [EB 2021/134/R.24](#); IFAD Policy on Project Restructuring [EB 2018/125/R.37/Rev.1](#)

**Action:** The Executive Board is invited to review the Report on IFAD's Development Effectiveness 2022.

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## Executive summary

1. Performance during the Eleventh Replenishment of IFAD's Resources (IFAD11) period is positive overall, with roughly two thirds of the Results Management Framework (RMF11) indicators met or exceeded and the remaining third falling short of reaching targets due to COVID-19, liquidity constraints and the short-term effects of institutional reforms.
2. **IFAD made a substantial contribution to Sustainable Development Goal (SDG) 1 (No poverty) and SDG 2 (Zero hunger)**, with an estimated 77.4 million rural people increasing their income and a significant attributable impact on their production, access to markets, resilience and food security. Performance at completion improved in comparison with IFAD10, meeting or exceeding RMF11 targets for environment and natural resource management, adaptation to climate change, overall project achievement, effectiveness and gender equality. IFAD projects supported production and market access while building the rural poor's resilience to climate change. In countries with fragile situations, the improvement over IFAD10 is generally more evident, thanks to the implementation of the IFAD strategy on fragility throughout IFAD11.
3. **Despite strong performance in food security, nutrition is an area where results will require additional time to materialize**, since IFAD began systematically mainstreaming nutrition only in 2019. At completion, traditionally weaker areas such as efficiency, sustainability and scaling up improved but still fell short of meeting RMF11 targets. IFAD is implementing dedicated action plans to improve performance in these weaker areas. Outcome-level results are not yet sufficient in number and quality to identify a trend and robustly assess target achievement. IFAD will continue to follow up and provide support to project management units through its Operations Academy (OPAC) upskilling programme and the monitoring, evaluation, adaptation and learning action plan in order to boost capacity and improve the quality of reporting. COVID-19 and liquidity constraints negatively affected outreach and selected project-level outcomes and outputs.
4. **During IFAD11, the Fund delivered its highest-ever programme of loans and grants, worth US\$3.46 billion**, which translated into 78 new investment projects, including two regional lending operations, across 74 countries, and 71 grants. The cofinancing rate reached 1:1.95, signalling the confidence of international partners, government commitment to IFAD's development agenda and interest from private partners.
5. **High delivery did not compromise portfolio quality, which was moderately satisfactory (or above) for all approved projects.** The share of operations at risk progressively decreased, falling to 6 per cent by end of IFAD11, while portfolio management became more proactive, thanks also to the application of IFAD's restructuring policy. IFAD exhibited strong performance in relevance of country strategies and partnership building, supported by its ambitious decentralization agenda, which led to 36.5 per cent of staff positions being outposted in country offices.
6. **Organizational efficiency ratios experienced setbacks, reflecting the initial cost of decentralization, turnover and reassignment, coupled with liquidity constraints.** Exogenous shocks and the limited availability of grant resources contributed to not meeting some RMF11 targets related to country-level effectiveness, policy engagement and knowledge management. IFAD's new corporate strategy on South-South and Triangular Cooperation will further strengthen the focus on partnerships, policy engagement and innovation but will be effective only if resources are forthcoming. Country-level policy engagement will also be central, with additional guideline tools under development and new training under OPAC.

# Report on IFAD's Development Effectiveness 2022

## I. Introduction

1. The 2022 Report on IFAD's Development Effectiveness (RIDE) presents the Fund's performance against the indicators and targets set in the corporate Results Management Framework (RMF) for the period of the Eleventh Replenishment of IFAD's Resources (IFAD11). The 2022 RIDE focuses on achievements in 2021 while highlighting IFAD's transformational impact during the entire IFAD11 period (2019–2021). Three key insights emerge from the analysis.
2. **First, IFAD has made a significant contribution to the SDGs, mainly SDG 1 (No poverty) and SDG 2 (Zero hunger)**, in addition to others. The Impact Assessment for IFAD11 confirms the Fund's outstanding performance in terms of increasing incomes and improving the production, market access, resilience and food security of poor rural people. Project-level results show a direct contribution to other SDGs, namely: SDG 4 (Quality education), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation and infrastructure) and SDG 13 (Climate action). This is especially relevant given the rising global poverty rate (at 9.2 per cent in 2020), worsening food insecurity (33 per cent) and decreasing government expenditure on agriculture, as reported in Tier I of the RMF11.<sup>1</sup>
3. **Second, performance is positive overall, with IFAD meeting or exceeding two-thirds of RMF11 targets.** IFAD's adaptive approach allowed for maintaining or improving performance in several key areas such as resource mobilization and allocation, quality at entry, performance at completion and workforce management. IFAD has been agile in using its programme of loans and grants (PoLG) to respond to country needs and introducing new instruments, such as the regional lending and crisis facility. Decentralization was key to improving design quality and responsiveness. Implementation of the IFAD strategy on fragility led to a significant improvement in performance at completion in countries with fragile situations.
4. **Third, COVID-19, liquidity constraints and the short-term effects of institutional reforms challenged the achievement of roughly one-third of RMF11 targets.** Exogenous shocks, coupled with limited availability of grant resources, contributed to not meeting some RMF11 targets related to the performance of country programmes. The short-term effects of institutional reforms and staff turnover also affected efficiency. COVID-19 and liquidity constraints negatively impacted outreach and project-level outcomes and outputs. Some indicators had unrealistic targets (such as those related to nutrition or average delivery time), while others were affected by the project sample size (among them, project-level outputs on access to financial services and natural resources).

## II. Development results – Tier II

5. **Impact. The IFAD11 Impact Assessment<sup>2</sup> quantifies the highly significant change produced by the Fund in the livelihoods of poor rural people.** On average, IFAD projects led their beneficiaries raise both their income and their productive capacity by 23 per cent on average, in line with IFAD's goal of increased economic mobility and strategic objective (SO) 1 on productive capacities. Furthermore, gains in market access were 25 per cent on average, consistent with

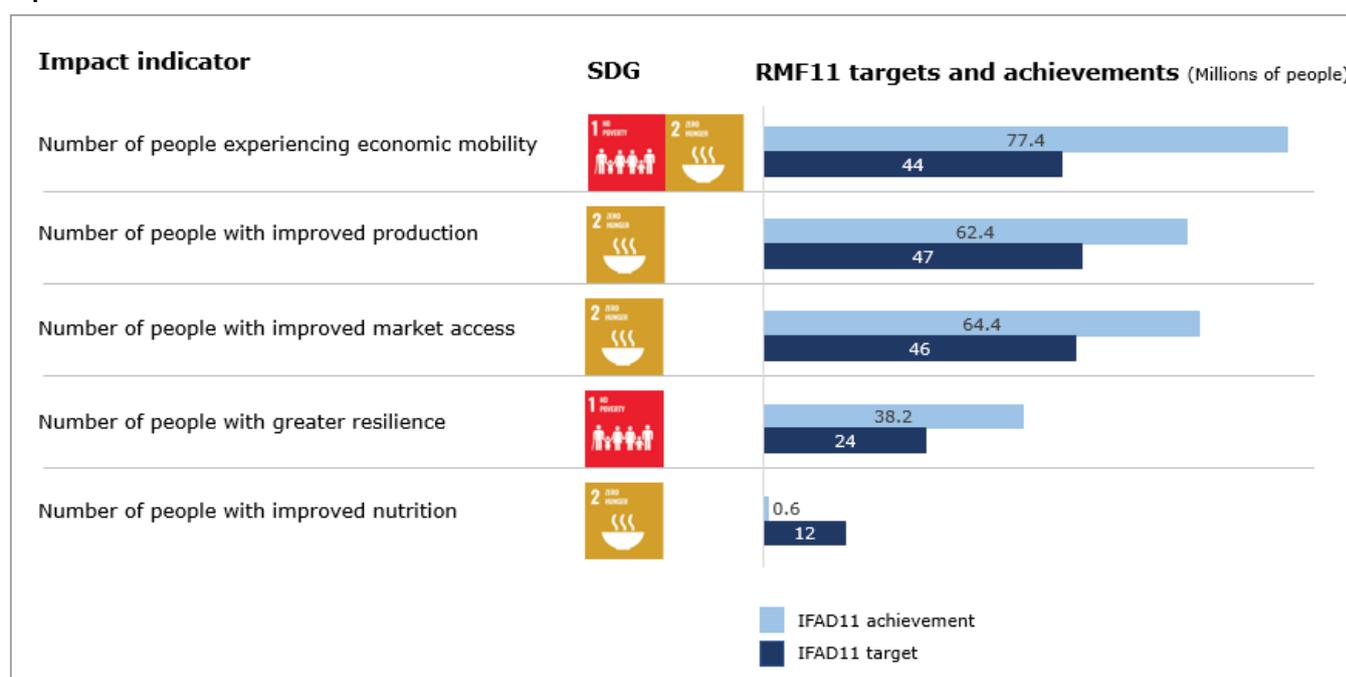
<sup>1</sup> Source: 2022 United Nations Statistics Division (UNSD) data, as reported in Tier I of the RMF11. See annex I for detailed reporting.

<sup>2</sup> The IFAD11 Impact Assessment combines the impact of 24 projects closed during IFAD11 to estimate an average effect size using meta-analysis methodologies. This average and its distribution are used to calculate the number of beneficiaries who have increased their income above the target.

SO2 on market participation. Notably, IFAD beneficiaries were 13 per cent more resilient, in line with SO3 on resilience. IFAD projects also led to an 11 per cent increase in the beneficiaries' food security.<sup>3</sup>

6. **IFAD projects led an estimated 77.4 million rural people to increase their income**, well beyond the RMF11 target of 44 million. IFAD also exceeded RMF11 targets for all remaining impact dimensions (production, market access and resilience) with the exception of nutrition. As projects under analysis were designed three to twelve years before IFAD began mainstreaming nutrition into its operations (2019), the impact on the beneficiaries' nutrition was not yet visible and may take three to four replenishment cycles to materialize. In contrast, the impact on food security (which is not included in the RMF) is substantial, as explained in paragraph 5. All impact dimensions are highly relevant to SDG 1 and SDG 2, as shown in figure 1.

Figure 1  
Impact results for IFAD11



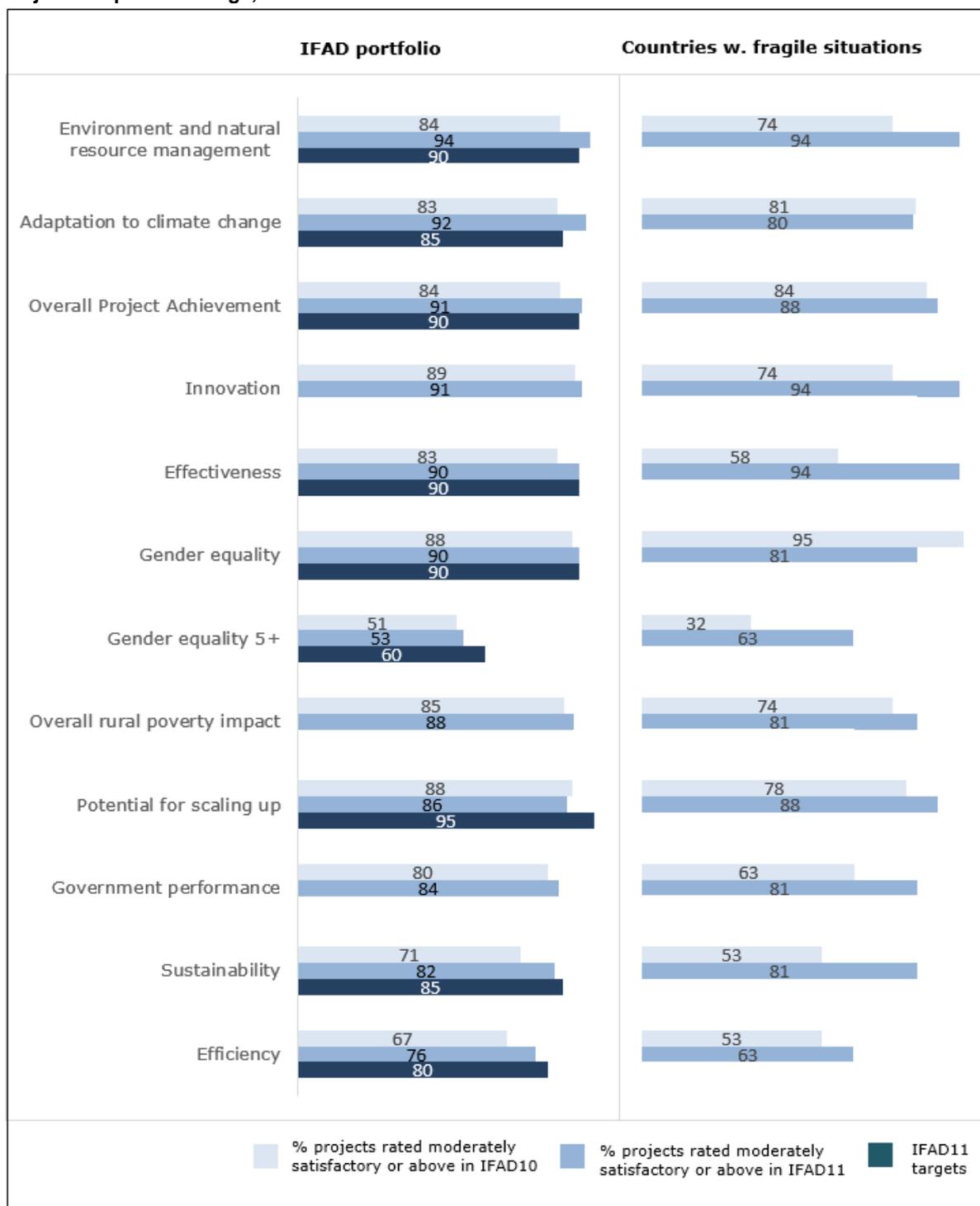
7. **Performance at completion during IFAD11 has improved in comparison with IFAD10<sup>4</sup>**, as shown in figure 2. The criteria used for this analysis assess performance in the long term and thus, only marginally reflect the effects of COVID-19. IFAD exceeded RMF11 targets in areas known for performing well, namely the environment and natural resource management, and adaptation to climate change. These results demonstrate the significant returns from the many years of effort to build IFAD's technical capacities while continuously learning from experience. Overall project achievement also remained above target.
8. **IFAD met RMF11 targets in the key areas of effectiveness and gender equality.** The share of operations scoring satisfactory or above on gender equality remained at 53 per cent – a slight improvement over IFAD10 but still below the RMF11 target of 60 per cent. Despite not reaching this specific target, the share of operations scoring satisfactory or above is higher for gender equality than for any of the remaining criteria, attesting to IFAD's historic expertise and commitment in

<sup>3</sup> All results refer to the comparison without IFAD projects.

<sup>4</sup> The analysis presented in this section considers projects with financial closure in the period 2019–2021 and with a validated project completion report (PCR).

the area. To further sharpen the gender focus at design, IFAD introduced new gender guidelines in 2019.

Figure 2  
Project completion ratings, IFAD10 vs. IFAD11



9. **A few areas remain weaker, as already found in past portfolio stocktakes and RIDs.** Section IV presents an overview of the tools put in place for IFAD12 to improve performance in the above areas. Further information follows:

- (i) Efficiency saw a significant improvement over IFAD10, also driven by a reduction in the average effectiveness lag, and yet, only 76 per cent of the projects are rated moderately satisfactory or above, against an RMF11 target of 80 per cent. Recent portfolio stocktakes and the 2021 Annual Report on Results and Impact of IFAD Operations found efficiency to be strongly driven by government performance, which is mostly beyond IFAD control.<sup>5</sup> Nevertheless, during IFAD11, Management introduced several initiatives to reduce inefficiencies; decentralization in particular enabled financial management staff to be in the field. Other initiatives include: (i) the Project pre-Financing Facility<sup>6</sup> to facilitate project start-up; (ii) capacity-building and certification in procurement for project management unit (PMU) staff and IFAD country directors; (iii) the IFAD Client Portal, to speed up submission of withdrawal applications and other requests; and (iv) new and streamlined procedures facilitating remote design and supervision in light of COVID-19.
  - (ii) Sustainability, which underperformed in IFAD10, saw an improvement in IFAD11, with 82 per cent of projects rated moderately satisfactory or above, compared to an RMF11 target of 85 per cent. In particular, recent portfolio stocktakes identified exit strategies, policy engagement and the quality of project management units as key drivers.
  - (iii) Scaling up experienced a decline in performance, with 86 per cent of projects rated moderately satisfactory or above, significantly below the RMF11 target of 95 per cent. As found in recent portfolio stocktakes, the quality of beneficiary participation and policy engagement are directly correlated with scaling up.
10. The disconnect with independent evaluation ratings remains but is stable or narrowing for most criteria. On average, the Independent Office of Evaluation of IFAD (IOE) rates overall project achievement 0.32 points lower than Management. Among RMF11 criteria, scaling up is the one with the highest (yet narrowing) disconnect at 0.43 because of IOE's focus on evidenced steps undertaken to scale up benefits, which are only partially under IFAD's control. The IFAD Revised Evaluation Manual approved in 2022 provides a common definition for all criteria, which should reduce the disconnect.
11. In countries with fragile situations, the improvement over IFAD10 is generally more evident. Implementation of the IFAD strategy on fragility throughout IFAD11 has raised awareness and equipped country teams with the necessary skillsets to develop more fragility-sensitive and realistic programming. This has resulted in higher ratings for effectiveness, which is highly dependent on the actual achievement of targets. IFAD also piloted innovative solutions and approaches in countries with fragile situations, resulting in higher ratings for the innovation criterion. In gender, countries with fragile situations perform worse than the overall portfolio in terms of moderately satisfactory ratings; however, they perform better in terms of satisfactory ratings. This suggests the presence of extreme conditions and specific requirements in fragile states, which drive performance in gender more significantly in one direction or the other, depending on how well such requirements are met.
12. The regional analysis presented in figure 3 shows the East and Southern Africa Division (ESA) as the top performer in a wide array of criteria, including effectiveness, innovation, efficiency and scaling up. The Near East, North Africa and Europe Division (NEN) and ESA both performed strongly in adaptation to climate change and environment and natural resource management. Government

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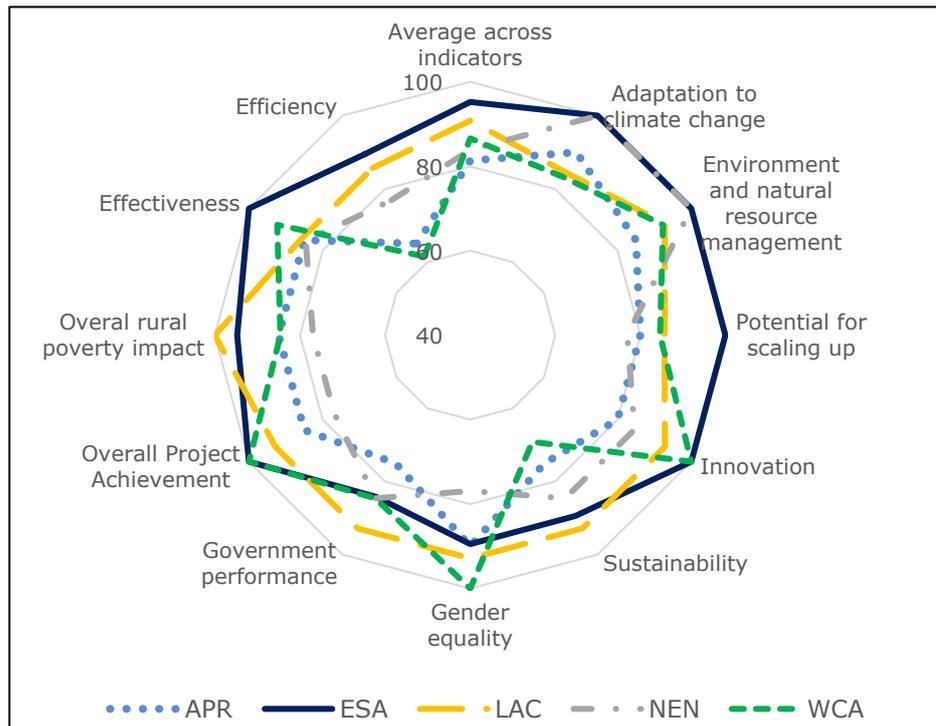
<sup>5</sup> See also IOE's evaluation synthesis report on government performance, released in 2022.

<sup>6</sup> Since 2019, IFAD has approved 10 allocations under the Project pre-Financing Facility, averaging US\$0.8 million. For the six projects approved up to November 2020 and benefiting from Faster Implementation of Project Start-up, the average time from approval to first disbursement has been 9.8 months, well below the general average and the RMF11 target. The four remaining projects have been approved from December 2020 onwards and have not yet issued their first disbursement.

performance, rural poverty impact and sustainability were highly rated in the Latin America and the Caribbean Division (LAC). The West and Central Africa Division (WCA) excelled in the areas of gender equality and innovation.

13. During IFAD11, WCA saw a marked improvement across criteria. In contrast, the Asia and the Pacific Division (APR) saw a general decline over IFAD10, due to specific projects that underperformed in all dimensions, as explained in the past RIDE. ESA also improved performance in effectiveness, efficiency and scaling up, while in LAC, there was marked improvement in sustainability and government performance. NEN exhibited more stable performance on average.

Figure 3  
**Project completion ratings by region in IFAD11**



14. **Development outcomes and outputs.** Ongoing IFAD projects reached 91.2 million beneficiaries in 2021, below the RMF11 target of 120 million, which had been exceeded in both 2019 and 2020. Fluctuations in outreach and output figures are associated with the fact that the largest-contributing operation<sup>7</sup> reached completion and exited the cohort of projects under analysis in 2021. COVID-19 and liquidity constraints also affected performance of the ongoing portfolio, as further discussed in paragraph 29. Importantly, the impact assessment analysis shows that a decrease in outreach figures is not likely to hinder the achievement of RMF11 targets.
15. Based on projects reporting disaggregated data, women beneficiaries account for 51 per cent of the total, youth 22 per cent and indigenous peoples 27 per cent. Figure 4 provides highlights on the main achievements and their contribution to the SDGs.

<sup>7</sup> Rural Financial Intermediation Programme II, Ethiopia.

Figure 4  
Outputs and outcomes achieved: Highlights from the 2021 portfolio

Strategic Objective 1 <i>Increase rural people's productive capacities</i>			Strategic Objective 2 <i>Increase poor rural people's benefit from market participation</i>			Strategic Objective 3 <i>Strengthen env. sustainability &amp; climate resilience of people's economic activities</i>		
RMF11 Target	Outputs	SUSTAINABLE DEVELOPMENT GOALS	RMF11 Target	Outputs	SUSTAINABLE DEVELOPMENT GOALS	RMF11 Target	Outputs	SUSTAINABLE DEVELOPMENT GOALS
70,000 ha	599,300 ha. farmland with water-related infrastructure		100,000 rural enterprises	1.96 mil. rural enterprises accessing business development services	8 CLEAN ENERGY AND ECONOMIC GROWTH	10,000 groups	46,370 groups supported to sustainably manage natural resources and climate-related risks	2 CLEAN WATER
23 mil. people	8.3 mil. people accessing financial services	2 CLEAN WATER	3.2 mil. people	3.2 mil. people trained in income-generating activities	4 QUALITY EDUCATION	1.5 million ha	1.8 mil. hectares of land brought under climate-resilient management	2 CLEAN WATER
5 mil. households	2.1 mil. people with support to improve nutrition		1.2 mil. members	1.2 mil. members of rural producers' organizations supported	2 CLEAN WATER	120,000 people	182,500 people with access to technologies that sequester carbon or reduce GHG emissions	7 AFFORDABLE AND CLEAN ENERGY
50,000 people	44,000 people's ownership over natural resources registered	1 NO POVERTY	20,000 km	11,650 km roads constructed	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	65 mil. tons GHG	112 mil. tons of greenhouse gas emissions (CO <sub>2</sub> ) avoided or sequestered	13 CLIMATE ACTION

16. **IFAD met or exceeded all RMF11 targets in terms of supporting diversified rural enterprises and employment opportunities** and linking rural producers to formal and informal organizations – both areas relevant to SO2. In terms of resilience (SO3), the 2021 portfolio exhibited outstanding performance in the areas of environmental sustainability and climate change, exceeding all RMF11 targets.
17. After reaching the majority of targets in 2019 and 2020, results from IFAD's 2021 ongoing portfolio remained below RMF11 targets in some areas relevant to SO1 – namely financial services, access to natural resources and nutrition – and SO2, i.e. road construction. In SO1, fluctuations are closely tied to specific projects exiting the ongoing portfolio. Road construction is also an area where delays were reported in past RIDEs, underscoring that estimates were optimistic; RMF12 targets are more conservative. As for nutrition, IFAD is on track in terms of incorporating specific elements into project design (as further explained in annex VI); however, tangible results in this regard are likely to require a longer time span.
18. Outcome-level results linked to nutrition and the adoption of environmentally sustainable and climate-resilient technologies and practices are not yet sufficient in number and quality to robustly assess the meeting of targets, due to the challenges in implementing the new core outcome indicator methodology during the onset of the COVID-19 pandemic in contexts often affected by limited PMU capacity and high staff turnover. IFAD will continue to follow up/support PMUs through IFAD's Operations Academy (OPAC) and as outlined in the monitoring, evaluation, adaptation and learning (MEAL) action plan to boost capacity and improve the quality of reporting.

### III. Operational and organizational performance – Tier III

#### A. Mobilizing resources

19. **Contributions.** In 2021, the total amount of core resources mobilized held steady at US\$1.07 billion, or 89 per cent of the RMF11 target of US\$1.2 billion, with an

improvement over IFAD10, when 81 per cent of resources were mobilized. For IFAD12, reaching the full replenishment target remains key to sustainable borrowing and meeting the Fund’s ambitious goal of doubling and deepening its impact by 2030.

20. **Leveraging cofinancing.** In IFAD11, the Fund’s business model shifted from that of direct financier through mobilized resources to that of an assembler of development finance. In 2019–2021, IFAD mobilized 1.95 cents of additional financing for every dollar of core resources invested, exceeding the RMF11 target of 1:1.4. The international cofinancing ratio stands at 1:0.94 against an RMF11 target of 1:0.6, signaling the confidence of international partners in IFAD as a leader in rural development. The domestic cofinancing ratio stands at 1:1.01 against a target of 1:0.8, which is an indicator of both government commitment to IFAD’s development agenda and interest from private partners.
21. **Domestic cofinancing.** In low-income countries (LICs), and especially in upper-middle-income countries (UMICs), the share of cofinancing contributed by governments is higher than that of beneficiaries. However, during the 2019–2021 period, financing ratios related to government contributions declined overall, while those related to beneficiary contributions increased – coming mainly from domestic financial institutions and the private sector.

Table 1  
Domestic cofinancing ratios 2019–2021, by income category\*

	LICs	Lower-middle-income countries (LMICs)	UMICs	Total
Government	0.19	0.69	0.82	<b>0.52</b>
Beneficiaries	0.16	0.69	0.58	<b>0.48</b>
Other**	0.00	0.01	0.00	<b>0.01</b>

\* Ratios are calculated as domestic contributions in IFAD investments to each income grouping, as per World Bank fiscal year (FY) 2022 classification. Fluctuations from previous years’ reporting are due mainly to changes in country classification, but cancellations or unmaterialized financing also contribute. For example, Indonesia shifted from an UMIC to an LMIC in FY2022.

\*\* Nongovernmental organizations, not-for-profit organizations.

22. **Borrowing.** IFAD’s debt-to-equity ratio gradually increased during IFAD11, shifting from 8.1 in 2019 to 15 in 2021, also driven by sovereign loans and the newly created concessional partner loan instrument. This increase corresponds to a specific IFAD11 commitment to integrate borrowing into IFAD’s financial framework and is in line with IFAD’s 2019 Capital Adequacy Policy.

## B. Allocating resources

23. **Delivery.** During IFAD11, the Fund delivered its highest-ever PoLG, worth US\$3.46 billion,<sup>8</sup> or 99 per cent of its RMF11 target of US\$3.5 billion. This translated into 78 investment projects, including two regional lending operations, across 74 countries, and 71 grants. The average project size was US\$38.3 million, slightly below the RMF11 target of US\$40 million but well above the 2016 baseline value of US\$28.6 million.
24. Proactive use of IFAD’s restructuring policy and cancellation of funds deriving from previous cycles allowed for the financing of additional operations: a crisis operation in Côte d’Ivoire, as well as IFAD’s first regional lending operation, the Joint Programme for the Sahel in Response to the Challenges of COVID-19, Conflict and Climate Change. In addition, there was strong uptake of IFAD’s Rural Poor Stimulus Facility, approved in 2020 as a response to COVID-19. The Fund approved US\$89 million across 55 single-country and nine multi-country projects,<sup>9</sup>

<sup>8</sup> IFAD core resources only, including the repurposing of regular grant resources, as approved by the Executive Board, in support of the Rural Poor Stimulus Facility (RPSF), IFAD non-Sovereign Private Sector Operations, IFAD Climate Facility and the multi-donor Trust Fund for the African Agriculture Transformation Initiative.

<sup>9</sup> US\$1.5 million is up for reapproval in Afghanistan due to the political situation in that country.

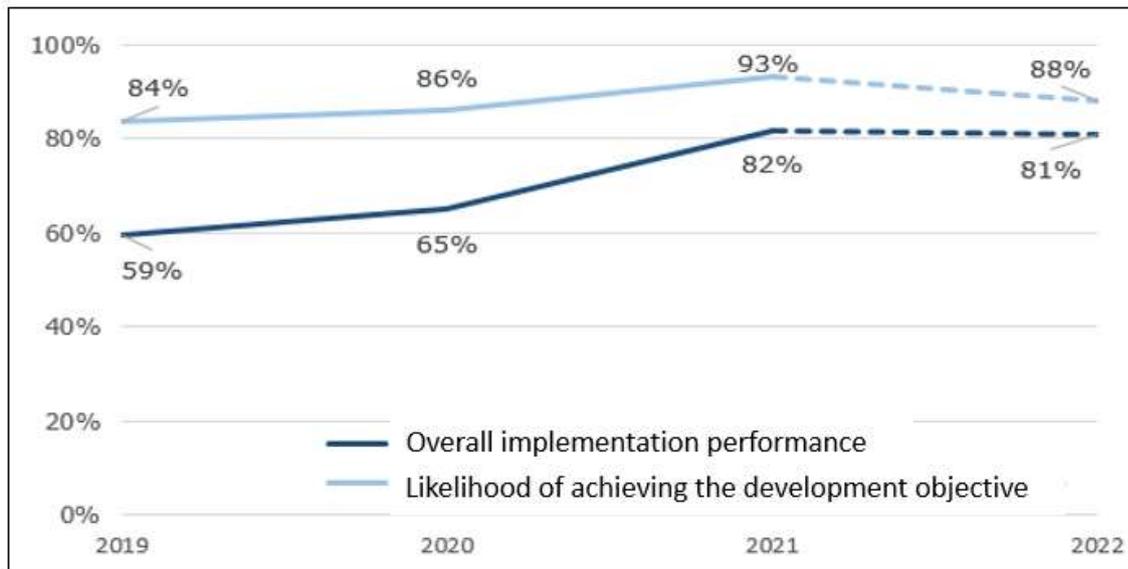
with 88 per cent of the funds already disbursed, and nearly all projects on track to complete activities by September 2022.

25. IFAD11 reallocations amounted to only US\$155.4 million, or 5 per cent of the resources distributed under the performance-based allocation system, in full compliance with the RMF11 target of not exceeding 10 per cent and proving the accuracy of estimates carried out at the beginning of the period. LAC and NEN, respectively, released 16 per cent and 15 per cent of the financing received, while WCA absorbed an additional 10 per cent. Reallocations for APR and ESA were minimal.

### **C. Utilizing resources**

26. **Portfolio quality at entry and targeting were both rated moderately satisfactory or better for all projects undergoing quality assurance review in 2020-2021.** Project designs were especially strong in terms of strategic alignment and relevance; they integrated environment and natural resources management (ENRM) and climate change themes coherently and also included a comprehensive financial management description. However, there were major challenges to balancing ambition with effectiveness during project implementation, as well as reducing design complexity, especially for countries with fragile situations (as highlighted by several independent evaluation products). Due to COVID-19, by the end of IFAD11 only 43 per cent of the projects had collected a baseline within their first year of implementation, missing the RMF11 target of 70 per cent.
27. **Portfolio quality during implementation.** IFAD monitors project performance by conducting supervision missions during implementation and rating a total of 26 criteria. These are grouped under two key supervision and implementation support (SIS) indicators: the likelihood of achieving the development objective and overall implementation progress. As shown in figure 5, performance has significantly improved in IFAD11, with 93 per cent of projects rating the likelihood of achieving the development objective as moderately satisfactory or better in 2021 as opposed to 84 in 2019. The improvement is even more noticeable for overall implementation progress, which rose from 59 per cent of projects rated moderately satisfactory or better to 82 per cent.
28. Early results for 2022 are based on supervision missions conducted during the first quarter of 2022, when IFAD resumed site visits at a larger scale. These data cover approximately one-third of the portfolio; as such, they provide only a preliminary assessment of performance. Based on this sample, performance indicators seem to be leveling off. Complete results for the year will be available in early 2023.
29. Throughout 2022, IFAD will analyze COVID-19's impact on the portfolio in greater depth and determine whether remote missions led to more optimistic assessments in 2020 and 2021 versus more accurate ratings in 2022. In the meantime, regional portfolio stocktakes conducted in June 2022 have flagged early signs of leveling performance, which could be the combined result of the return to in-person missions – leading to more realistic ratings – and the effects of COVID-19 on different aspects connected with project management, such as start-up times and staff turnover, adding to the existing challenge of PMU capacity. In addition, by affecting data quality and surveys, COVID-19 may have hindered the likelihood of achieving development outcomes.

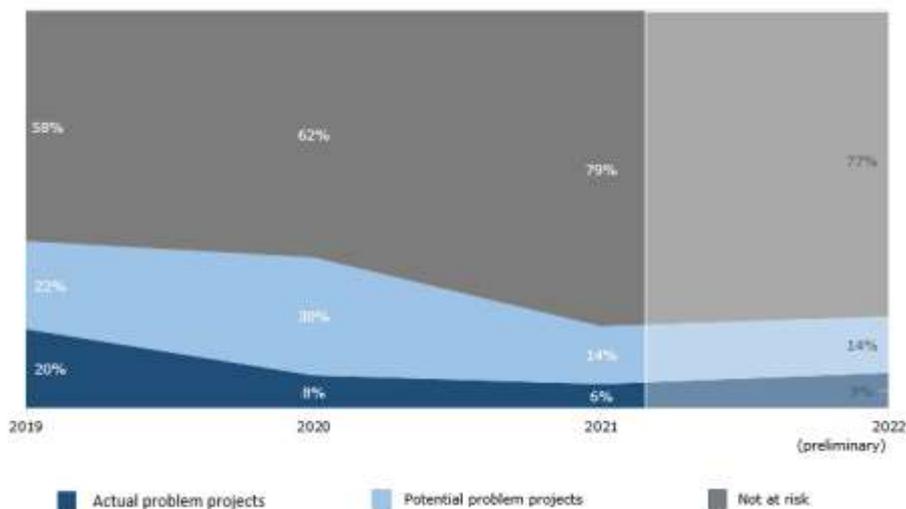
Figure 5  
Trend of key SIS indicators\*



\* Percentage calculations were based on values > 3.75 for all years under analysis, in line with the modifications in project supervision report ratings approved by the Programme Management Committee (PMC) in July 2020. Before July 2020, SIS indicators were deemed satisfactory when  $\geq 3.50$ .

30. **Problem projects.** Portfolio performance improved significantly throughout IFAD11, as shown in figure 6, in line with the positive trends in key SIS indicators outlined in previous paragraphs. Better performance is also linked to IFAD’s targeted actions to improve project procurement as a means of improving timely implementation and effectiveness. The contract monitoring tool introduced in 2020 has proven a valuable evidence-based management tool. Procurement training under OPAC has become mandatory for all country directors. The grant-funded capacity-building for procurement in IFAD’s project portfolio (BUILDPROC) training is set to certify at least 714 procurement officers in over 80 countries.

Figure 6  
Trend of portfolio at risk\*



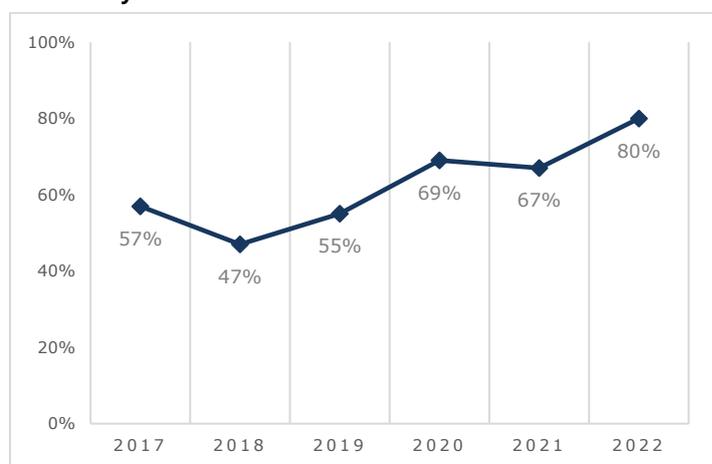
\* Percentage calculations were based on the modifications in portfolio classification approved by the PMC in July 2020 for all years under analysis – i.e. projects classified as “Not at risk” when both key SIS indicators are > 3.75. Before July 2020, projects were classified as “Not at risk” when both key SIS indicators were  $\geq 3.5$  and projects had fewer than five “risk flags” rated moderately unsatisfactory (< 3).

31. Preliminary 2022 data show a slightly higher share (9 per cent) of actual problem projects. While final information on 2022 performance will only become available in

2023, it is worth noting that any fluctuations in the share of portfolio at risk will also necessarily reflect the fact that IFAD is adjusting to a new business model, based on adaptive management and enhanced financial sustainability. Corrective action to improve performance may have a short-term negative effect on yearly performance indicators but a long-term positive effect on outcomes.

32. **IFAD’s proactivity index**<sup>10</sup> increased to 80 per cent (figure 7), thanks to the restructuring policy approved in 2018, more robust internal reviews, enhanced project delivery teams and strengthened reporting through Operational Results Management System (ORMS). Eighty per cent of projects rated as “actual problem” in 2021 improved their classification or formalized corrective action such as early closure, partial or total cancellation, extension and reallocation of funds in 2022. The remaining 20 per cent have established corrective measures in a performance improvement action plan that needs to be formalized.

Figure 7  
 Proactivity index trend



33. **Performance of country programmes.** IFAD has been proactive in adapting country strategic opportunities programmes (COSOPs) to emerging country needs. Over IFAD11, 98 per cent of COSOPs underwent at least one results review, exceeding the RMF11 target of 80 per cent.
34. Results from COSOP completion reports (CCRs) and the stakeholder feedback survey coincide in indicating highly relevant country strategies and excellent partnership-building. Effectiveness and policy engagement are relatively weaker and below RMF11 targets. CCRs and stakeholder surveys show divergent results in knowledge management, with the former rating this dimension below target and the latter ranking it as second best. Exogenous shocks and limited availability of grant resources also affected these areas. CCRs generally have a more rigorous approach to evaluating IFAD performance, while client and partner perceptions are more positive. Figures 8 and 9 compare RMF11 targets with CCR results and stakeholder survey results, respectively.

<sup>10</sup> The proactivity index is the percentage of ongoing projects rated as “actual problem” in the previous approved performance ratings, which have been upgraded, restructured, completed/closed, cancelled or suspended in the most recent approved performance ratings.

Figure 8  
**Share of COSOPs rated moderately satisfactory or above on key dimensions of country programmes during IFAD11**

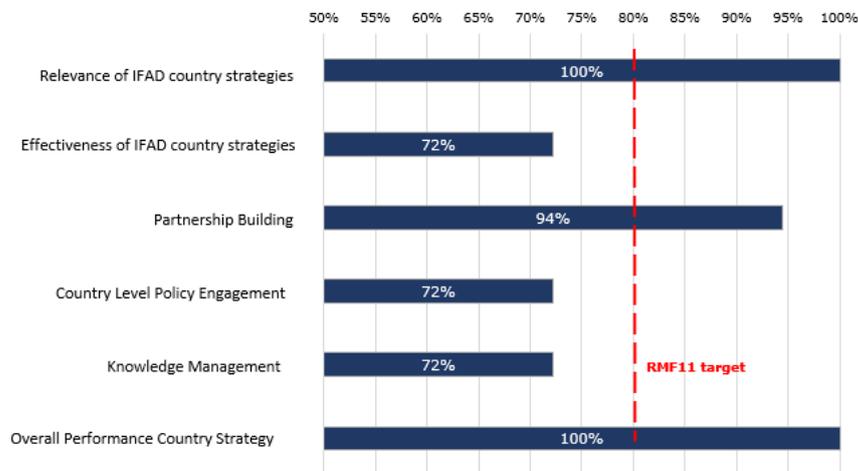
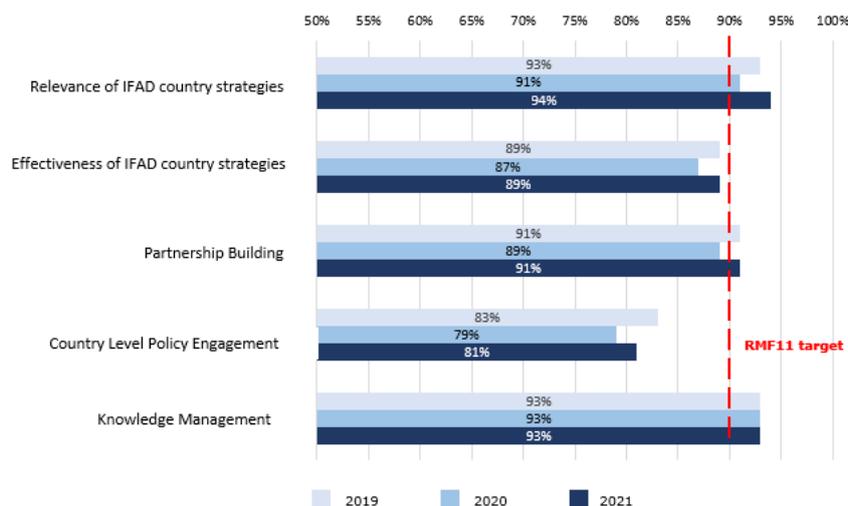


Figure 9  
**Share of moderately satisfactory feedback from stakeholders on key dimensions of country programmes**



35. **South-South and Triangular Cooperation (SSTC)** is instrumental to IFAD's business model, as it allows for knowledge sharing and enhanced sustainability of results and is a key pathway for scaling up results. Consequently, 94 per cent of approved IFAD11 COSOPs included a comprehensive SSTC approach at design, exceeding the RMF11 target of 66 per cent. In addition, 22 out of 78 IFAD11 projects included a clear SSTC component. However, resources available for SSTC implementation have not met expectations.
36. **Portfolio management.** The average time for project design (i.e. from concept note approval to project approval) is 9.92 months, missing the RMF11 target of 8 months, yet with significant improvement over the 15.7 months tracked at the end of IFAD10. The lag between inception and approval is justified by the need to ensure project quality and risk categorization, as well as full compliance with the Social, Environmental and Climate Assessment Procedures (SECAP), and is magnified by fiscal space during a given year, government turnover or shifting priorities. There may have also been some impact from the pandemic, given disruptions in travel and partner staff availability. For these reasons, the target estimated for IFAD11 was unrealistic; this indicator is no longer in use for IFAD12.

37. On average, projects approved during IFAD11 had their first disbursement after 13.67 months, missing the RMF11 target of 12 months. Common causes of delay were the ratification process required in some countries, which significantly delayed entry into force, and liquidity constraints. Given the heavy influence of external factors, the RMF12 does not include this indicator.
38. The overall disbursement ratio for the IFAD11 period stood at 15.8 per cent, missing the RMF11 target of 17 per cent, which did not consider the effects of liquidity constraints. The target for RMF12 reflects this constraint and is therefore more conservative. For countries in fragile situations, however, the disbursement ratio reached 16.55 per cent, exceeding the RMF11 target of 16 per cent.

#### **D. Transforming resources**

39. **Decentralization.** IFAD continues its very strong performance with respect to its ambitious decentralization agenda. In 2021, ESA and WCA officially opened their regional offices in Nairobi and Abidjan, respectively, and regional directors are based in the regions. Furthermore, IFAD adopted a prioritization plan for IFAD Country Office (ICO) interventions, based on metrics capturing portfolio size, future business, development gaps and fragility. Based on this, three ICOs (Haiti, Nepal and Niger) became country director-led offices in 2021. As a result, the share of staff positions in country or multi-country offices jumped from 32 in 2019 to 36.5 in 2021, thus exceeding the RMF11 target of 33.
40. **Institutional efficiency.** Organizational efficiency ratios remain acceptable overall, despite setbacks in a few indicators related to IFAD's administrative expenditures, reflecting the initial cost of decentralization, turnover and reassignment. Use of IFAD systems such as the IFAD Client Portal and ORMS remains high. The grant-funded Programme in Rural Monitoring and Evaluation (PRiME) trained personnel from 73 per cent of ongoing IFAD-supported projects.<sup>11</sup> However, in 2021 a change in Mexico's domestic law prevented the implementing agency from continuing to manage grant funds and led to early grant termination and missing the RMF11 target of training for 85 per cent of projects. IFAD's OPAC will release a capacity-building course on monitoring and evaluation in late 2022.
41. Workforce management continued to improve in 2021, with a higher share of professionals from List B and C countries and women in P-5 posts exceeding the IFAD11 target. Recruitment took longer than expected, due to the significant number of staff positions to fill during decentralization and reassignment.
42. IFAD performed well in transparency, in line with the 2017 Increasing Transparency for Greater Accountability Action Plan. A few notable outputs are IFAD's operations dashboard and stakeholder survey, publicizing operations and country strategy performance.<sup>12</sup> As a result of these and other initiatives, the International Aid Transparency Initiative has rated the comprehensiveness of IFAD's publishing standards at 86 per cent, well above the RMF11 target of 75 per cent. In 2021, IFAD cleared 85 per cent of due project completion reports within the prescribed deadline,<sup>13</sup> thus meeting the RMF11 target of 85 per cent, and published 77 per cent (still missing the RMF11 target of 90 per cent).
43. Fifty-four per cent of IFAD projects approved in 2021 include activities or components that advance transparency in borrowing countries, exceeding the RMF11 target of 30 per cent. Examples include: fostering transparency in transactions within value chains through geographic information systems; piloting

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<sup>11</sup> Calculation based on final training data drawn from the grant completion report. Figures vary across years also due to the different composition of the ongoing portfolio, used as the denominator in the indicator formula.

<sup>12</sup> See para. 41.

<sup>13</sup> Usually six months after completion date. IFAD granted additional extensions (six months, or longer in the case of COVID-19-related impediments) to projects undergoing an impact assessment. IFAD also granted small extensions on a case-by-case basis – e.g. to permit negotiation and agreement on final ratings with governments.

blockchain to increase the transparency of Participatory Guarantee Systems;<sup>14</sup> and holding participatory fora to increase the transparency of monitoring.

#### **IV. Way forward in IFAD12**

44. IFAD has learned a great deal from addressing the effects of COVID-19 on its portfolio. While greater decentralization and better systems allowed for remote engagement, in-person missions remain vital for accurate monitoring. COVID-19 was also the force driving IFAD to become more adaptive and manage its portfolio with even greater agility. Learning from past experience has become more important than ever, and IFAD designs and evaluations are beginning to incorporate the learning element as a key tool for enhancing relevance and quality.
45. Under IFAD12, IFAD is enacting dedicated action plans to improve performance in weaker areas. As part of the People, Processes and Technology Plan, the Fund is implementing a more robust risk-based assurance methodology, covering both financial control in cash disbursement and financial management, two key areas affecting efficiency. The action plan on sustainability offers a repository of resources for increasing sustainability in a wide variety of contexts to enable country teams to develop a tailored approach to increasing sustainability and developing sound exit strategies for better ownership.
46. IFAD will continue to leverage its procurement systems for better project management. Based on the updated operational framework for scaling up results, COSOPs will be the main vehicle for scaling up by strategically considering interventions planned for approval. Under Decentralization 2.0, nearly half of new and upgraded offices will be in fragile countries, and close to 70 per cent in sub-Saharan Africa,<sup>15</sup> to further address elements of fragility in project design.
47. IFAD's new corporate strategy on SSTC places an even sharper focus on partnerships, policy engagement and innovation but will be effective only if resources are forthcoming. Country-level policy engagement will also be key, with additional guidance tools under development and new training under the OPAC; however, additional non-lending resources are also required. Under the new IFAD12 business model, the Fund will focus core resources on LICs while expanding financing through the Borrowed Resource Access Mechanism (BRAM). Together, these actions will shape IFAD's results in the coming years and lead to a greater and deeper impact, advancing progress on the 2030 Agenda.

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<sup>14</sup> Locally focused quality assurance systems certifying producers, based on active stakeholder participation and built on a foundation of trust, social networks and knowledge sharing.

<sup>15</sup> EB 2021/134/R.5.

## Eleventh Replenishment of IFAD's Resources (IFAD11) Results Management Framework<sup>16</sup>

### Tier I – Goals and context

		Source	Baseline (year)	Results (year)
<b>1.1 Sustainable Development Goal (SDG) 1: No poverty</b>				
1.1.1	Proportion of population below the international poverty line of US\$1.90 a day (SDG 1.1.1)	United Nations Statistics Division (UNSD)	N/A	9.2 (2020)
<b>1.2 Sustainable Development Goal 2: Zero hunger</b>				
1.2.1	Prevalence of food insecurity (SDG 2.1.2)	UNSD	N/A	33 (2020)
1.2.2	Prevalence of stunting among children under 5 years of age (SDG 2.2.1)	UNSD	N/A	22 (2020)
1.2.3	Prevalence of malnutrition (SDG 2.2.2)	UNSD	N/A	6.7% (wasting); 5.7% (overweight) (2020)
1.2.4	Average income of small-scale food producers (SDG 2.3.2)	UNSD	N/A	-
1.2.5	Total official flows to the agriculture sector (billions of United States dollars) (SDG 2.A.2)	UNSD	N/A	12.8 (2018)
1.2.6	Government expenditure on agriculture (index) (SDG 2.A.1)	UNSD	N/A	0.28 (2020)

<sup>16</sup> RMF11 indicator definitions available in GC 41/L.3/Rev.1, annex II.

**Tier II – Development results**

<i>Impact</i>	<i>Source</i>	<i>Baseline</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>IFAD11 target (end-2021)</i>	
<b>2.1</b>							
2.1.1	Number of people experiencing economic mobility (millions) (SDGs 2.3 and 1.2)	IFAD11 Impact Assessment (IFAD11 IA)	N/A			77.4	44
2.1.2	Number of people with improved production (millions) (SDG 2.3)	IFAD11 IA	N/A			62.4	47
2.1.3	Number of people with improved market access (millions) (SDG 2.3)	IFAD11 IA	N/A			64.4	46
2.1.4	Number of people with greater resilience (millions) (SDG 1.5)	IFAD11 IA	N/A			38.2	24
2.1.5	Number of people with improved nutrition (millions) (SDG 2.1)	IFAD11 IA	N/A			0.6	12
<b>2.2</b>	<b>Project-level development results <sup>a,b,c</sup></b>		<b>2014-2016</b>	<b>2017-2019 rolling average</b>	<b>2018-2020 rolling average</b>	<b>2019-2021 rolling average</b>	
2.2.1	Overall project achievement (ratings 4 and above) (percentage)	Project completion report (PCR) ratings	88	85	85	91	90
2.2.2	Overall project achievement (ratings 4 and above) (percentage)	Independent Office of Evaluation of IFAD (IOE) ratings	81	72	76	75	-
2.2.3	Overall project achievement (ratings 5 and above) (percentage)	IOE ratings	26	23	25	25	-
2.2.4	Effectiveness (ratings 4 and above) (percentage)	PCR ratings	84	84	85	90	90
2.2.5	Efficiency (ratings 4 and above) (percentage)	PCR ratings	77	65	68	76	80
2.2.6	Gender equality (ratings 4 and above) (percentage)	PCR ratings	87	88	86	90	90
2.2.7	Gender equality (ratings 5 and above) (percentage)	PCR ratings	54	49	51	53	60
2.2.8	Sustainability of benefits (ratings 4 and above) (percentage)	PCR ratings	78	70	73	82	85
2.2.9	Scaling up (ratings 4 and above) (percentage)	PCR ratings	92	85	85	86	95
2.2.10	Environment and natural resource management (ENRM) (ratings 4 and above) (percentage)	PCR ratings	88	82	85	94	90
2.2.11	Adaptation to climate change (ratings 4 and above) (percentage)	PCR ratings	84	84	88	92	85
<b>2.3</b>	<b>Project-level outcomes and outputs <sup>d</sup></b>		<b>2016/2019</b>	<b>2019</b>	<b>2020</b>		

Impact		Source	Baseline	2019	2020	2021	IFAD11 target (end-2021)
2.3.1	Number of persons receiving services (millions) <sup>e</sup> (SDG 1.4)	Core indicators	97.04	131.7 (M53/F47) (Y20/NY80)	128.5 (M51/F49) (Y22/NY78)	91.2 (M49/F51) (Y22/NY78)	120
2.3.2	Number of ha of farmland with water-related infrastructure constructed/rehabilitated (SDG 2.3)	Core indicators	57 000	492 700	562 900	599 300	70 000
2.3.3	Number of persons trained in production practices and/or technologies (millions) <sup>e</sup> (SDG 2.3)	Core indicators	2.51	2.63 (M53/F47) (Y13/NY87)	3.2 (M57/F43) (Y22/NY78)	2.9 (M53/F47) (Y12/NY88)	3.5
2.3.4	Number of persons in rural areas accessing financial services (millions) <sup>e</sup> (SDG 2.3)	Core indicator	17.4	22 (M50/F50) (Y25/NY75)	23.4 (M49/F51) (Y22/NY78)	8.3 (M42/F58) (Y19/NY81)	23
2.3.5	Number of persons/households provided with targeted support to improve their nutrition (millions) <sup>e</sup> (SDG 2.1)	Core indicators	1.7 (M40/F60) (Y43/NY57)	1.7 (M40/F60) (Y43/NY57)	1.8 (M37/F63) (Y22/NY78)	2.1 (M40/F60) (Y33/NY67)	5
2.3.6	Percentage of women reporting improved quality of their diets <sup>f,g</sup> (SDG 2.1)	Core indicators – outcome level	n/a	n/a	23	14	20
2.3.7	Number of rural enterprises accessing business development services (SDG 8.2)	Core indicators	91 240	505 500	532 500	1 965 250	100 000
2.3.8	Number of persons trained in income-generating activities or business management (millions) <sup>e</sup> (SDG 4.4)	Core indicators	2.4	2.35 (M37/F63) (Y46/NY54)	3.7 (M39/F61) (Y25/NY75)	3.2 (M31/F69) (Y28/NY72)	3.2
2.3.9	Number of supported rural producers who are members of rural producers' organizations (millions) <sup>e</sup> (SDG 2.3)	Core indicators	0.8	0.7 (M44/F56) (Y15/NY85)	1.5 (M52/F48) (Y18/NY82)	1.2 (M61/F39) (Y13/NY87)	1.2
2.3.10	Number of kilometres of roads constructed, rehabilitated or upgraded (SDG 9.1)	Core indicators	13 700	10 700	13 100	11 650	20 000
2.3.11	Number of groups supported to sustainably manage natural resources and climate-related risks (SDG 2.4)	Core indicators	7 700	7 700	8 100	46 370	10 000
2.3.12	Number of persons accessing technologies that sequester carbon or reduce greenhouse gas emissions <sup>e</sup> (SDG 7.1)	Core indicators	81 200 (M63/F37) (Y20/NY80)	81 200 (M63/F37) (Y20/NY80)	148 100 (M63/F37) (Y15/NY85)	182 500 (M63/F37) (Y14/NY86)	120 000
2.3.13	Number of persons/households reporting adoption of environmentally sustainable and climate-resilient technologies and practices <sup>g</sup> (SDG 13.1)	Core indicators – outcome level	n/a	n/a	50 400	220,550	300 000

<i>Impact</i>		<i>Source</i>	<i>Baseline</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>IFAD11 target (end-2021)</i>
2.3.14	Number of hectares of land brought under climate-resilient management (SDG 2.4)	Core indicators	1.2 million	1.75 million	1.67 million	1.8 million	1.5 million
2.3.15	Number of tons of greenhouse gas emissions (CO2) avoided and/or sequestered (SDG 13.1)	Core indicators – outcome level	-30 million	-38 million tCO2e over 20 years	-59 million tCO2e over 20 years	-112million tCO2e over 20 years	-65 million
2.3.16	Number of persons whose ownership or user rights over natural resources have been registered in national cadasters and/or geographic information management systems <sup>e</sup> (SDG 1.4)	Core indicators	31 000 (M55/F45) (Y29/NY71)	31 000 (M55/F45) (Y29/NY71)	72 900 (M52/F48) (Y29/NY71)	44 000 (M55/F45) (Y29/NY71)	50 000

<sup>a</sup> Project-level outcomes are presented on a three-year rolling basis.

<sup>b</sup> Results disaggregated for projects in countries with most fragile situations will also be presented in the Report on IFAD's Development Effectiveness (RIDE).

<sup>c</sup> In yearly reporting through the RIDE, Management will calculate the divergence between its self-assessment with regard to project-level outcomes (based on PCRs) and corresponding ratings by IOE (based on PCR validations).

<sup>d</sup> Results will be presented only for the year under review. Figures are rounded.

<sup>e</sup> Results will be disaggregated by gender and age.

<sup>f</sup> Results will be presented only for projects with a specific nutrition focus.

<sup>g</sup> Outcome data come from 62 ongoing projects, out of which 7 carried out core outcome indicators (COIs) surveys and 55 carried out alternative surveys.

**Tier III – Operational and organizational performance**

		Source	Baseline	2019	2020	2021	IFAD11 target (end-2021)
<b>3.1</b>	<b>Resource mobilization and leveraging cofinancing</b>		<b>2016</b>				
3.1.1	Percentage achievement of IFAD11 programme of loans and grants (PoLG) target <sup>a</sup>	Corporate databases	N/A	87	89	89	Tracked
3.1.2	Debt-to-equity ratio (percentage)	Corporate databases	3.3	8.1	12.5	15	Tracked
3.1.3	Cofinancing ratio (international) <sup>b</sup>	Grant and Investment Projects System (GRIPS)	1:0.53	1:0.61	1:0.74	1:0.94	1:0.6
3.1.4	Cofinancing ratio (domestic) <sup>b</sup>	GRIPS	1:0.74	1:0.76	1:0.93	1:1.01	1:0.8
<b>3.2</b>	<b>Allocation of resources</b>		<b>2013-2015</b>				
3.2.1	Share of core resources * allocated through the performance-based allocation system (PBAS) to low-income countries (LICs) and lower-middle-income countries (LMICs); and to upper-middle-income countries (UMICs) (percentage) <sup>c</sup>	Programme Management Department (PMD)	N/A	90:10	90:10	90:10	LICs and LMICs: 90 UMICs: 10
3.2.2	Percentage of PBAS resources reallocated in IFAD11	PMD	10	-	-	5	<10
3.2.3	Number of countries included in the PBAS at the beginning of the cycle	PMD	102	80	80	80	80
3.2.4	Average size of IFAD's investment projects (IFAD financing) (millions of US\$)	GRIPS	28.6 (2014-2016)	40	38.5	38.3	Tracked
3.2.5	Appropriateness of targeting approaches in IFAD investment projects (percentage)	Quality assurance ratings	N/A	93	89	100	90
<b>3.3</b>	<b>Performance of country programmes</b>		<b>2016</b>				
3.3.1	Relevance of IFAD country strategies (ratings of 4 and above) (percentage)	Client surveys	N/A	93	91	94	90
		Country strategic opportunities programme (COSOP) completion reviews (CCRs)	N/A			100	80
3.3.2	Percentage of active COSOPs that undertook at least one COSOP results review during the cycle <sup>e</sup>	GRIPS	N/A	86	94	98	80
3.3.3	Effectiveness of IFAD country strategies (ratings of 4 and above) (percentage)	Client surveys	N/A	89	87	89	90
		CCRs	N/A			72	80
3.3.4	Partnership-building (ratings of 4 and above) (percentage)	Client surveys	100	91	89	91	90
		CCRs	N/A			94	80
3.3.5	Country-level policy engagement (ratings of 4 and above) (percentage)	Client surveys	100	83	79	81	90

		Source	Baseline	2019	2020	2021	IFAD11 target (end-2021)
		CCRs	N/A			72	80
3.3.6	Knowledge management (ratings of 4 and above) (percentage)	Client surveys	N/A	93	93	93	90
		CCRs	N/A			72	80
3.3.7	South and Triangular Cooperation (SSTC) (percentage of COSOPs with comprehensive approach at design)	COSOPs	50	88	76	94	66
3.3.8	Percentage of new country strategies in countries with the most fragile situations that undertake fragility assessments <sup>e</sup>	IFAD records	N/A	100	100	100	60
<b>3.4</b>	<b>Quality at entry</b>		<b>2016</b>				
3.4.1	Overall rating for quality of project design (ratings 4 and above) (percentage) <sup>d</sup>	Quality assurance ratings	93	93	96	100	95
3.4.2	Overall rating for quality of project design (fragile situations only) (ratings 4 and above) (percentage) <sup>d</sup>	Quality assurance ratings	96	77	94	100	90
3.4.3	Percentage of ongoing projects with a baseline by the end of the first year of implementation	Operational Results Management System (ORMS)	N/A	49	51.5	43.2	70
<b>3.5</b>	<b>Portfolio management</b>		<b>2016</b>				
3.5.1	Time from concept note to approval (months)	Corporate databases	17	10	11.06	9.92	8
3.5.2	Time from project approval to first disbursement (months)	GRIPS	17	15	10.09	13.67	12
3.5.3	Disbursement ratio (percentage) <sup>**e</sup>	Oracle FLEXCUBE	16.7	17.9	16.51	15.8	17
3.5.4	Disbursement ratio <sup>**</sup> – fragile situations only (percentage)	Oracle FLEXCUBE	12.8	19.1	17.58	16.55	16
<b>3.6</b>	<b>Decentralization</b>		<b>2016</b>				
3.6.1	Ratio of budgeted staff positions in IFAD Country Offices (ICOs)/regional hubs (percentage)	Corporate databases	18	32	33	36.5	33
3.6.2	Percentage of IFAD's investment projects (by financing volume) managed by ICOs/regional hubs	Corporate databases	74	100	100	100	100
3.6.3	Percentage of supervision/implementation support budget used through ICOs/regional hubs	Corporate databases	n/a	100	100	100	70
<b>3.7</b>	<b>Institutional efficiency</b>		<b>2016</b>				
3.7.1	Ratio of IFAD's administrative expenditure to the PoLG	Corporate databases	13.1	11.2	12.9	13.52	12.9
3.7.2	Ratio of actual administrative expenditures (including expenditures financed by management fees) to IFAD's programme of work (PoW) (PoLG and cofinancing)	Corporate databases	6.5	4.7	4.9	4.6	6.0
3.7.3	Ratio of actual administrative expenditure (including expenditure financed by management fees) to annual disbursements	Corporate databases	18.1	15.6	16	16.4	16
3.7.4	Ratio of the administrative budget to the ongoing portfolio of loans and grants	Corporate databases	2.27	2.1	2.0	2.06	2.1

		Source	Baseline	2019	2020	2021	IFAD11 target (end-2021)
3.7.5	Percentage of countries with disburseable projects using the IFAD Client Portal	Information and Communications Technology Division	-	63	95	92	75
3.7.6	Percentage of IFAD operations using the ORMS	PMD	-	100	100	100	100
3.7.7	Percentage of IFAD-supported projects trained through the Centers for Learning on Evaluation and Results (CLEAR) initiative	PMD	-	56	85	73	85
<b>3.8</b>	<b>Workforce management</b>		<b>2016</b>				
3.8.1	Percentage of women in P-5 posts and above	Corporate databases	29	34	34	38.1	35
3.8.2	Percentage of Professional staff from Lists B and C	Corporate databases	38	44	46	48.6	Tracked
3.8.3	Time to fill Professional vacancies (days)	Corporate databases	91	94	93	132	100
<b>3.9</b>	<b>Transparency</b>		<b>2016</b>				
3.9.1	Percentage of PCRs submitted within six months of completion, with that percentage publicly disclosed	PMD	41/0	67/74	87/70	85/77	85/90
3.9.2	Comprehensiveness of IFAD's publishing to International Aid Transparency Initiative (IATI) standards (percentage)	IATI	63	86	86	86	75
3.9.3	Percentage of operations with activities or components that advance transparency in borrowing countries	Corporate databases	N/A	47	58	54	30

<sup>a</sup> The indicator refers to the percentage of core replenishment resources that have been mobilized, as compared to the IFAD11 target.

<sup>b</sup> Results are presented for projects approved in the last 36 months. The RIDE will disaggregate by country income groups and will disaggregate the reporting of domestic cofinancing with regards to government and beneficiary contributions.

<sup>c</sup> The RIDE will also provide information on allocations to projects with most fragile situations and small island developing states.

<sup>d</sup> Quality-at-entry ratings are aggregated over 24 months.

<sup>e</sup> Corporate databases are being enhanced to enable capture of this information.

\* Core resources is a definition adopted by IFAD to describe core replenishment contributions, unrestricted complementary contributions, principal and interest repayments on loans financed by these resources, as well as the grant component of concessional partner loans.

\*\* In 2017 IFAD reviewed its disbursement ratio definition in order to align it with the methodology used by other multilateral development organizations. The IFAD10 target therefore precedes this review and was calculated using the previous definition. The 2016 baseline and IFAD11 target instead reflect the definition adopted in 2017.

## World Bank harmonized list of countries with fragile situations

FY2021		FY2022	
1	Afghanistan	1	Afghanistan
2	Burkina Faso	2	Armenia
3	Burundi	3	Azerbaijan
4	Cameroon	4	Burkina Faso
5	Central African Republic	5	Burundi
6	Chad	6	Cameroon
7	Comoros	7	Central African Republic
8	Congo, Dem. Rep.	8	Chad
9	Congo, Rep.	9	Comoros
10	Eritrea	10	Congo, Dem. Rep.
11	Gambia	11	Congo, Rep.
12	Guinea-Bissau	12	Eritrea
13	Haiti	13	Ethiopia
14	Iraq	14	Guinea-Bissau
15	Kiribati	15	Haiti
16	Kosovo	16	Iraq
17	Lao	17	Kiribati
18	Lebanon	18	Kosovo
19	Liberia	19	Lebanon
20	Libya	20	Libya
21	Mali	21	Mali
22	Marshall Islands	22	Marshall Islands
23	Micronesia	23	Micronesia, Fed. Sts.
24	Mozambique	24	Mozambique
25	Myanmar	25	Myanmar
26	Niger	26	Niger
27	Nigeria	27	Nigeria
28	Papua New Guinea	28	Papua New Guinea
29	Solomon Islands	29	Solomon Islands
30	Somalia	30	Somalia
31	South Sudan	31	South Sudan
32	Sudan	32	Sudan
33	Syrian Arab Republic	33	Syrian Arab Republic
34	Timor-Leste	34	Timor-Leste
35	Tuvalu	35	Tuvalu
36	Venezuela, RB	36	Venezuela, RB
37	West Bank and Gaza	37	West Bank and Gaza (territory)
38	Yemen, Rep.	38	Yemen, Rep.
39	Zimbabwe	39	Zimbabwe

## Value-for-money scorecard

<i>Dimensions of business model</i>	<i>Key problems</i>	<i>Actions taken to enhance value for money (VfM)</i>	<i>Link to VfM 4E dimensions</i>	<i>Measurement of success through the Results Management Framework (RMF) indicators*</i>	<i>2019 results</i>	<i>2020 results</i>	<i>2021 results</i>
<b>Resource mobilization</b>	Core resources not being leveraged to the greatest possible degree	Leverage resources through borrowing	<b>Economy and efficiency.</b> Allows each dollar of official development assistance to produce a multiplier effect on the total amount of loans, thereby increasing the efficiency and economy of those resources.	<ul style="list-style-type: none"> <li>Debt-to-equity ratio (3.1.2)</li> <li>Cofinancing ratio (3.1.3 and 3.1.4)</li> <li>Number of persons receiving services (millions) (2.3.1)</li> </ul>	8.1%	12.5%	15
		Cofinancing with domestic and international partners	<b>Effectiveness.</b> Enhances effectiveness by improving impact with funds and knowledge that complement IFAD's approaches and reinforce domestic ownership.		<ul style="list-style-type: none"> <li>1:0.61 (above)</li> <li>1:0.76 (meeting)</li> </ul>	<ul style="list-style-type: none"> <li>1:0.74 (above)</li> <li>1:0.93 (above)</li> </ul>	<ul style="list-style-type: none"> <li>1:0.94 (above)</li> <li>1:1.01 (above)</li> </ul>
		Mobilization of supplementary funds linked to climate, youth, fragility (refugees) and private sector	<b>Effectiveness and equity.</b> Enhances equity by facilitating targeting of funds and enhances effectiveness by addressing particular concerns of disadvantaged groups.		<ul style="list-style-type: none"> <li>131.7 million (above)</li> </ul>	<ul style="list-style-type: none"> <li>128.5 million (above)</li> </ul>	<ul style="list-style-type: none"> <li>91.2 million (below)</li> </ul>
<b>Resource allocation</b>	Targeting of countries and within countries needs to be strengthened	Country selectivity and resource allocation through PBAS	<b>Efficiency and equity.</b> Enhances equity through a focus on countries with strong needs and effectiveness through an emphasis on performance. It also improves efficiency by sequencing services to borrowers.	<ul style="list-style-type: none"> <li>Share of core resources allocated to LICs and LMICs; and UMICs (3.2.1)</li> <li>Percentage of PBAS resources reallocated in IFAD11 (3.2.2)</li> <li>Number of countries included in the PBAS at the beginning of the cycle (3.2.3)</li> <li>Number of persons receiving services (millions) (2.3.1)</li> </ul>	90/10 (meeting)	90/10 (meeting)	90/10 (meeting)
		Tailoring country-level approaches	<b>Effectiveness and equity.</b> Enhances equity by ensuring that targeting is appropriate for the context and leads to effective projects.		n/a	0%	5 (above)
		Enhanced targeting of youth	<b>Equity.</b> Enhances equity by ensuring key populations are reached.		<ul style="list-style-type: none"> <li>80 (meeting)</li> <li>131.7 million (above)</li> </ul>	<ul style="list-style-type: none"> <li>80 (meeting)</li> <li>128.5 million (above)</li> </ul>	<ul style="list-style-type: none"> <li>80 (meeting)</li> <li>91.2 million (below)</li> </ul>
<b>Resource utilization</b>	Resource use within countries not reaching full potential	Decentralization and enhanced country-based model	<b>4Es.</b> Enhances the 4Es through expanded country presence, which allows for better information flow and engagement, and more effective use of resources.	<ul style="list-style-type: none"> <li>Time from concept note to approval (3.5.1)</li> <li>Time from project approval to first disbursement (3.5.2)</li> <li>Disbursement ratio (3.5.3)</li> <li>Ratio of budgeted staff positions in ICOs/regional hubs (3.6.1)</li> </ul>	<ul style="list-style-type: none"> <li>10 months (below)</li> <li>15 months (below)</li> </ul>	<ul style="list-style-type: none"> <li>11.06 (below)</li> <li>10 (above)</li> </ul>	<ul style="list-style-type: none"> <li>9.92 (below)</li> <li>13.67 (below)</li> </ul>
		Enhanced synergies between lending and non-lending activities	<b>Economy and effectiveness.</b> Enhances economy and efficiency through better solutions and enhances effectiveness through improved impact.		<ul style="list-style-type: none"> <li>17.9 (above)</li> </ul>	<ul style="list-style-type: none"> <li>16.5 (below)</li> </ul>	<ul style="list-style-type: none"> <li>15.8 (below)</li> </ul>
		Increased loan size	<b>Economy and efficiency.</b> Enhances economy and efficiency through economies of scale in project design and implementation.		<ul style="list-style-type: none"> <li>32% (below)</li> </ul>	<ul style="list-style-type: none"> <li>33% (meeting)</li> </ul>	<ul style="list-style-type: none"> <li>36.5% (above)</li> </ul>

		Mainstreaming climate, gender, nutrition and youth	<b>Equity.</b> Enhances equity through improved targeting and effectiveness by focusing on key issues (e.g. climate and nutrition).	<ul style="list-style-type: none"> <li>Average size of IFAD's investments projects (IFAD financing) (3.2.4)</li> <li>Percentage of operations rated 5 and above at completion for overall project achievement (IOE) (2.2.3)</li> </ul>	<ul style="list-style-type: none"> <li>US\$40 million</li> <li>23%</li> </ul>	<ul style="list-style-type: none"> <li>US\$38.5 million</li> <li>25%</li> </ul>	<ul style="list-style-type: none"> <li>US\$ 38.3 million</li> <li>25%</li> </ul>
<b>Resource transformation</b>	Insufficient focus on measuring and managing for results	Development Effectiveness Framework to manage for results	<b>Four "E"s.</b> Ensure adequate information to drive increases in the four "E"s through evidence-based decisions.	<ul style="list-style-type: none"> <li>Number of persons receiving services (millions) (2.3.1)</li> <li>Number of people with: greater economic mobility, greater production, greater market access and increased resilience (2.1.1, 2.1.2, 2.1.3, 2.1.4)</li> <li>Percentage of countries with disbursable projects using the IFAD Client Portal (3.7.5)</li> <li>Percentage of IFAD operations using the ORMS (3.7.6)</li> <li>Percentage of IFAD-supported projects trained through the CLEAR initiative (3.7.7)</li> </ul>	<ul style="list-style-type: none"> <li>131.7 million (above)</li> </ul>	<ul style="list-style-type: none"> <li>128.5 million (above)</li> </ul>	<ul style="list-style-type: none"> <li>91.2 million (below)</li> </ul>
		Impact assessment initiative	<b>Effectiveness.</b> Ensures attributable impact to determine effectiveness.				
		Enhanced transparency through systematic action plan	<b>Effectiveness.</b> Creates an openness to data in order to provide incentives for improving the 4Es and reinforces domestic accountability mechanisms to increase aid effectiveness.		<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<ul style="list-style-type: none"> <li>77.4 million (above)</li> <li>62.4 million (above)</li> <li>64.4 million (above)</li> <li>38.2 million (above)</li> </ul>
		Service delivery platform improvements	<b>Economy and efficiency.</b> Enhances corporate-level economy and efficiency by shortening processing times and facilitating nimbler business processes.		<ul style="list-style-type: none"> <li>63% (below)</li> <li>100% (meeting)</li> <li>56% (below)</li> </ul>	<ul style="list-style-type: none"> <li>95% (above)</li> <li>100% (meeting)</li> <li>85% (meeting)</li> </ul>	<ul style="list-style-type: none"> <li>92% (above)</li> <li>100% (meeting)</li> <li>73% (below)</li> </ul>

\* RMF indicators noted in parentheses.

# **Quality assurance for better development effectiveness and sustainability of benefits**

## **I. Introduction**

1. This annex provides an overview of the results of the IFAD Quality Assurance Group's (QAG) arm's-length reviews of corporate strategies and policies, COSOPs, projects, grants, the Rural Poor Stimulus Facility (RPSF), non-sovereign operations (NSOs) and SSTC Facility projects. It highlights lessons from design reviews and ongoing activities to further strengthen IFAD designs for better results.

## **II. Corporate strategies and policies**

2. The terms of reference of the Operational Strategy and Policy Guidance Committee (OSC) were revised in October 2021. QAG subsequently conducted quality assurance reviews of three corporate operational strategies: the IFAD Strategy on Biodiversity 2022-2025; IFAD Strategy for Engagement in Small Island Developing States 2022-2027; and IFAD South-South and Triangular Cooperation Strategy 2022-2027. The quality of all strategies was deemed satisfactory. Key areas requiring further attention included: the feasibility of objectives and ambitions versus resource availability; the coherence of strategies with other relevant IFAD policies and strategies; and the need for greater resource mobilization efforts to implement the strategies' objectives effectively.

## **III. Country strategic opportunities programmes**

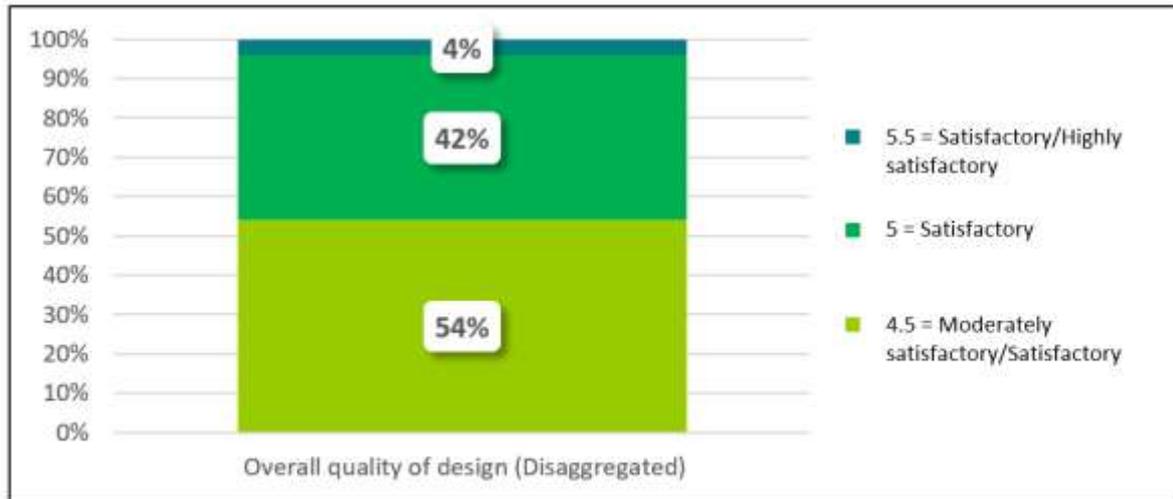
3. QAG conducted quality assurance reviews of seven COSOPs in 2021, six of which were submitted to the Board. The OSC recommended one COSOP be converted to a country strategy note and reviewed by QAG. The development effectiveness matrix was introduced at the end of 2020. It has proven useful in focusing COSOP discussions at OSC on key issues of significance to IFAD's mandate.
4. The overall quality assessment of the 2021 COSOPs is rated moderately satisfactory or above, with scoring ranging between 4.0 and 5.5. The COSOPs displayed good alignment with national policies and strategies and the SDG agenda and United Nations Sustainable Development Cooperation Framework and provided a good framework for IFAD's partnership and engagement with the recipient countries. However, some COSOPs could have been better tailored to specific country contexts and included better articulation of the COSOP strategic objectives and how they would advance the relevant SDGs. The inclusion of highly vulnerable groups, including persons with disabilities, indigenous peoples and very poor households could have received greater attention; and nutrition could have been addressed more explicitly.
5. The 2021 COSOP reviews also emphasized the following areas for improvement: integration of lessons and results from previous strategies and country evaluations; the need for more realistic targets for activities and cofinancing; overly generic descriptions of non-lending activities, which were not customized to the specific country; better planning of funding sources for non-lending activities, factoring in the reduction in the regular grants envelope; and greater consideration of private sector engagement by providing more details on potential NSOs.

## **IV. Loan and Debt Sustainability Framework (DSF)-funded projects and programmes**

6. QAG analysed the quality-at-entry ratings of the 24 loan and DSF-funded projects approved in 2021. This analysis revealed that, notwithstanding the continued challenges in design posed by the pandemic, all projects had an overall quality of design that was moderately satisfactory or better (see figure 1). One project,

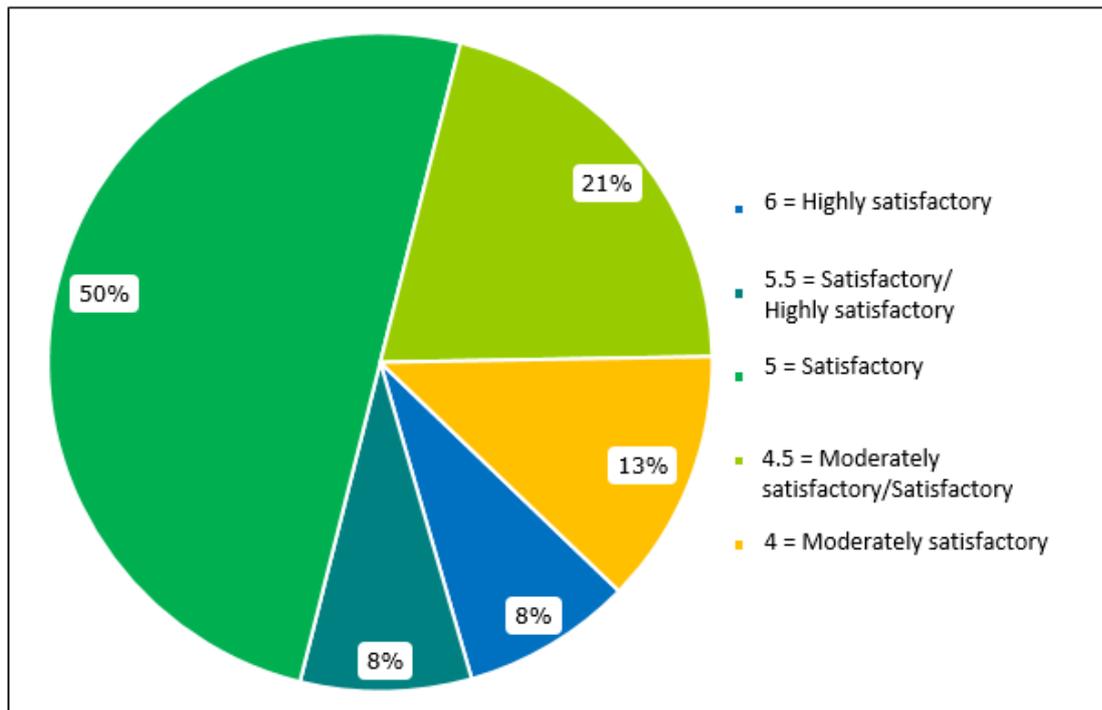
located in a fragile state, was rated highly satisfactory. Although not the norm, this shows that it is possible to realize an excellent design in more challenging contexts.

Figure 1  
Project portfolio in 2021: Overall quality of design



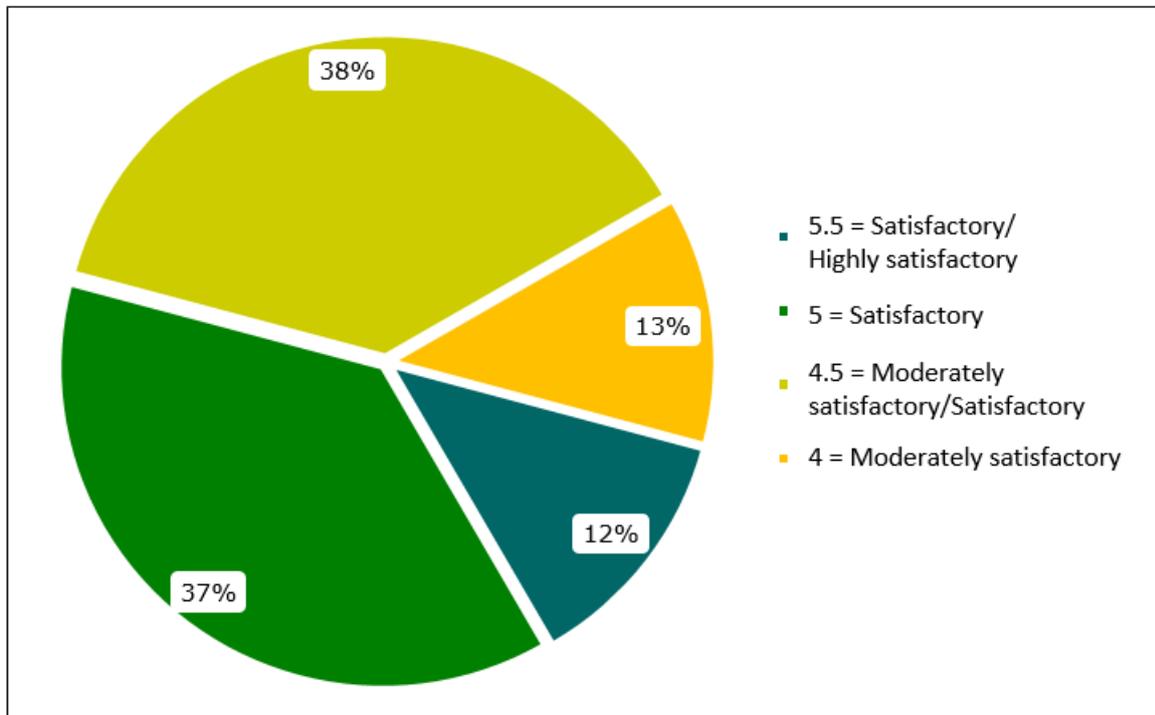
7. Targeting performed strongly, with 100 per cent of projects approved last year rated moderately satisfactory or better (figure 2). The 2021 projects adequately described the targeting strategies, approaches and measures to ensure outreach to the different target groups. This included the definition of targeting criteria, measures to empower the poor and socially excluded, and outreach outcome and output indicators disaggregated by target group.

Figure 2  
Project portfolio in 2021: Targeting



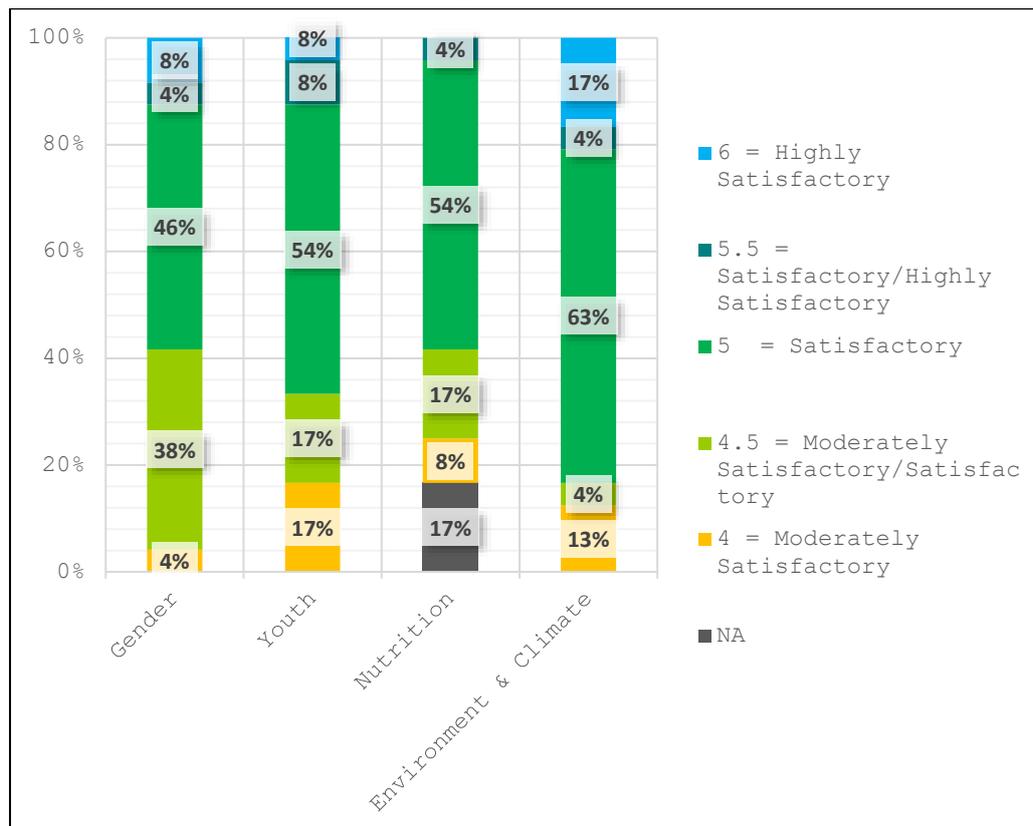
8. For monitoring and evaluation (M&E) and logframe, all projects were rated moderately satisfactory or better (figure 3). Adequate planning and resourcing for M&E and the development of relevant indicators in the first annual work programme and budget were positive M&E features in design.

Figure 3

**Project portfolio in 2021: M&E and logframe**

9. Mainstreaming theme performance was generally positive, with 96 per cent of projects rated moderately satisfactory and above for youth, gender and environment and climate. In terms of the performance of the nutrition theme, 79 per cent of the projects were rated moderately satisfactory and above, although it should be noted that the nutrition indicator was not applicable for 17 per cent of the projects, as they did not primarily address this theme.

Figure 4  
Project portfolio in 2021: Mainstreaming themes



10. QAG's analysis highlighted the following lessons:

- **Striking the right balance between design ambition and implementation effectiveness.** Designs tend to be ambitious, particularly in fragile contexts where implementation capacities may be lacking. Using the lessons learned from implementation can help foster designs that are better suited to local contexts.
- **Fair institutional assessments of the lead agency's and main stakeholders' capacities.** Assessing the institutions responsible for project implementation provides essential information on in-country capacities, how ambitious a design can be and whether/what capacity-building activities will be required during implementation.
- **Realistic assumptions in risk assessments and likelihood of sustainability.** Risks tend to be underestimated and would benefit from more realistic assumptions to identify adequate mitigation measures. The likelihood of sustainability can be enhanced by clearly defining how the project will contribute to the long-term institutional, environmental and social sustainability of its results.
- **Customized knowledge management (KM) activities with linkages to M&E and policy engagement.** The selection of KM activities would benefit from an analysis of how the proposed activities will support policy engagement and how M&E will be used to support KM activities.
- **Clear responsibilities and timelines for start-up.** As start-up is a key element, creating a timeline for start-up activities and allocating responsibilities for delivery of the necessary tasks can support rapid start-up.

- **Partnerships with details on activities, roles and responsibilities.**  
Identifying specific partnership activities, including the role of the proposed partnership(s) in the portfolio and the expected outcomes from the partnership(s) would strengthen this domain in project designs.

## V. Grants

11. The Executive Board approved the new IFAD Regular Grants Policy in April 2021 and the five priority replenishment commitments that regular grants financing will address during IFAD12 in September 2021.<sup>17</sup> IFAD is preparing implementing procedures to operationalize the policy's principles and priorities.
12. During the period of transition between the policy's approval and its entry into force on 1 January 2022, the key policy principles (e.g. prioritization of activities, value addition, catalytic approach, value for money) have informed the assessment of grant proposals submitted since April 2021 under the IFAD11 envelope.
13. Ten IFAD-funded regular grant projects were approved in 2021.<sup>18</sup> All the rated projects received a quality-of-design rating of moderately satisfactory (4) or above.
14. An analysis of grant ratings indicated the following:
  - Grant-funded projects are well aligned with the principles and strategic objectives of the new policy, and the designs clearly identify the expected contribution to the SDGs and the IFAD Strategic Framework.
  - Grants show an increased emphasis on information and communications technologies for development (ICT4D) and stronger synergies with the ICT4D strategy. The activities focus on market access and inclusive financial services, and on leveraging digital solutions to help address COVID-19 challenges.
  - While most grants demonstrated concrete linkages with IFAD operations and country programmes, requests to clarify or strengthen the synergies with country-level operations were made in some cases. Under the new policy, linkages and catalytic effects with IFAD operations are key elements in prioritizing and assessing grant proposals that should be addressed early in design.
  - The scaling-up potential, including through private sector partnerships, was often positively assessed. However, designs should include more effective innovation, communication and KM strategies.

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<sup>17</sup> EB 2021/134/R.13.

<sup>18</sup> The figure includes microgrants; however, microgrants and contribution grants are not rated for quality at entry.

Table 1  
Results framework and performance indicators for grant policy implementation

Expected results – performance indicators	2014 (baseline)	2016	2017	2018	2019	2020	2021	Target
(a) Percentage of grant-funded projects with an overall rating of 4 or better at entry	N/A	100	97	96	100	85	100	90
(b) Percentage of grantees selected competitively (global/regional only, contributions not included)	4	36	39	40	41	64	66	70
(a) Percentage of grant-funded projects rated 4 or better at completion for effectiveness	N/A	91	96	92	83	94	96	80
(b) Percentage of grant-funded projects rated 4 or better for overall implementation progress	92	91	92	90	90	95	93	95
(c) Number of grants resulting in scaled-up development interventions, including IFAD investment projects	N/A	31	37	27	60	55	52	30
(d) Cofinancing mobilized by partners of IFAD grant-funded projects per US\$ invested by IFAD	1.3:1	1.4:1	0.8:1	1.6:1	2.14:1 <sup>a</sup>	0.5:1	2.03:1 <sup>b</sup>	1.5:1
(a) Number of (working) days required to process both small and large grants, from clearance of concept note to final approval	Small: 186 Large: 193	Small: 174 Large: 269	Small: 228 Large: 279	Small: 128 Large: 252	Small: 143 Large: 207	Small: 119 Large: 354 <sup>c</sup>	Small: 187 Large: 457 <sup>c</sup>	Small: 150 Large: 180

<sup>a</sup> The Farmers' Organizations for Africa, Caribbean and Pacific (FO4ACP) grant contributed significantly to this figure.

<sup>b</sup> The Strengthened Land Rights for Rural Prosperity and Resilience (International Land Coalition (ILC) land rights 2021) grant contributed significantly to this figure.

<sup>c</sup> Several large grants were kept on hold in the pipeline in 2020 as the result of an internal resource rationalization exercise. Moreover, one of the large grants approved in 2021, originally approved for pipeline entry as a standard regular grant, was subsequently blended with a regional operation funded by the Rural Poor Stimulus Facility. These exceptional circumstances explain the unusually long processing timelines for grants approved in 2020 and 2021 and should not be viewed as an indicator of low efficiency.

## VI. Other activities

15. **Knowledge work.** In 2021, QAG shared good practices from design reviews by presenting the findings from the arm's-length quality assurance reviews of 19 loan-funded projects approved in 2020 at an in-house seminar. Moreover, QAG produced two discussion papers, one on country-level policy engagement (CLPE) and KM and the other on the sustainability of benefits, and five QAG views on: CLPE, KM; sustainability of benefits; non-sovereign operations (NSOs); and IFAD's COVID-19 response initiative. QAG also participated in the corporate and regional portfolio stocktaking exercises.
16. **Rural Poor Stimulus Facility.** During 2021, QAG conducted ex ante quality assurance reviews of 11 country projects funded under the RPSF, five of which were regional initiatives of a strategic nature, for total funding of US\$18.5 million. Moreover, QAG reviewed 41 additional financing requests, for total funding of US\$29.8 million. While all approved projects and additional financings were moderately satisfactory and above for overall quality of design, a number of important lessons emerged. These included ensuring that RPSF interventions are aligned with the United Nations frameworks and country strategies to maximize the impact on the ground of benefits emerging from RPSF activities; similarly, ensuring an inclusive and comprehensive targeting approach, especially for women and youth, given the specific and acute risks that COVID-19 poses to these categories; and finally, greater focus on both implementation arrangements and planning. M&E

is essential to ensuring both implementation readiness and effective tracking of project performance so that mid-course corrections can be made, if needed.

17. **Non-sovereign operations.** QAG conducted ex ante quality assurance reviews of three NSOs from the East and Southern Africa Division in 2021 that were subsequently approved by the Board: the Economic Enterprise Restart Fund (Uganda), Smallholder Farmer Value Chain Inclusion in Madagascar (SOAFIARY) (Madagascar), and Futuro Mcb (Mozambique). The three projects entailed financing from IFAD in the amount of US\$10.7 million that contributed to projects with a total cost of US\$55.7 million. These NSOs are expected to have 76,000 direct beneficiaries, including 42,650 women and 22,800 youth. The three projects were rated satisfactory. The lessons from the 2021 NSO design reviews included the quality at entry of two projects due for approval in 2022 (the Plurinational State of Bolivia and Cambodia). Moreover, QAG engaged with the Sustainable Production, Markets and Institutions Division to develop an NSO quality assurance tool for application to projects at the Investment Review Committee. Further analysis of these projects revealed strong performance in relevance and highlighted the need for continuous monitoring and documentation of lessons learned to inform future operations.
18. **China-IFAD SSTC Facility.** In its second year, several activities were implemented in the Learning from SSTC in Project Design for Better Results and Greater Sustainability project, approved under the China-IFAD SSTC Facility. First, an additional analysis was conducted to identify additional key SSTC areas requiring attention in project design. Second, one thematic view was developed on good practices in embedding SSTC into project design. Third, the project's closing date was extended to December 2022. QAG also conducted ex ante quality assurance reviews of six project proposals submitted under the Facility before final approval by the Chinese authorities to ensure adequate quality at entry for projects initiated by IFAD.

# Annual report on knowledge management action plan implementation

## I. Introduction

1. IFAD continued implementation of its Knowledge Management Strategy 2019-2025, focusing this year on deepening IFAD's knowledge and expertise in areas of strength such as climate and rural infrastructure; generating knowledge and evidence on proven approaches that are having an impact in the communities that IFAD serves; and strengthening IFAD's learning culture for quality decision-making and enhanced development effectiveness.
2. The corporate KM architecture, under the leadership of the Associate Vice-President, Strategy and Knowledge Department (SKD) with the support of the corporate KM Coordination Group (KMCG) and contributions from all divisions, has continued to be the main driving force behind the KM strategy's implementation process, promoting knowledge as a key pillar of IFAD's business model, setting knowledge standards and ensuring better coordination and synergies across departments.
3. This annex introduces highlights and key results clustered around the three action areas of the strategy: (i) knowledge generation; (ii) knowledge use; and (iii) enabling environment.

## II. Key Highlights and results

4. This year, IFAD's focus was on ensuring that its investment decisions are evidence-based and driven by what works and can produce maximum impact. Within this context, IFAD invested in extensive research to understand food systems and their transformation that was then presented in IFAD's flagship [Rural Development Report 2021 – Transforming food systems for rural prosperity](#), released in conjunction with the United Nations Food Systems Summit in September 2021. The report promotes equitable livelihoods for rural people, along with the need to improve nutrition and protect the environment.
5. At the same time, IFAD has been drawing lessons and generating evidence from its operations through rigorous impact assessments to measure and analyse the difference that it makes and adjust the design of new interventions. In 2021–2022, the Fund released several knowledge products derived from these impact assessments. They include the [Achieving Rural Transformation: Results and Lessons from IFAD Impact Assessments](#) report from 17 IFAD10 impact assessments conducted in 2016–2018. The report divides projects into four areas of focus based on their theories of change and draws lessons for each theme to offer insights into development pathways that can help achieve sustainable rural transformation. Moreover, a report synthesizing 24 IFAD11 impact assessments conducted during 2019–2022 is being prepared. Dedicated learning events for Member States and stakeholders are planned in May and June 2022 and subsequent presentation at the Executive Board in September.
6. At the [United Nations Climate Change Conference \(COP26\) in Glasgow](#), IFAD showcased its experience and knowledge in over 30 learning events on adaptation to climate change, nutrition, land, nature-based solutions, innovations, etc. to put small-scale producers at the heart of actions to meet the goals of the Paris Agreement and United Nations Framework Convention on Climate Change.

## A. Knowledge generation

7. **COVID-19 response.** In response to the pandemic, IFAD conducted analytical studies and implemented its emergency response fund – the RPSF. A dedicated RPSF knowledge strategy was prepared in 2021 to ensure that lessons are effectively captured, shared and applied. Project insights and knowledge have been shared in four interactive learning events, followed by [external notes](#), lessons from [regional programmes](#) and success stories that are being used to fuel the discussions on ways to support countries affected by the conflict in Ukraine.
8. Concurrently, IFAD country teams, in collaboration with United Nations Country Teams, Rome-based agencies and international financial institutions, engaged with government counterparts to provide policy and analytical support in over 40 countries:
  - [Impact of the Covid19 pandemic in Asia and the Pacific](#);
  - [China](#), Colombia, Egypt, Nigeria, [Pacific Islands](#), Peru, [Philippines](#), Türkiye, [Viet Nam](#), Zambia, etc.: impact of COVID-19 on the agriculture sector, rural labour and markets;
  - The Plurinational State of Bolivia and Honduras: development of the national recovery strategies for agriculture;
  - Jordan and Iraq: policy reports to support pandemic response (e.g. [Iraq food security COVID](#));
  - Egypt, Jordan, Tunisia and Yemen: the IFAD-funded Agricultural Investment Data Analyzer digital tool helped assess COVID-19's impact on agriculture and economic growth.
9. **Operational lessons.** As part of its drive to institutionalize a learning culture and respond to IOE's recommendations, IFAD worked to enhance learning in all its areas of action. This also included an update of the lessons learned module in IFAD's ORMS system. It included additional guidelines for improvement of the quality of lessons, a search engine with a new taxonomy and integration with the project completion module. Work is continuing on improving functionalities through machine learning and integration of evidence and lessons from IFAD impact assessments.
10. **Portfolio stocktakes.** IFAD continued conducting annual reviews of its country and regional portfolios to generate knowledge on successes and areas for improvement. To complement them, the Sustainable Production, Markets and Institutions Division undertook a thematic stocktake of IFAD's rural infrastructure portfolio that resulted in findings on how IFAD supports rural infrastructure and key priority actions to improve its support.
11. **Corporate knowledge products.** Eighteen knowledge products were released in 2021 among the 7 corporate series: two advantage series, two research series, eight How-to-Do-Notes (HTDNs), two toolkits, one IFAD Climate Action Report, two Adaptation for Smallholder Agriculture Programme (ASAP) technical series and the Rural Development Report.

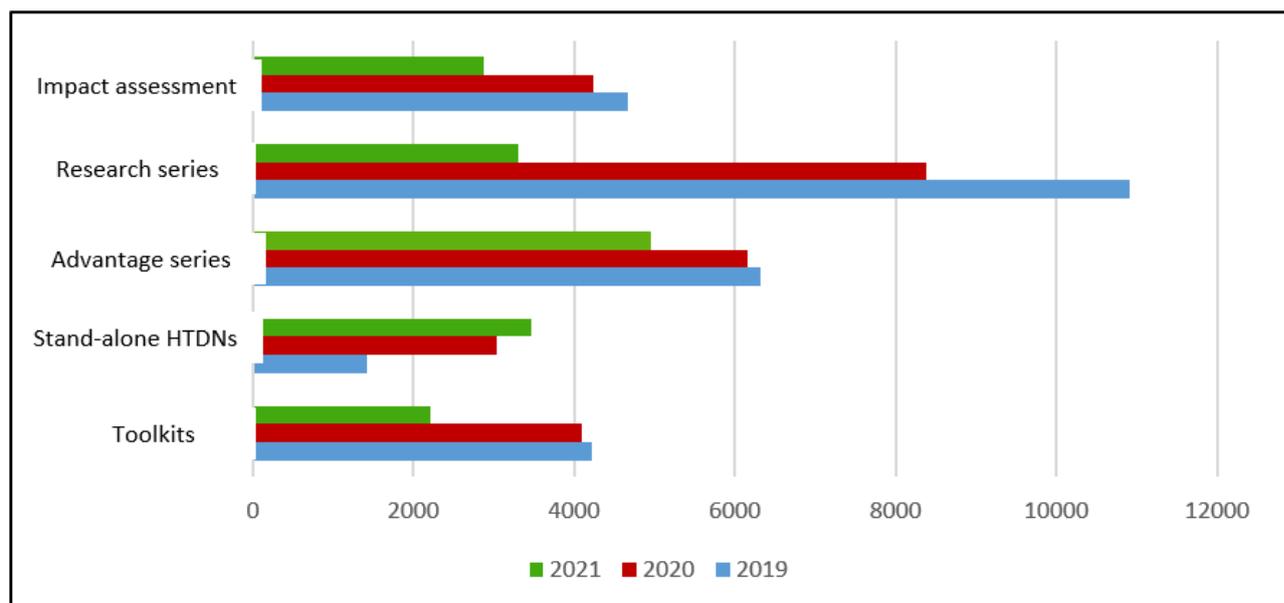
Table 1

**Top three downloaded corporate knowledge products by type (January - December 2021)**

<i>Research series (RS)</i>	<i>Impact assessments</i>	<i>Advantage series</i>	<i>Stand-alone HTDNs</i>	<i>Toolkits</i>
RS 31: Impact of modern irrigation on household production and welfare outcomes	Smallholder Dairy Commercialization Programme	Latin America and Caribbean Advantage: Family farming – a critical success factor for resilient food security and nutrition	How to prevent land use conflicts in pastoral areas	Poverty targeting, gender equality and empowerment
RS 34: Farm size and productivity – lessons from recent literature	High-Value Agriculture Project in Hill and Mountain Areas	Economic Advantage: Assessing the value of climate change actions in agriculture	Rapid livestock market assessment – a guide for practitioners	Community-based financial organizations
RS 53: Youth access to land, migration and employment opportunities: evidence from sub-Saharan Africa	Participatory Small-scale Irrigation Development Programme	Land Tenure Security Advantage: A catalytic asset for sustainable and inclusive rural transformation	Climate change risk assessments in value chain projects	Engaging with pastoralists – a holistic development approach

12. Over the past three years, most of these knowledge products (graph 1) have seen their pageviews increase in conjunction with outreach activities and events, with over 50 per cent of readers being from developing country research centres and agricultural, economic and international development academia.

Graph 1

**Corporate publication series total pageviews for IFAD11**

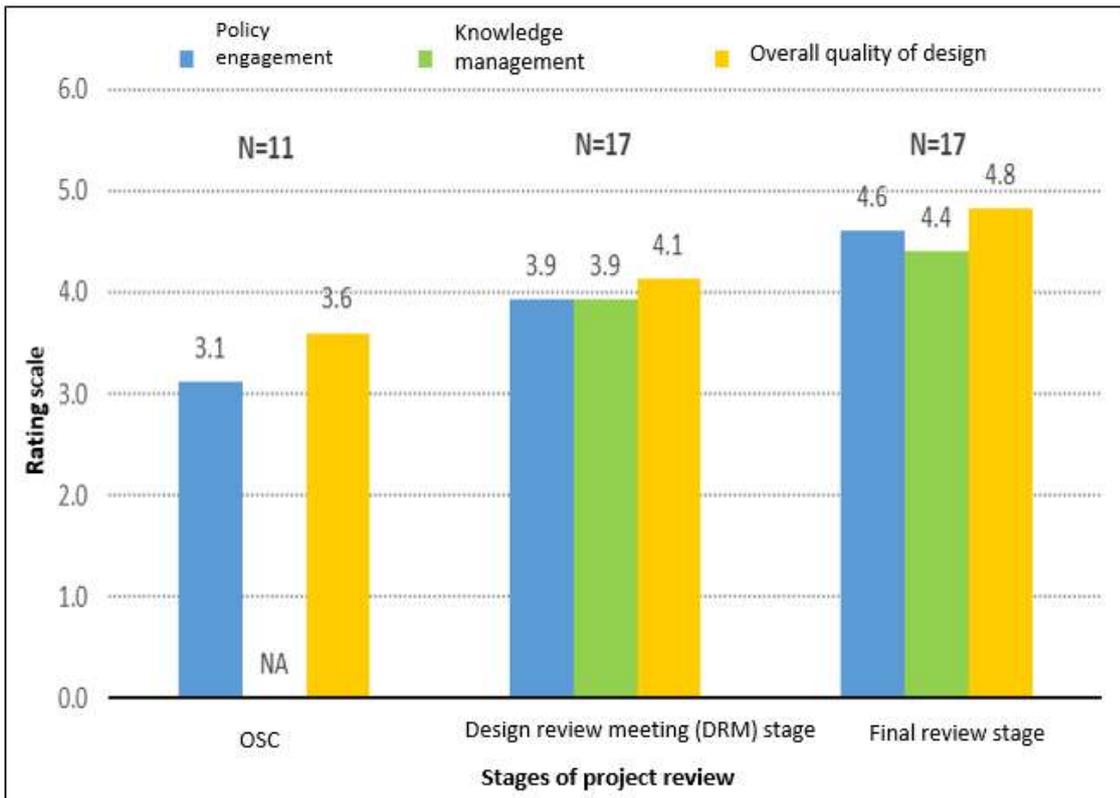
13. **Knowledge Gap Map.** The Latin American and the Caribbean Division (LAC) replicated the successful pilot WCA Knowledge Gap Map (KGM) and developed its [LAC KGM](#) in 2021. It mapped out the existing knowledge and knowledge gaps in the countries of the region with the aim of improving the quality of project design; tailoring the non-lending agenda; and developing its knowledge generation agenda. The KGM results revealed that the main gaps were documented evidence on digital extension services, digital financial education and soft skills training. Extensive internal knowledge, however, was found in nature-based solutions, non-digital extension services and irrigation technologies. The exercise is now being conducted by the Near East, North Africa and Europe Division (NEN), with a focus on fragility.

**B. Knowledge use**

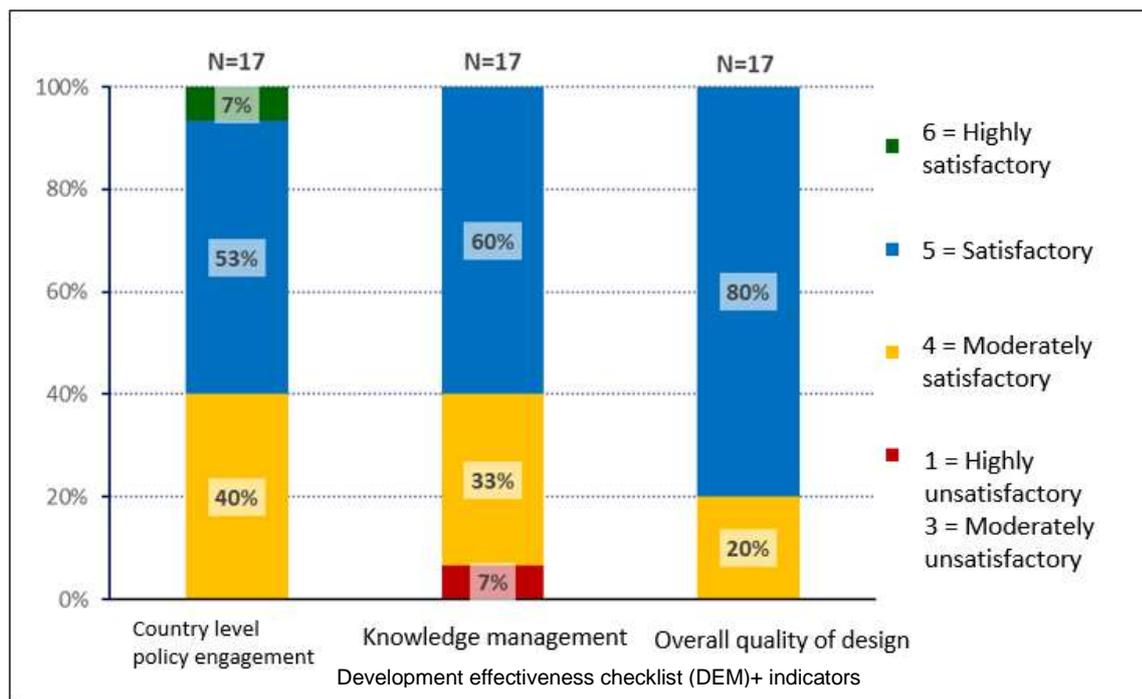
14. **Knowledge in designs.** QAG conducted an analytical review of the quality of project designs, focusing on CLPE and KM, to provide insights and actions for integration in future designs and implementation. Graph 2 shows the average ratings at different stages of design and graph 3, quality at project entry. The review revealed that project design teams are aware of the significance of KM and are increasingly paying attention to it, particularly in: the inclusion of KM in the overall theory of change; required skills; integration in M&E and reporting; and the availability of resources.

Graph 2

**Average ratings at different stages of design in 2020**



**Graph 3**  
**Project quality at entry in 2020**



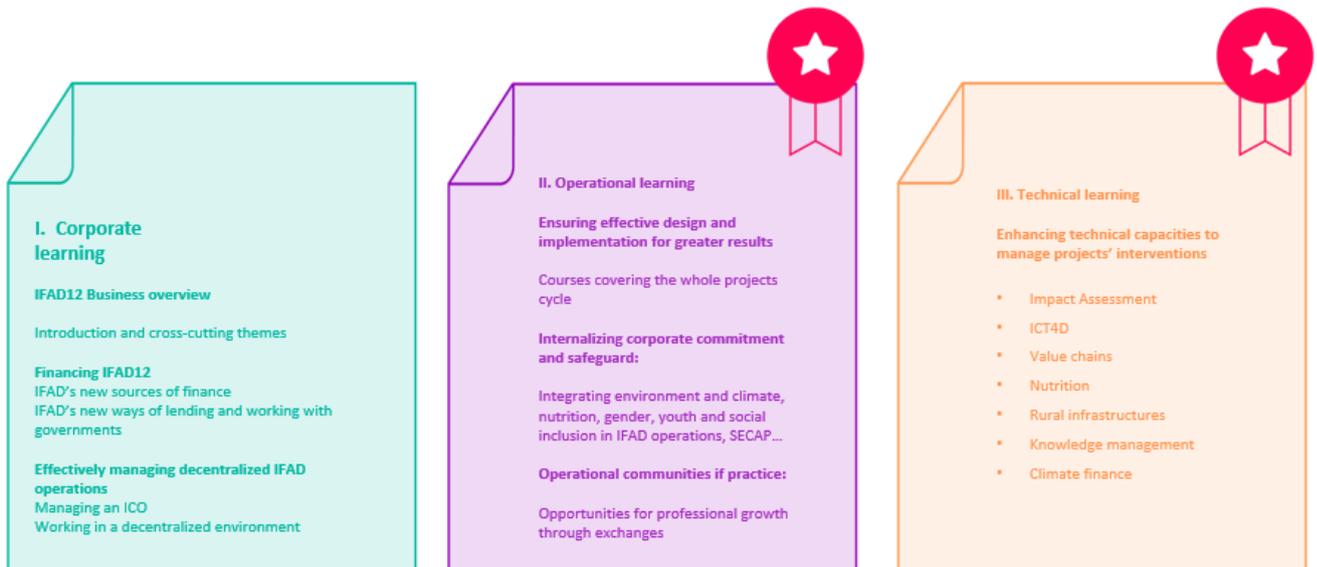
15. **KM in COSOPs.** Seven COSOPs were developed and included lessons learned and KM. It was found that some KM activities were more closely linked to grants and/or partnerships, while others are embedded in the investment portfolio for documenting lessons learned for scaling up. KM is increasingly recognized as a critical link connecting lending and non-lending activities for greater effectiveness.
16. **Development effectiveness.** IFAD is committed to reporting on Tier 1 development indicators by conducting rapid assessments on a sample of 20 per cent of RPSF projects. The rapid assessment in Djibouti was completed and is under way for the stand-alone project implemented by Precision Development (Kenya, Nigeria, Pakistan), as well as the project in The Gambia. Two other projects are expected to begin data collection in May 2022.
17. The Research and Impact Assessment Division has also developed a number of ancillary products to disseminate findings and lessons learned: project-level impact assessment reports, briefs, infographics; a dedicated microsite; e-learning platform; a manual with step-by-step guidelines for conducting impact assessments; a data collection kit for project management units.
18. **Knowledge for IFAD external engagement.** IFAD has been increasing the use of knowledge and evidence in its external engagement and policy discussions though greater participation of SKD technical teams in events (e.g. COP26). In order to ensure the consistency of data being referenced, a database containing commonly used data and statistics – e.g. global poverty, food security trends – is being updated regularly.
19. **External KM networks.** IFAD has continued to leverage the knowledge of its external partners: the [Henley Forum](#)'s expertise for IFAD's organizational network analysis (ONA), the [Multi-donor Learning Partnership](#) and United Nations interagency KM network. IFAD shared the KM strategy experience with the [Global Environment Facility](#) (GEF), the African Development Bank and the World Trade Organization (WTO). It also conducted a capstone research project with Columbia University that analysed good practices in the Asian Development Bank (ADB),

Google, the National Aeronautics and Space Administration (NASA) and the World Bank came with recommendations on how to improve knowledge flows in IFAD decentralization.

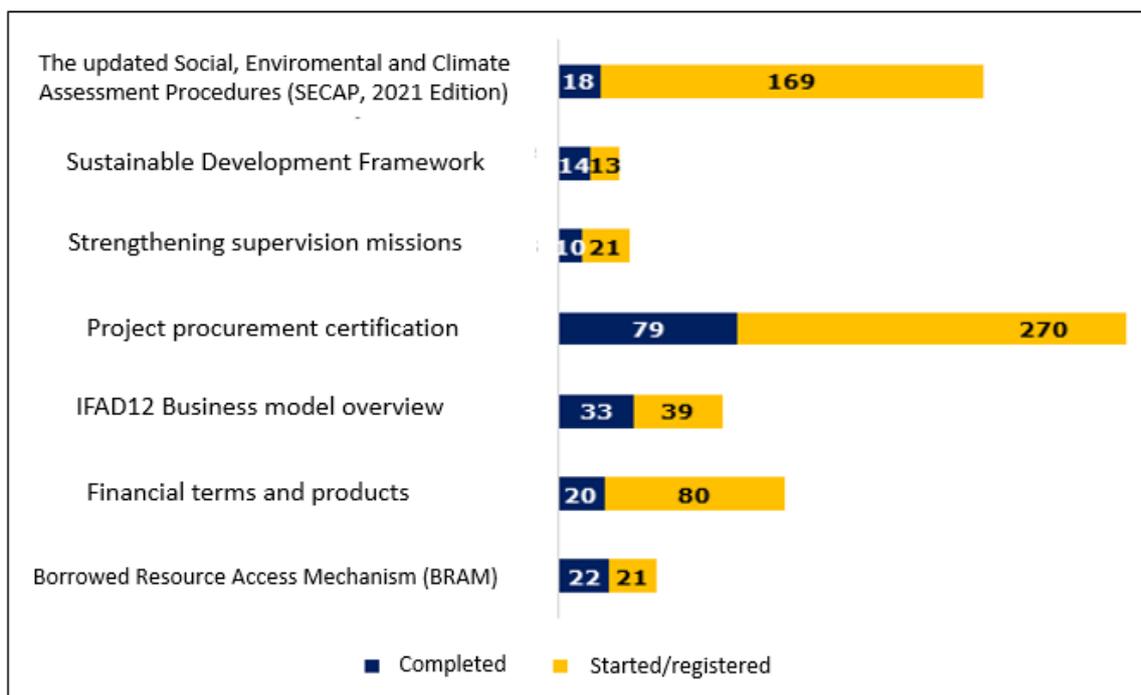
**C. Enabling environment**

- 20. Within the framework of IFAD’s KM strategy, the KMCG developed the joint workplan 2021 which was then used for divisional KM strategies that outlined KM activities, deliverables and resources. The [Sustainable Production, Markets and Institutions Division](#) took stock of its knowledge products to identify ways of producing more impactful knowledge with the list of actions for 2022.
- 21. **Operations Academy (OPAC).** To bolster the learning culture and produce a better fit-for-purpose workforce, IFAD launched the revamped OPAC, which offered learning opportunities for staff in operational competencies, technical capacities and cross-cutting skills. A dedicated KM module is also being developed. Figure 1 presents the list of OPAC learning courses. So far, 8 courses have been launched and 16 are in development. A total of 125 staff from 16 divisions completed 196 courses (figure 1). The OPAC mentorship programme was launched to offer more effective knowledge-sharing opportunities.

Figure 1  
List of OPAC training courses as of April 2022



Graph 4  
OPAC trainings completed and ongoing as of April 2022



22. **Organizational Network Analysis (ONA).** IFAD conducted a study of social networks in two IFAD departments to map out knowledge flows and processes in order to improve social interaction among IFAD staff. Data is collected and being analysed.
23. **Knowledge retention (KR).** In six KR clinics, staff were trained in structured [knowledge retention processes](#) with facilitated conversations and standardized handover notes. Ten formal KR conversations were held for outgoing IFAD staff to pass their knowledge on to their successors. Efforts are being made to systematically embed KR in human resources processes.
24. **Communities of practice (CoPs) and Dgroups.** IFAD has maintained 11 CoPs, including two new ones: Financial management and [IFAD Development Practices](#). IFAD CoPs are hosted on the [Dgroups](#) platform, which has over 1,600 members, an increase of 600 over last year. The involvement of IFAD project staff is growing due to its enhanced link to operations and use of knowledge from the field.
25. **KM Resource Centre and Repository.** An online [KM Resource Centre](#) continues to provide access to KM guidelines, tools and templates, accessible both internally and externally. It is regularly updated and has been visited more than 1,800 times. A corporate [Knowledge Repository](#) is being also developed as a one-stop shop on thematic knowledge, serving as a knowledge gatherer and reference point to support IFAD staff.
26. **Library.** IFAD's library database now includes more than 16,000 resources, with new acquisitions in electronic format to permit access from field offices. Library services are increasingly demand-driven and respond to the staff's thematic preferences, providing weekly literature reviews. Jointly with other United Nations libraries, the library is exploring interlibrary opportunities for collaboration and the exchange of resources.

### **III.Next steps**

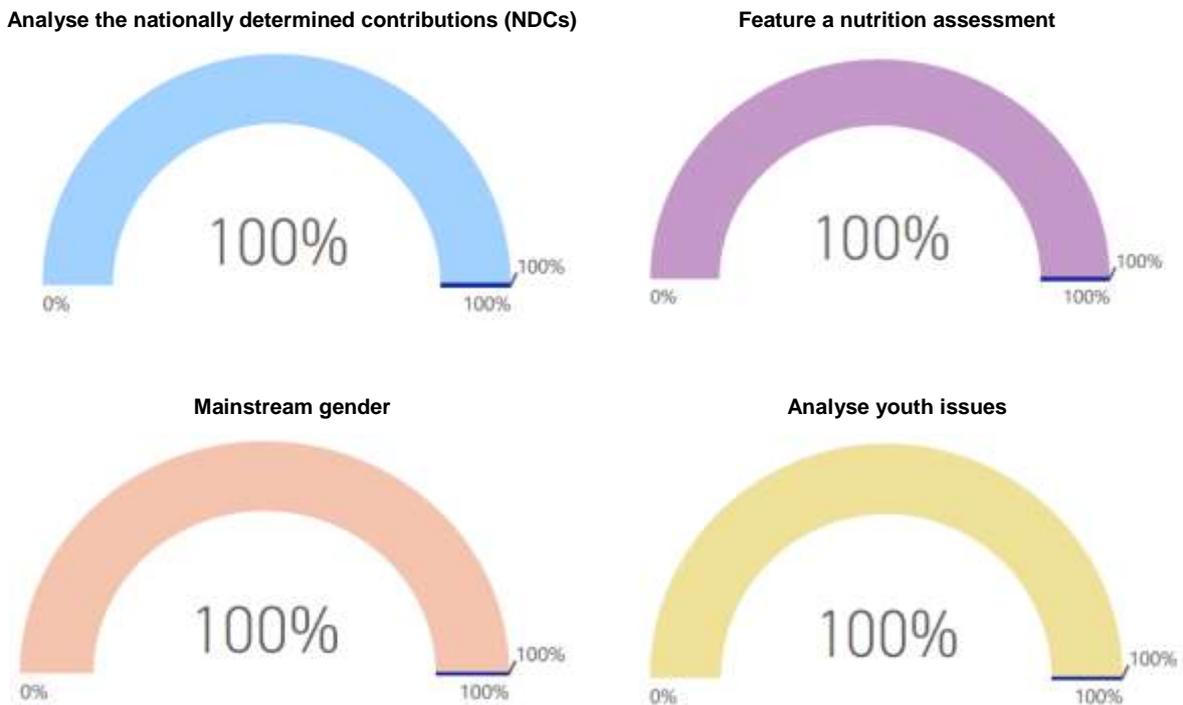
27. At midpoint in KM strategy implementation, IFAD is undertaking a midterm review (MTR) to examine the adequacy and effectiveness of the strategy to address existing and emerging IFAD contextual development and challenges. The MTR will identify the strengths and weaknesses of the current KM strategic approach and develop a series of recommendations to guide preparation of the subsequent KM action plan (2022-2025). The findings will be presented to staff during a learning event in June and to the Executive Board in September 2022.

## Mainstreaming environment and climate, gender, nutrition and youth

### A. Highlights

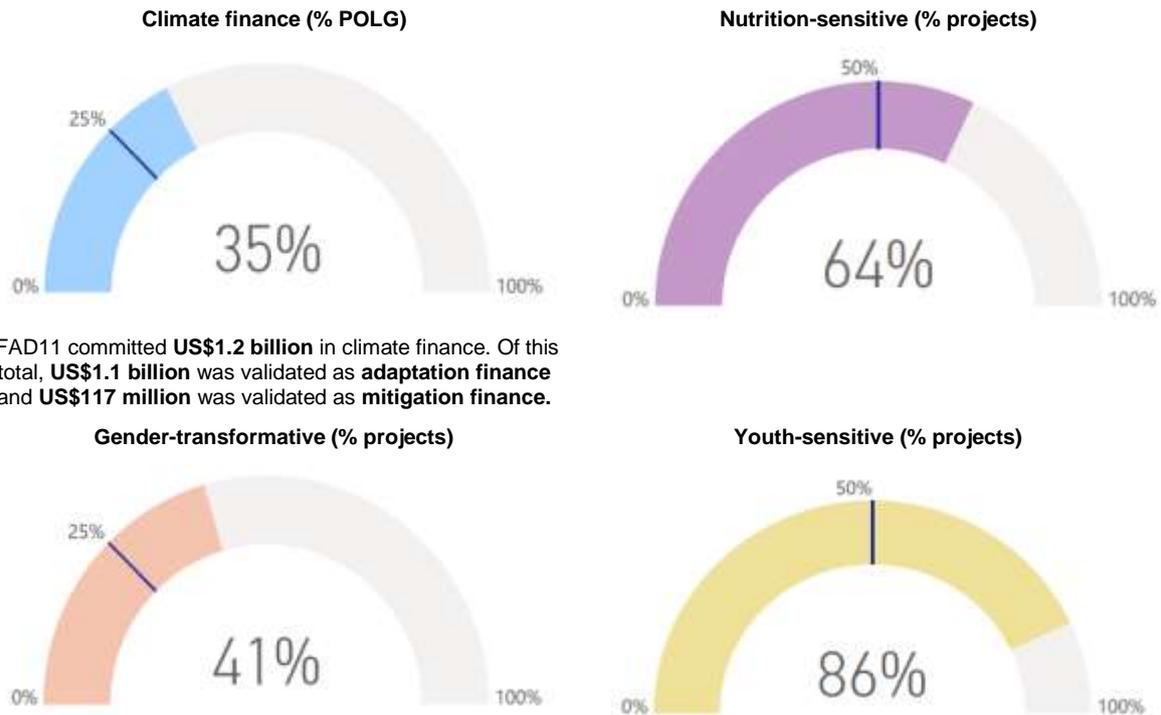
1. This year's report concludes the IFAD11 cycle and thus represents an important moment to take stock of achievements towards mainstreaming commitments, as well as to highlight areas requiring attention moving into IFAD12.
2. Overall, IFAD11 commitments for environment and climate, gender, nutrition and youth were met or exceeded. Only the commitment on "gender equality rating 5+ at completion" was slightly off track. This is illustrated in figures 1-3 below (the dark blue lines show IFAD11 targets; the results achieved can be seen in the coloured gauges). Further details by theme are provided in the appendix.

Figure 1  
IFAD11 mainstreaming commitments for country strategies<sup>19</sup>



<sup>19</sup> Seven COSOPs and 14 CSNs were approved in 2021; 60 country strategies were approved in IFAD11 as a whole.

Figure 2  
IFAD11 mainstreaming commitments for project designs<sup>20</sup>



IFAD11 committed **US\$1.2 billion** in climate finance. Of this total, **US\$1.1 billion** was validated as **adaptation finance** and **US\$117 million** was validated as **mitigation finance**.

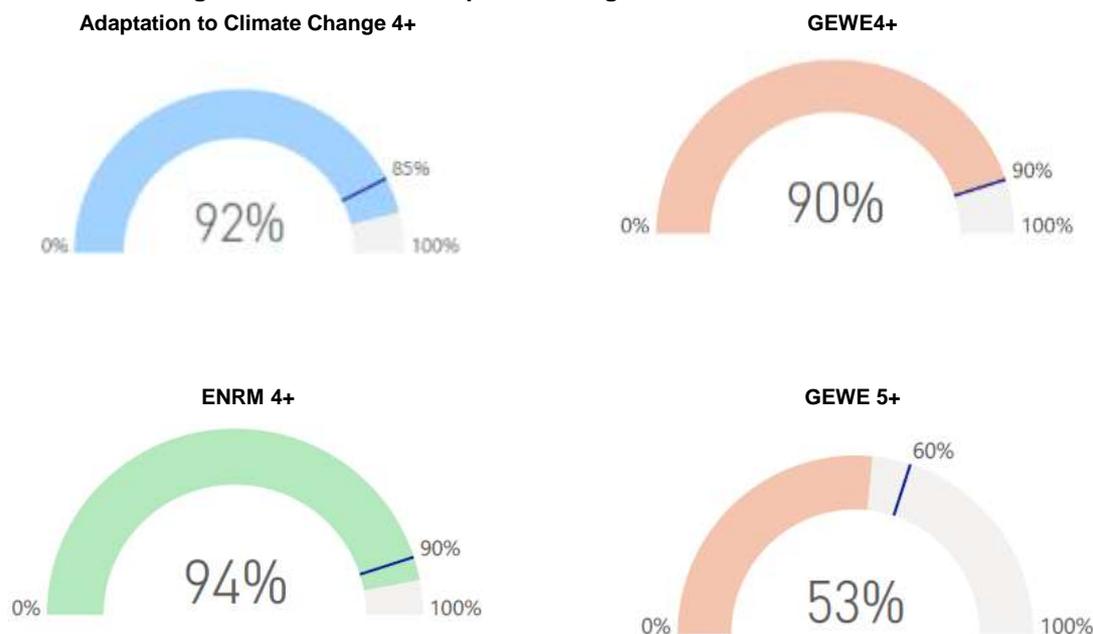
<sup>a</sup> Calculation based on 89 approved and validated PoLG projects and additional financing requests approved between 1 January 2019 and 31 December 2021, validated as per the Multilateral Development Banks' (MDB) Methodologies for Tracking Climate Change.

<sup>b</sup> Based on the Nutrition Action Plan, nutrition was also tracked during implementation, as follows:

- 90 per cent of nutrition-sensitive projects rated 4+ on nutrition at supervision and midterm review (MTR) (aggregate ratings – 46 out of 51 projects);
- 95 per cent of nutrition-sensitive projects rated 4+ on nutrition at supervision (supervision ratings only – 41 out of 43 projects);
- 63 per cent of nutrition-sensitive projects rated 4+ on nutrition at MTR (MTR ratings only – 5 out of 8 projects).

<sup>20</sup> These percentages consider 85 unique projects approved in IFAD11. Four projects that also received additional financing are not doubly counted for gender, nutrition and youth projects, as their validation does not change (while the climate finance amounts involved do).

Figure 3  
IFAD11 mainstreaming commitments for completion ratings<sup>21</sup>



3. In IFAD11, IFAD approved its first biodiversity strategy<sup>22</sup> to guide its work on biodiversity, ensuring strong synergies with existing work on environment, climate, gender, nutrition, indigenous peoples and youth.
4. The 2021 edition of IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) provides clear procedures to integrate IFAD's mainstreaming agenda into the project cycle in order to maximize positive social and environmental impact and climate change adaptation and mitigation benefits.
5. IFAD11 placed strong emphasis on upgrading competencies at headquarters and the regional and country level to deliver on the mainstreaming themes at a high standard. For example, induction programmes and regional workshops integrated IFAD's mainstreaming agenda, and a new e-learning course on IFAD's 2021 edition of the SECAP is mandatory for all staff working on related functions.
6. In IFAD11, significant achievements were made in the mobilization of supplementary funds and joint initiatives, forging key partnerships contributing to the achievement of the SDGs. The third phase of IFAD's flagship climate finance programme, the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+), was formally launched in 2020. Approximately US\$66 million was mobilized by December 2021 from six bilateral donors (Austria, Denmark, Germany, Ireland, Qatar and Sweden), with further resource mobilization under way to achieve the ASAP+ target of US\$500 million. Furthermore, IFAD leveraged almost US\$300 million from the Adaptation Fund, the Green Climate Fund and the GEF between 2019 and 2021, representing a more than 200 per cent increase over the US\$95 million leveraged from these sources in IFAD10.
7. Another initiative is the Gender Transformative Mechanism in the context of Climate Adaptation, aimed at supporting and incentivizing IFAD partner governments to increase investment, upgrade capacities and intensify activities to achieve gender-transformative results at scale in rural areas. The initiative mobilized US\$16 million in 2021.

<sup>21</sup> All PCR results are drawn from the RIDE 2022 sample of 79 PCRs.

<sup>22</sup> IFAD, 2021. *IFAD Strategy on Biodiversity 2022-2025*. <https://www.ifad.org/en/-/biodiversity-strategy>.

8. IFAD also secured resources in the amount of EUR 10 million from the German Federal Ministry for Economic Cooperation and Development (BMZ) and US\$3.5 million from the Visa Foundation to launch the agribusiness hubs initiative in nine African countries,<sup>23</sup> focusing on delivering comprehensive support packages for start-ups/acceleration of businesses and improving youth employability in the labour market.
9. The 2021 the Norwegian Agency for Development Cooperation provided NOK 60 million (approximately US\$6.9 million) to improve the quality and sustainability of nutrition-sensitive interventions.
10. Regular grants also play a key role in the identification of relevant innovations for smallholder agriculture and offer a flexible way of addressing mainstreaming priorities. On policy engagement, IFAD-supported policy-making in Kyrgyzstan through a livestock sector analysis, conducted in partnership with the Food and Agriculture Organization of the United Nations (FAO) and funded through ASAP2, identifying key measures for reducing greenhouse gas emissions. These measures were included in the country's NDCs. IFAD was a member of the Gender Lever of Change, created during the United Nations Food Systems Summit to mobilize the voices of women, men and other groups to engage with the United Nations Food Systems Summit.
11. IFAD conducted 24 impact assessments to report on corporate achievements in IFAD's economic goal and strategic objectives for projects that closed between 2019 and 2021. This exercise also estimated achievements in gender, nutrition and climate adaptation.
12. In gender, women's empowerment was estimated by looking at women's decision-making power over their income as well as women's access to resources. The results indicate good progress in empowerment. Although food insecurity has decreased by 11 per cent on average for IFAD beneficiaries when compared to the control group, greater efforts are needed to achieve similar improvements in nutrition more specifically, where no strong impacts were estimated.<sup>24</sup> Finally, IFAD has begun more systematic documentation of evidence on climate change adaptation. Looking closely at six ASAP projects, adoption rates of the adaptation options promoted are systematically higher among IFAD/ASAP beneficiaries than the control group. Bearing in mind that adaptation strategies are very diverse and context-specific, the estimated impacts range from a minimum of 7 percentage points in the Plurinational State of Bolivia to a maximum of 69 in Kyrgyzstan.<sup>25</sup>

## **B. A holistic approach**

13. Ninety-four per cent of the projects approved in IFAD11 addressed two or more mainstreaming priorities, and 70 per cent addressed three or more<sup>26</sup> (see geographical distribution in figure 4. Yearly comparisons are illustrated in figure 5 and intersections in figure 6).
14. A good example of a project that integrates four themes is the Planting Climate Resilience in Rural Communities of the North-east Project in Brazil, designed to be gender-transformative, nutrition-sensitive and youth-sensitive and targets indigenous communities to break a cycle of negative coping strategies in an area affected by severe and recurrent droughts.<sup>27</sup>

<sup>23</sup> Algeria, Cameroon, Côte d'Ivoire, Kenya, Madagascar, Malawi, Mozambique, Nigeria and Rwanda.

<sup>24</sup> Considering that the projects assessed were designed some eight years prior on average – before nutrition mainstreaming was systematically embedded in project designs – this finding is not surprising. The results are expected to improve as the IFAD11 nutrition-sensitive project cohort matures.

<sup>25</sup> These results consider the most adopted practice promoted by each project.

<sup>26</sup> These results consider the most adopted practice promoted by each project.

<sup>27</sup> See project documents: <https://www.ifad.org/en/web/operations/-/project/2000002253>.

Figure 4  
Geographic distribution of mainstreaming themes in IFAD11

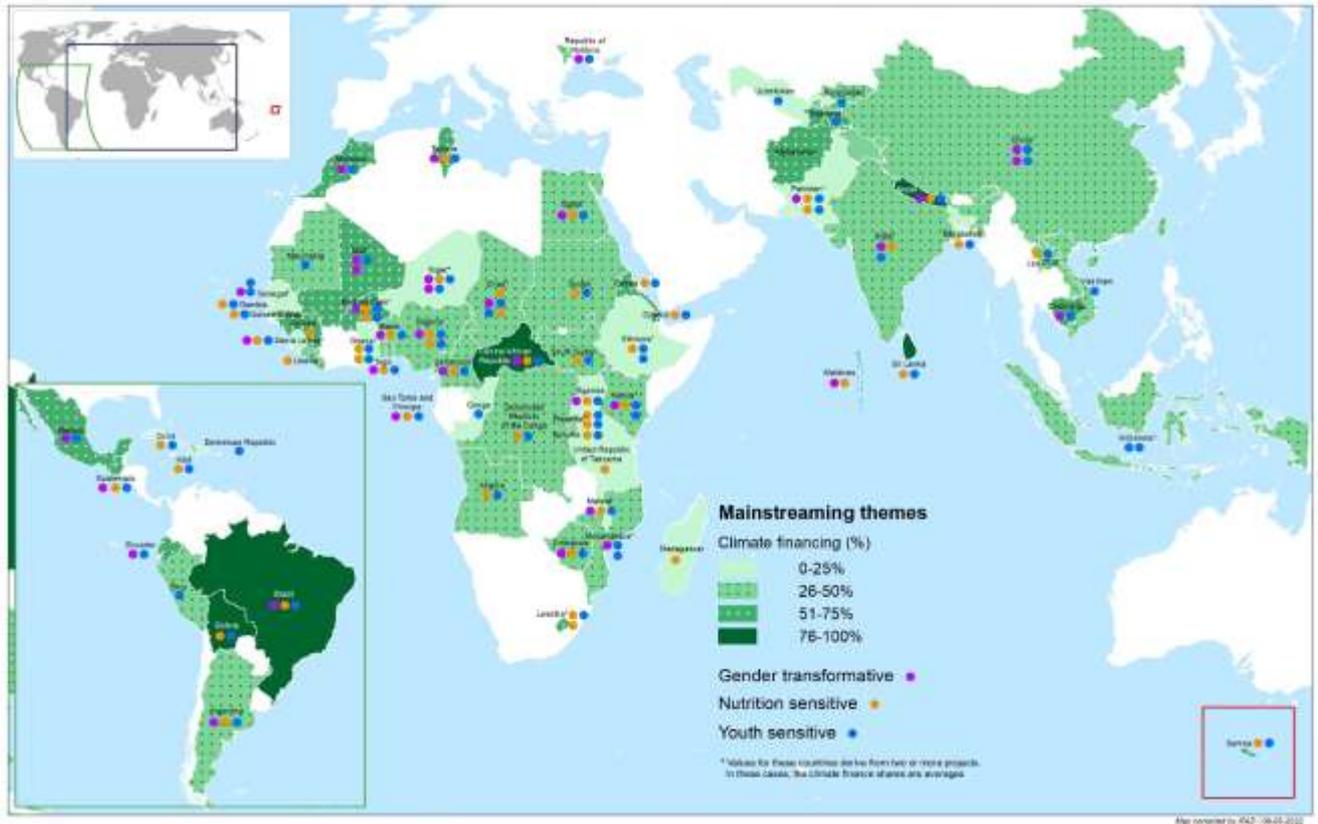


Figure 5  
Percentage of multiple themes in IFAD11 approvals

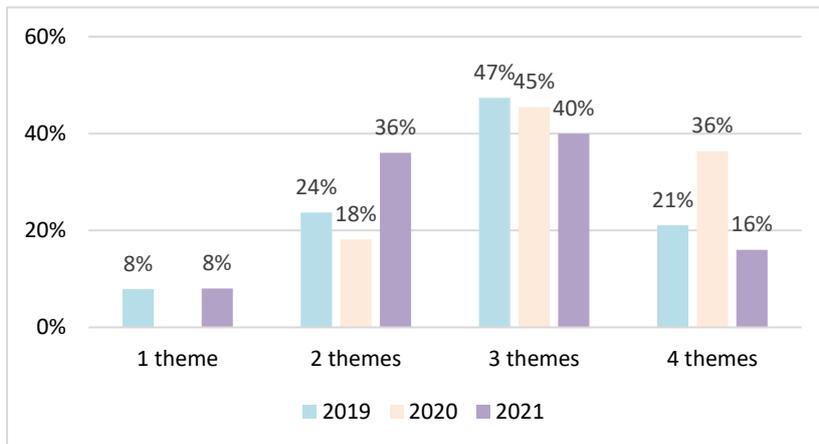
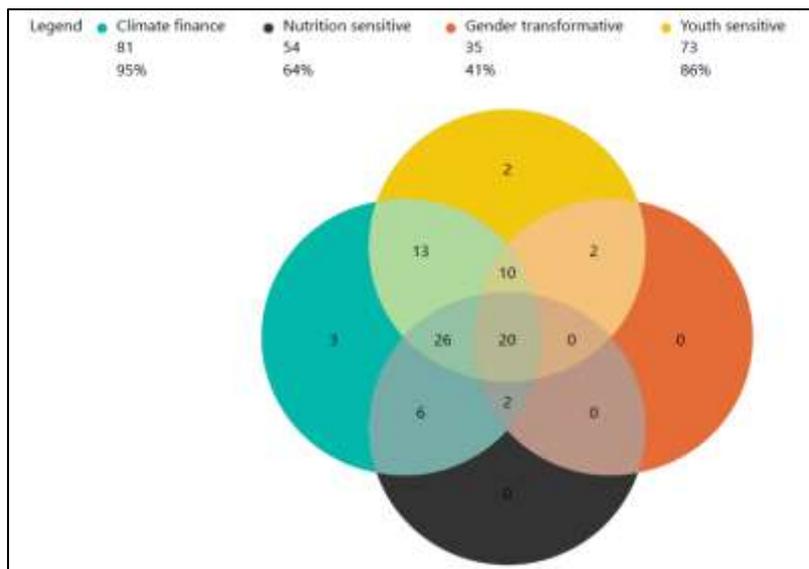


Figure 6  
IFAD11 mainstreaming themes intersections<sup>28</sup>



### C. Innovative tools

15. Several innovative tools were introduced to ensure, assess and monitor the implementation of IFAD's mainstreaming agenda, these include:

- IFAD's climate toolbox, made up of the Resilience Scorecard, the Adaptation Framework, the Climate Adaptation for Rural Development software, geospatial tools, the Ex-Ante Carbon-balance Tool (EX-ACT) and the Global Livestock Environmental Assessment Model-interactive (GLEAM-i).<sup>29</sup>
- The Gender Action Learning System (GALS), with the inclusion of modules on climate change, nutrition and/or youth (GALS+), in 12 countries. In Madagascar, an evaluation of GALS with the inclusion of a module on climate change conducted after 12 months of implementation revealed positive trends in the adoption of good practices in adapting to climate change and preserving the environment compared to the control group.
- **IFAD's empowerment indicator.** As part of its effort to step up its commitment to gender transformation, IFAD institutionalized a measure of empowerment designed during IFAD11 for all gender-transformative projects, a simplified version of the Women's Empowerment in Agriculture Index (pro-WEAI).<sup>30</sup>
- The promotion of youth-integrated agribusiness hubs to expand job opportunities for youth in rural areas through wage and self-employment by implementing youth interventions tailored to labour demands and young entrepreneurs' needs and aspirations while promoting green jobs.
- **The use of geographic information system (GIS):** IFAD uses geospatial technology to help map, assess and target its climate-related investments.<sup>31</sup> One example is in Yemen, where GIS was used as a targeting tool, combined

<sup>28</sup> One project that is gender-transformative and includes climate finance cannot be visualised in this diagram.

<sup>29</sup> See Climate Action Report 2020.

[https://www.ifad.org/documents/38714170/44171127/climate\\_action\\_report\\_2020.pdf/a20022b2-a4b3-fb3d-17f9-798e00e2ebb1?t=1636381265796](https://www.ifad.org/documents/38714170/44171127/climate_action_report_2020.pdf/a20022b2-a4b3-fb3d-17f9-798e00e2ebb1?t=1636381265796).

<sup>30</sup> Pro-WEAI was developed by the International Food Policy Research Institute (IFPRI), Oxford Poverty and Human Initiative (OPHI) and United States Agency for International Development (USAID).

<sup>31</sup> IFAD 2022. [https://www.ifad.org/en/web/knowledge/-/geospatial-tools-and-applications-for-climate-investments?p\\_l\\_back\\_url=%2Fen%2Fweb%2Fknowledge%2Fpublications](https://www.ifad.org/en/web/knowledge/-/geospatial-tools-and-applications-for-climate-investments?p_l_back_url=%2Fen%2Fweb%2Fknowledge%2Fpublications).

with village unit-level climate vulnerability data, to produce maps for the most vulnerable districts.

#### **D. Key learning**

16. As emphasized in IFAD's Rural Development Report<sup>32</sup> and highlighted by the United Nations Food Systems Summit 2021, it is essential to go beyond production systems and promote changes and innovations within the entire food supply chain, food environments and consumer behaviour toward healthier, more diversified and nutritious diets. Effective enabling conditions to improve nutrition and food systems include the development of technical capacity across nutrition-sensitive, knowledge-based agriculture; multisectoral coordination; educated demand supported by the market system; and the forging of partnerships.
17. Multiple complementary activities promoting gender equality and women's empowerment are more likely to facilitate changes in gender roles and relations.
18. **Business and finance.** Successful projects tend to adopt tailored rural enterprise development and finance support.
19. Incubation models that offer comprehensive support packages to emerging micro, small and medium-sized enterprises (MSMEs) are paramount in creating new jobs. This approach is aimed at establishing a network of agribusiness incubators integrated with other initiatives already under way in the same countries to eliminate isolated operations.
20. Raising farmer awareness of climate change and its associated risks is a major step for encouraging climate-smart approaches in agriculture.
21. Strengthening and scaling up smallholder capacities. An appropriate package of technologies, practices and participatory approaches offers significant resilience-building benefits, along with cross-cutting co-benefits, including improved food security and nutrition.
22. Leveraging public-private partnerships adds value to and accelerates uptake of solutions invented by local people. Cooperation between lead farmers as agents of change and private sector actors improves market access and the integration of viable and sustainable technologies into food systems.

#### **E. Main challenges**

23. While IFAD is well on track to meet its commitments at design, their translation into action during implementation poses a number of challenges that include: strengthening project management unit (PMU) capacities; measuring transformative change, an inherently complex and holistic endeavour; strengthening weak tracking systems; generating evidence and enhancing weak M&E systems; and addressing limited allocation of financial resources to implement mainstreaming activities. IFAD's approach and methodology for measuring resilience need to be refined, learning from early experience with the use of the resilience scorecard methodology and better capturing multidimensional resilience building for rural households. Furthermore, accounting for greenhouse gas emissions or reductions more widely across IFAD's portfolio and monitoring the biodiversity benefits stemming from IFAD investments will be a key part of efforts to strengthen IFAD's alignment with the Paris goals.

#### **F. Way forward**

24. Prioritize support to improve poverty targeting, gender, youth, indigenous peoples and nutrition performance in the portfolio. This involves systematic analysis to identify projects with implementation issues linked to the mainstreaming agenda and delivering tailored technical support.

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<sup>32</sup> IFAD, 2021. <https://www.ifad.org/en/rural-development-report/>.

25. Promote partnerships and special initiatives, which will continue to be key instruments for IFAD to broaden and deepen its impact across all mainstreaming themes.
26. Build on the evidence, improve corporate tracking systems and systematize methodologies for collecting data on mainstreaming themes
27. Further support grassroots youth actors to facilitate their representation in IFAD decision-making processes.
28. Work with governments and partners to bolster investment in the mainstreaming themes; build technical capacity in the design and implementation of projects and the construction of the evidence base.

## Progress report on the Adaptation for Smallholder Agriculture Programme (ASAP)

### A. Introduction

1. ASAP1, IFAD's flagship programme launched in 2012, is one of the largest multi-donor global funds devoted to smallholder agricultural adaptation and represents a critical instrument for mobilizing and channelling grant-based climate finance to small-scale agricultural producers and increasing their resilience to current and future impacts of climate change.
2. Over 40 adaptation-focused projects have been designed and implemented under ASAP1. There are now 44 projects in 41 countries (with two projects each in Côte d'Ivoire, Nigeria and Sudan). Twenty-six of these projects are currently ongoing, 23 of them having completed their midterm review, and six projects in the ongoing cohort are set to complete in 2022. The ASAP1 portfolio is set to complete in 2025.
3. In 2020, the third and "enhanced" phase of ASAP, ASAP+, was launched, setting a resource mobilization target of US\$500 million, with a view to substantially scaling up climate finance for small-scale producers. Its enhancements focus on addressing the climate change drivers of food insecurity by building resilience to a multitude of shocks and stressors, targeting the most marginalized groups in particular to enhance their social inclusion while at the same time improving their access to low-emission livelihood options.<sup>33</sup>

### B. ASAP1 status and results

4. In 2021, proactive measures were introduced to keep the delivery of ASAP's portfolio-level targets on track. Cancellations and reallocations were effected in three projects:
  - (i) The Strengthening the Rural Actors of the Popular and Solidarity Economy Project (FAREPS) in Ecuador was cancelled. The entire US\$4 million ASAP grant has been reallocated to the Agroforestry Cooperative Development Project (PRODECAFE) in Cuba, which will match or exceed Ecuador's contributions under the ASAP logframe. PRODECAFE will fully disburse its new ASAP grant by 2025.
  - (ii) The Support to Agricultural Production and Marketing Project (PROPACOM-WEST) in Côte d'Ivoire completed with ASAP funds not fully disbursed. This remaining budget of EUR 3.07 million has been reprogrammed into the new Agricultural Emergency Support Project (AESP) in Côte d'Ivoire. The AESP project will cover the original project's shortfall in the targets included in the ASAP logframe.
  - (iii) A similar situation has occurred in Nigeria, where the Climate Change Adaptation and Agribusiness Support Programme in the Savannah Belt (CASP) completed with US\$3.5 million in ASAP funds undisbursed. The country team intends to reprogramme this money into the Value Chain Development Programme in Nigeria. The ASAP targeting and implementing areas will remain the same as in CASP –that is, in northern Nigeria.

### C. The enhanced Adaptation for Smallholder Agriculture Programme (ASAP+)

5. Against the current backdrop of growing climate impacts, widespread conflict and COVID response and recovery, it is clear that ASAP is as – if not more – relevant and urgent today as when it was launched 10 years ago. Building on the success and lessons of ASAP, ASAP+ focuses on addressing the current and projected

<sup>33</sup> As per appendix I of the Rural Resilience Programme [EB 2020/131\(R\)/INF.4](#).

climate change drivers of food insecurity by building multidimensional resilience among poor rural producers.

6. As seen in table 1 below, ASAP+ has mobilized US\$66 million to date, thanks to the generous contributions of six donors: Austria, Denmark, Germany, Ireland, Qatar and Sweden.
7. The first project in the ASAP+ portfolio was approved in March 2022. This project, totaling US\$37 million (US\$17 million of which comes from ASAP+), will concentrate on three regions in the state of Maranhão, Brazil. The project will contribute to reducing rural poverty while decreasing deforestation and environmental degradation. Furthermore, it will increase the resilience of 64,000 people and reduce/sequester approximately 6 million tons of CO2 equivalent, focusing on integrated landscape management, socio-biodiverse value chains and institutional capacity-building.
8. Currently, ASAP+ also has a strong pipeline of six more projects spanning multiple regions.<sup>34</sup>
  - **Burkina Faso:** The Strengthening Smallholder Resilience to Climate Change project will build on and enhance implementation of the government-piloted approach of integrated sustainable agricultural models. In this approach, groups of small-scale farmers are supported with access to: financial services, agricultural inputs such as drought-tolerant seeds, extension support services, small-scale irrigation for market gardens, appropriate storage facilities; and access to resilient markets.
  - **Niger:** The Family Farming Development Programme (ProDAF) – Diffa project will heighten the resilience of vulnerable households through the introduction of climate adaptation practices and technologies that contribute to sustainable land management and better agronomic practices, as well as improved water resource management.
  - **Somalia:** The Adaptive Agriculture and Rangeland Rehabilitation Project (A2R2) will contribute to improved water resource and rangeland management, eco-agriculture and climate-proof livelihoods, forest/habitat rehabilitation and improved governance and information systems on land degradation and biodiversity conservation.
  - **Yemen:** The Rural Livelihood Development Project will increase resilience and climate change adaptation efforts in rural Yemen. It will reduce the poverty and vulnerability of the targeted communities and benefit at least 175,000 people in five governorates, with a heavy focus on women and youth.
  - **Ethiopia:** The Programme for Participatory Agriculture and Climate Transformation (PACT) project will promote climate-smart agriculture approaches (e.g. conservation agriculture practices), water resource development (irrigation, livestock, domestic watershed management activities) and agricultural productivity enhancement, as well as the creation of green jobs.
  - **Malawi:** The Programme for Rural Irrigation Development (PRIDE) will contribute to the development of resilient land and water management systems on both rainfed and irrigated lands and work on the transfer of knowledge to smallholders through trials and demonstrations while ensuring linkages to viable markets.
9. This project pipeline is currently in the design phase and is expected to be approved and enter into force in 2022–2023.

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<sup>34</sup> Some project titles may be subject to change, and project activities will be further refined as designs advance.

## C. Status of the ASAP Trust Fund

10. Table 1 summarizes the current financial status of the ASAP Trust Fund. It includes the amounts received over the three phases of ASAP and the secondment of staff to the programme. This is the first time financial data for ASAP+ has been included.

Table 1

### Summary of complementary contributions and supplementary funding to the Adaptation for Smallholder Agriculture Programme (ASAP) Trust Fund

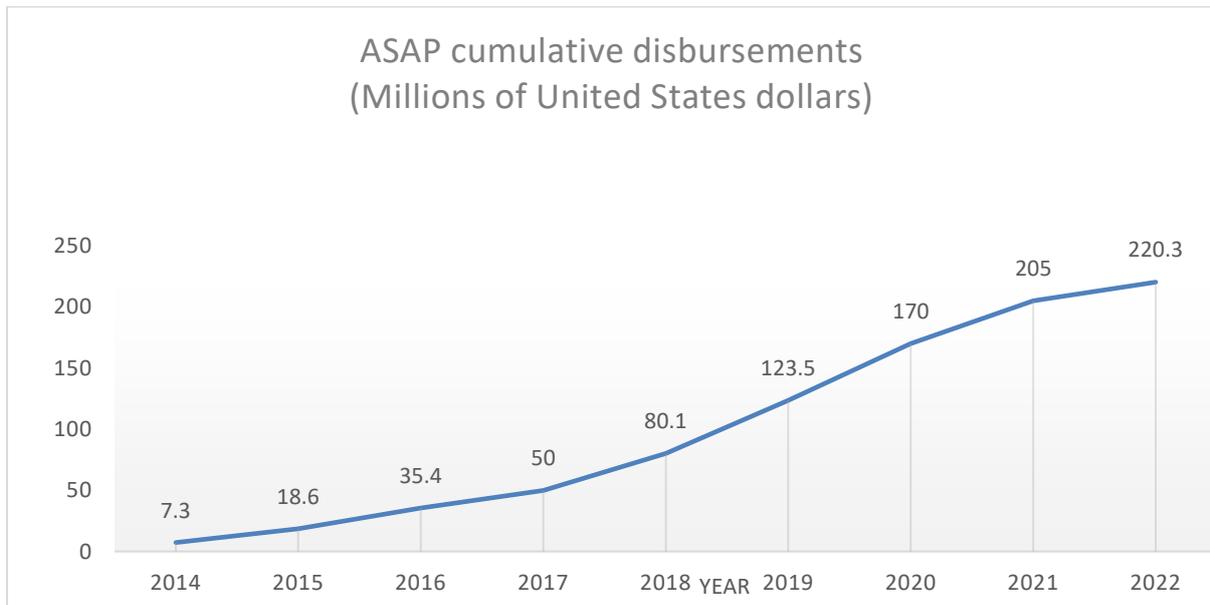
	Member States	Local currency (000)	Year received	Contributions Received
				(US\$ 000)**
<b>Complementary contributions</b>	Belgium	EUR 6 000	2012	7 855
<b>ASAP1</b>	Canada	CAD 19 849	2012	19 879
	Netherlands	EUR 40 000	2012	48 581
	United Kingdom	GBP 147 523	2012/2013/2014	202 837
	Sweden	SEK 30 000	2013	4 471
	Switzerland	CHF 10 000	2013	10 949
	Norway	NOK 63 000	2013/2014/2015	9 240
	Finland	EUR 5 000	2014	6 833
	<b>Subtotal</b>			<b>310 645</b>
<b>Supplementary funds</b>				
	Flemish Department for Foreign Affairs	EUR 2 000	2014	2 380
<b>ASAP1</b>	Republic of Korea	US\$ 3 000	2015	3 000
	<b>Subtotal</b>			<b>5 380</b>
	<b>Total ASAP1</b>			<b>316 025</b>
	Norway	NOK 80 000	2016	9 550
	Sweden	SEK 50 000	2016	5 904
<b>ASAP2</b>	France	EUR 600	2019/2021	668
	<b>Total ASAP2</b>			<b>16 122</b>
<b>Staff secondment</b>	France	US\$1 140		<b>1 140</b>
	Qatar Fund for Development	US\$ 500	2020	500
	Austria	EUR 2 000	2020	2 437
	Ireland	EUR 4 000	2021	4 702
	Sweden	SEK 100 000	2021	11 018
	Germany	EUR 17 000	2021	19 084
<b>ASAP+</b>	Denmark	DKK 190 000	2021	28 670
	<b>Total ASAP+</b>			<b>66 411</b>
	<b>Total</b>			<b>399 378</b>

\*Adapted from appendix F– EB 2019/126/R.24 and AC 2019/152/R.3.

\*\* Payments counter valued at the exchange rate prevailing on the date of receipt.

10. Figure 1 shows the current disbursements of the ASAP1 portfolio. ASAP1 has seen strong disbursement in the past year, despite a difficult operational context in many countries due to COVID-19 and other factors. Disbursements currently stand at 80.3 per cent, up from 69 per cent last year.

Figure 1  
ASAP cumulative disbursements (as at April 2022)



11. As seen in table 2 below, at the ASAP portfolio level, all targets are at least 65 per cent achieved, with many indicators showing achievement above 90 per cent. There are even examples of results exceeding targets.
12. Importantly, when comparing the current ASAP1 logframe to the one created in 2012 at the start of the programme, almost all targets are now much higher – and this is despite the reduction in overall programme finances due to the 2016 devaluation of the pound sterling.
13. Throughout the design and implementation of ASAP1, IFAD generated valuable evidence and lessons on adaptation to climate change. This knowledge, which has helped the Fund mainstream close attention to climate throughout its own portfolio of investment projects, has been widely disseminated at the national and international levels to promote the scaling up of climate adaptation innovations and successes by country governments and other development agencies and financial institutions.
14. In 2021, a corporate exercise to better catalogue lessons learned from IFAD projects included a special focus on lessons learned from environment and climate activities in ASAP projects. Dedicated staff reviewed the supervision and completion reports and annexes from ASAP projects to extract specific lessons. Some of these lessons can be viewed [here](#), along with more in-depth ASAP1 project information.

Table 2  
Aggregate programme targets and results against the ASAP1 logframe

ASAP results hierarchy	ASAP results at global portfolio level	Portfolio results indicators	Programmed at design <sup>a</sup>	Results from RIDE 2021	Results to date	Percentage achieved
<b>Goal</b>	Poor smallholder farmers are more resilient to climate change	1 No. of poor smallholder household members whose climate resilience has been increased	6 757 059	6 029 708	6 480 351	96%
<b>Purpose</b>	Multiple-benefit adaptation approaches for poor smallholder farmers are scaled up	2 Leverage ratio of ASAP grants versus non-ASAP financing	01:07.5	01:07.9	01:07.9	105%
		3 No. of tons of greenhouse gas emissions (CO2e) avoided and/or sequestered	80 million tons over 20 years (2012 target)	60 million tons over 20 years	50 million tons over 20 years <sup>b</sup>	n/a
<b>Outcome 1</b>	Improved land management and gender-sensitive climate-resilient agricultural practices and technologies	4 No. of hectares of land managed under climate-resilient practices	1 858 682 hectares	1 075 622 hectares	1 205 077 hectares	65%
<b>Outcome 2</b>	Increased availability of water and efficiency of water use for smallholder agriculture production and processing	5 No. of households, production and processing facilities with increased water availability	4 443 facilities 288 858 households	3 405 facilities 284 696 households	4 263 facilities 308 416 households	96% 107%
		6 No. of individuals (including women) and community groups engaged in climate risk management, ENRM or disaster risk reduction activities	1 926 889 people 25 432 groups	1 447 164 people 14 248 groups	1 926 652 people 19 429 groups	100% 76%
<b>Outcome 4</b>	Rural infrastructure made climate resilient	7 US\$ value of new or existing rural infrastructure made climate resilient	US\$131 375 000 543 km	US\$71 707 000 465 km	US\$96 618 000 526 km	74% 97%
		8 No. of international and country dialogues on climate issues where ASAP-supported projects or project partners make an active contribution	36	21	33	92%

<sup>a</sup> Currently expected to be met by December 2025 but subject to change depending on the evolving status of ASAP projects.

<sup>b</sup> An assessment of the mitigation co-benefits of the ASAP1 portfolio results to date – comprised of 14 completed EX-ACT analyses for ongoing/completed ASAP projects (approximately 30 per cent of the 2022 ASAP portfolio) showed a potential of 15 million tons of CO2e over a 20-year horizon. This sample has been extrapolated to provide a portfolio estimate of 50 million tons over 20 years. This decrease compared to the RIDE 2021 reporting is due to the variation in projects in the ASAP portfolio in 2022 (following restructuring/cancellations and reallocations), coupled with changes in certain project analyses between MTR and completion (greenhouse gas projections become more accurate as projects mature).

## Performance of completed projects: the long-term trend

1. This section presents an overview of the performance of projects completed in the period 2009–2021 in terms of the 11 criteria assessed at the PCR stage and reported in the IFAD11 RMF. In line with the methodology applied in the Annual Report on the Independent Evaluation of IFAD (ARIE), ratings are aggregated by three-year moving periods, where each year corresponds to the completion year of the project.
2. Nearly all indicators saw an improvement over the 12-year period, with the exception of gender equality and scaling up (where average performance remained quite stable). This positive trends suggest an overall improvement in the level of ownership of evaluation criteria, which was likely reflected in better design, implementation and, ultimately, better results at completion.
3. Effectiveness, sustainability and efficiency show widely fluctuating results. Peak performance was concentrated in the period 2011–2013; thereafter, performance declined, reaching a low in 2015–2017 (or 2014–2016 for effectiveness) and then improving. The three dimensions exhibit similar trends across the years, attesting to the fact that PCR scores for the three criteria are correlated, as shown in previous portfolio analyses. Government performance, a traditionally weak area that remained stable until 2017–2019, is now showing improvement in both 2018–2020 and 2019–2021.
4. By comparing projects completing in IFAD10 (2016–2018) with those completing in IFAD11 (2019–2021), all indicators but one (scaling up) exhibit a stable or positive trend. The inconsistent trend between sustainability (upward) and scaling up (downward) suggest the need for better guidelines to effectively integrate the two dimensions, which are, in fact, highly interrelated. In IFAD’s Revised Evaluation Manual – Part 1 (2022), scaling up is a subdomain to be assessed under the broader perspective of sustainability of benefits. Management’s updated operational framework for scaling up will also reflect this perspective.
5. Environment and natural resource management is the best performing area in IFAD11, followed by adaptation to climate change and innovation. Performance in effectiveness, overall project achievement and gender also remain very strong. In contrast, sustainability, scaling up and efficiency are lower performers, confirming the analysis in the main text of the RIDE.

Figure 1  
**Overall project achievement**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

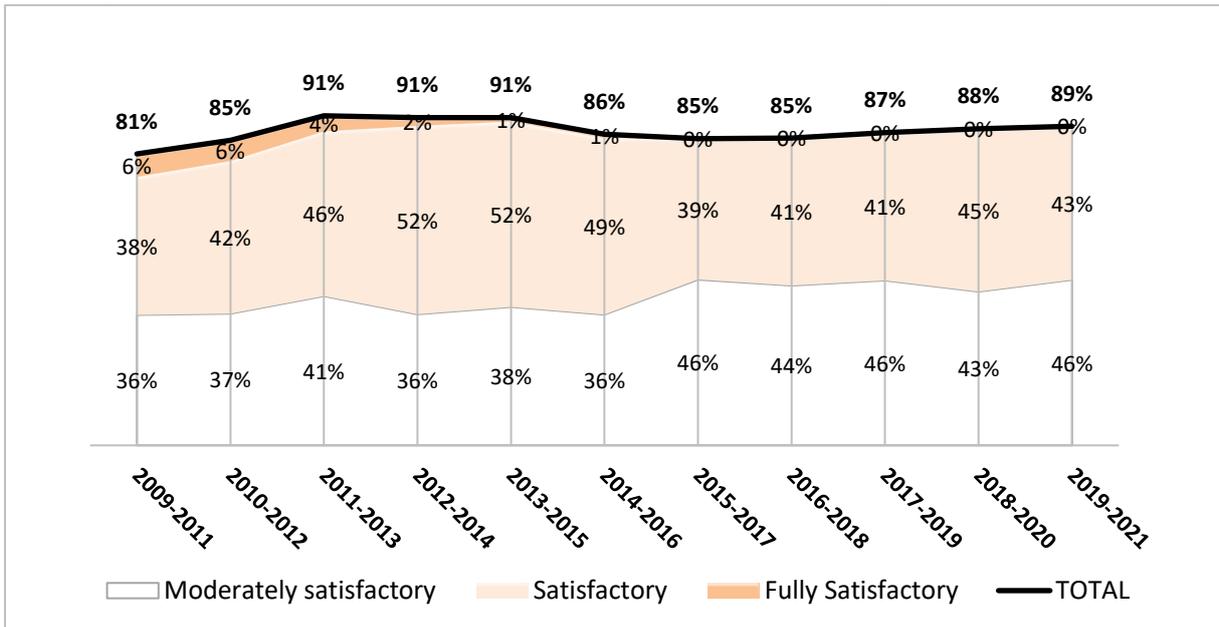


Figure 2  
**Effectiveness**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

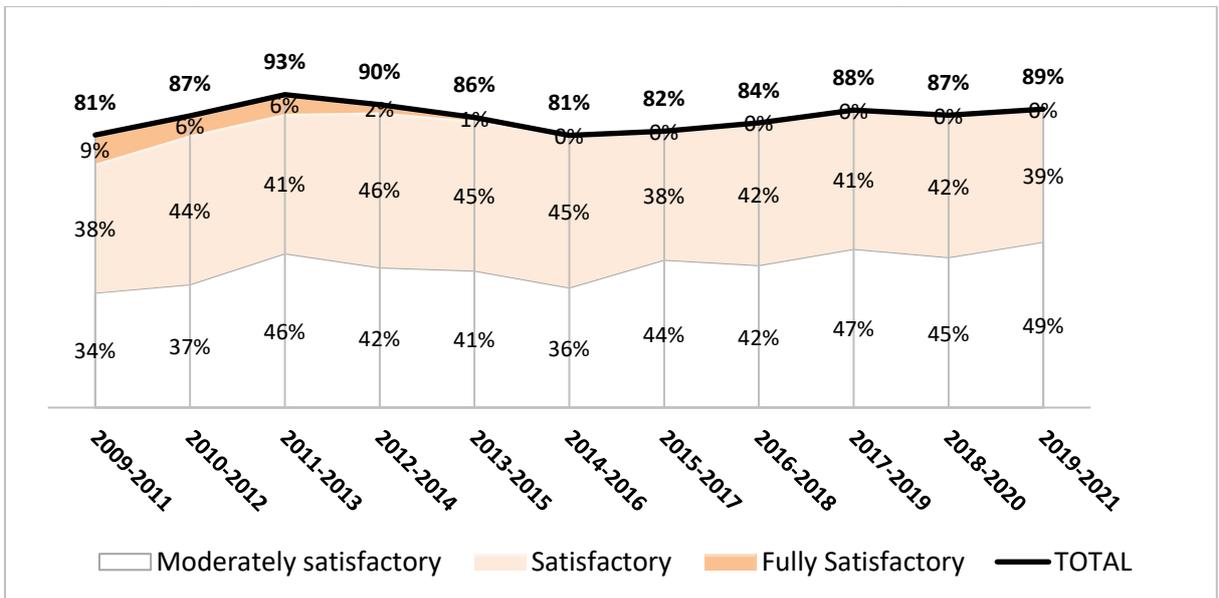


Figure 3  
**Sustainability**

Percentage of projects rated moderately satisfactory or better by three-year moving period

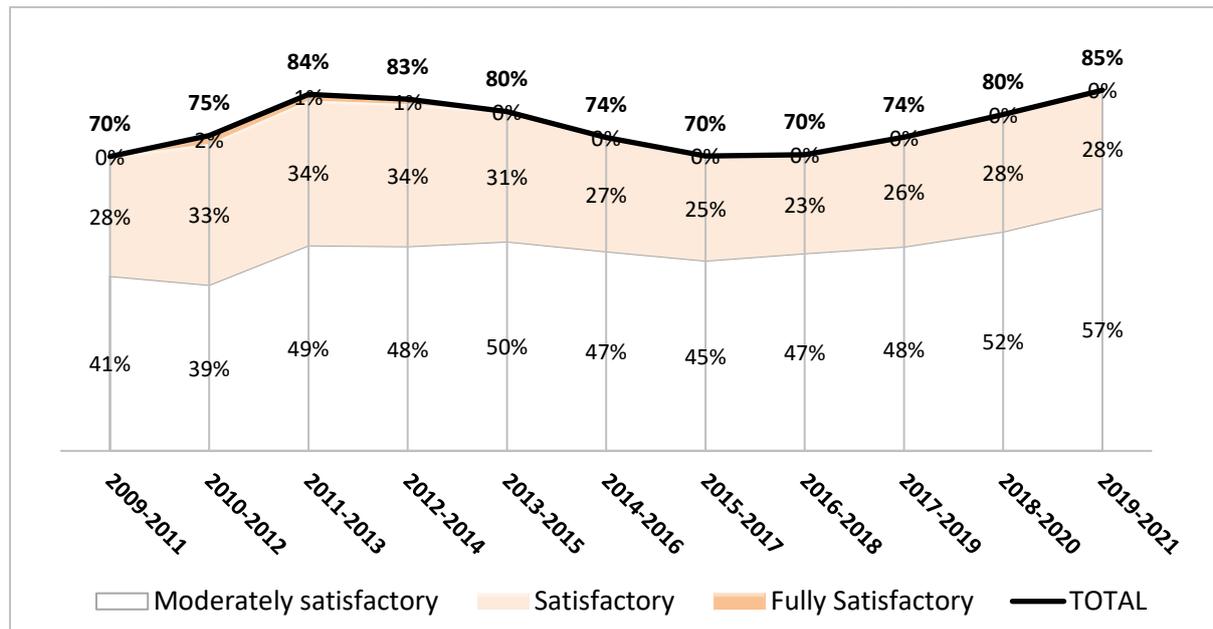


Figure 4  
**Efficiency**

Percentage of projects rated moderately satisfactory or better by three-year moving period

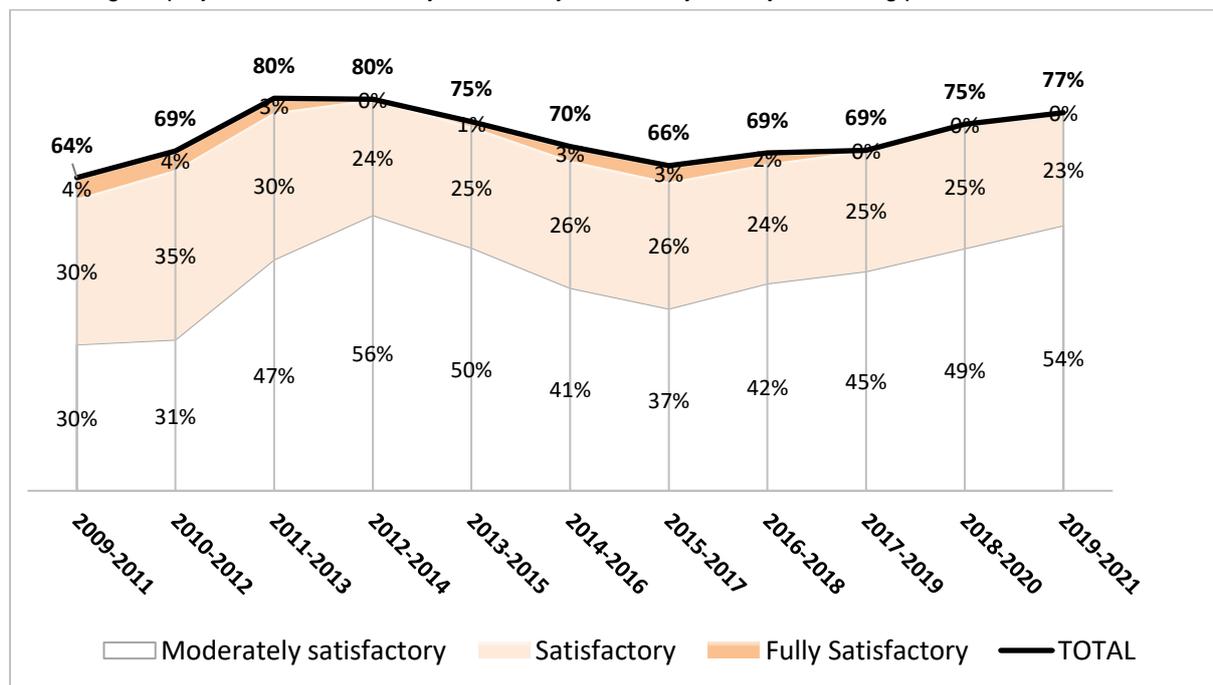


Figure 5  
**Gender equality**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

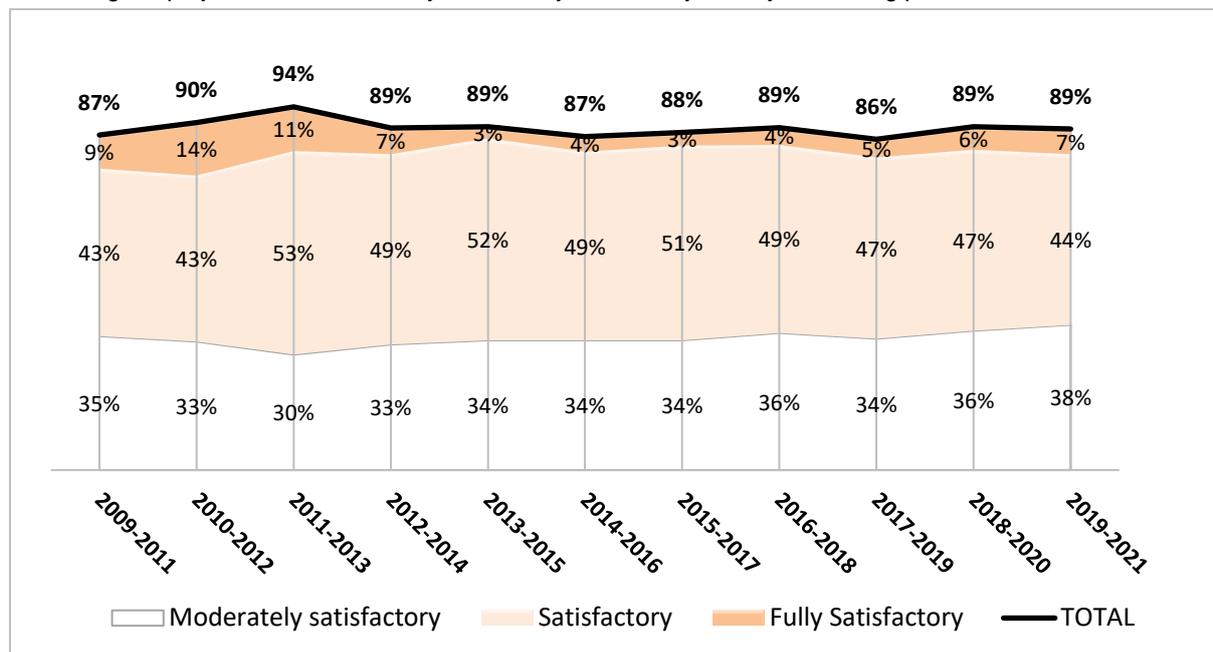


Figure 6  
**Scaling up**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

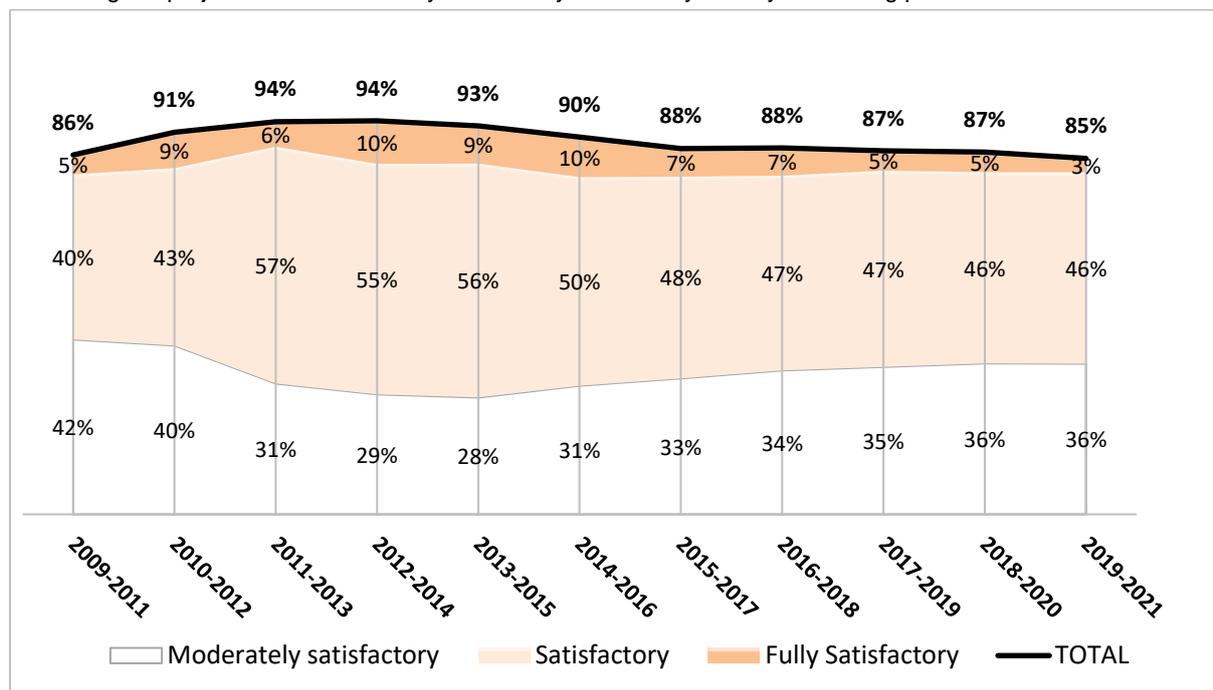


Figure 7  
**Environment and natural resource management**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

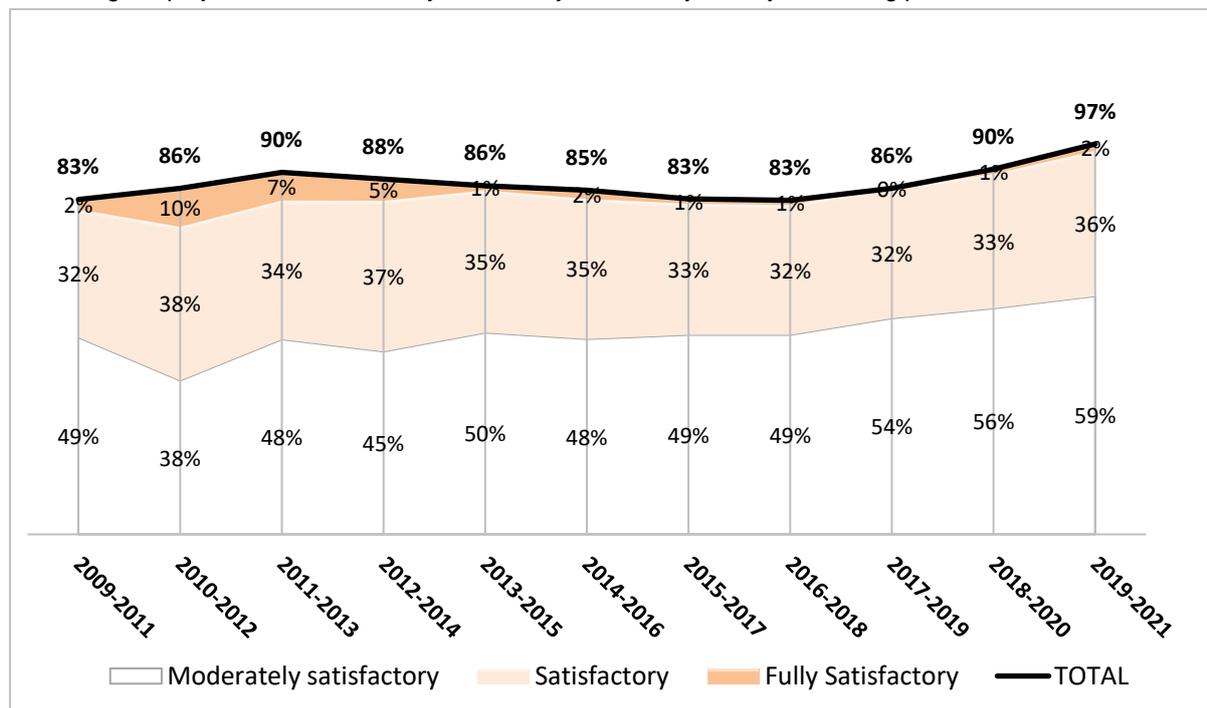
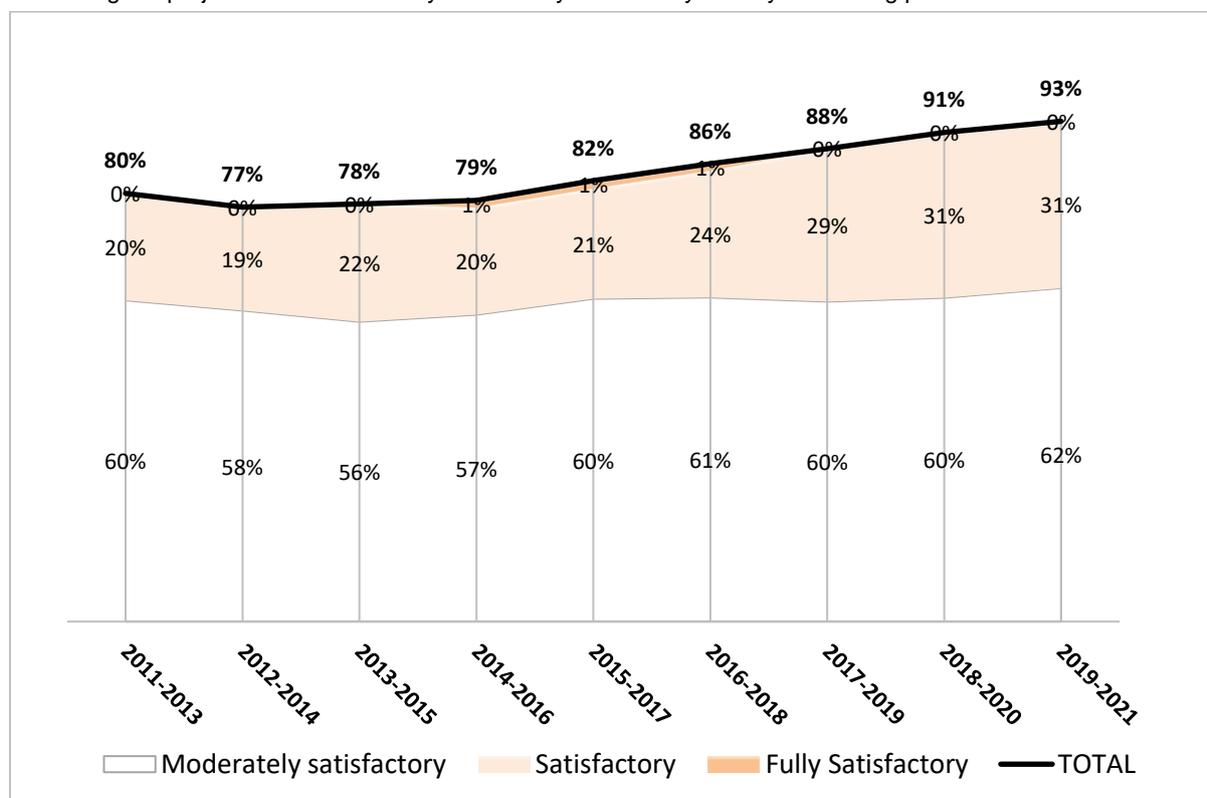


Figure 8  
**Adaptation to climate change\***  
Percentage of projects rated moderately satisfactory or better by three-year moving period



\* IFAD database shows no ratings related to climate change adaptation before 2011.

Figure 9  
**Rural poverty impact**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

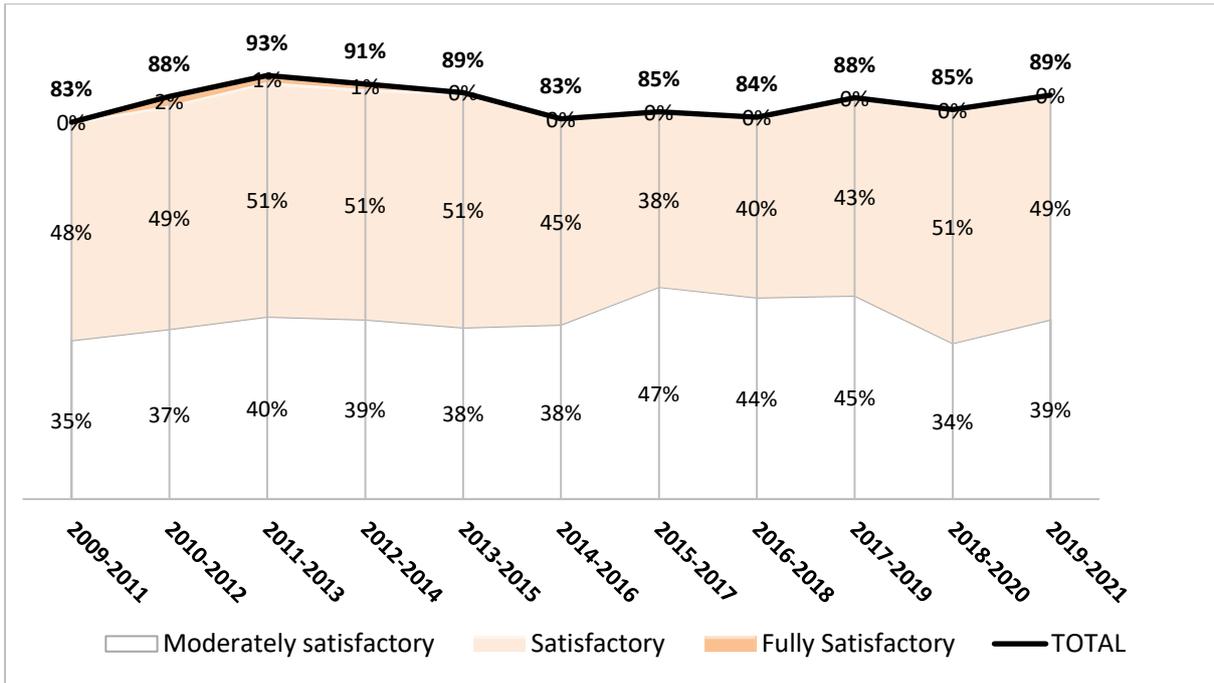


Figure10  
**Innovation**  
Percentage of projects rated moderately satisfactory or better by three-year moving period

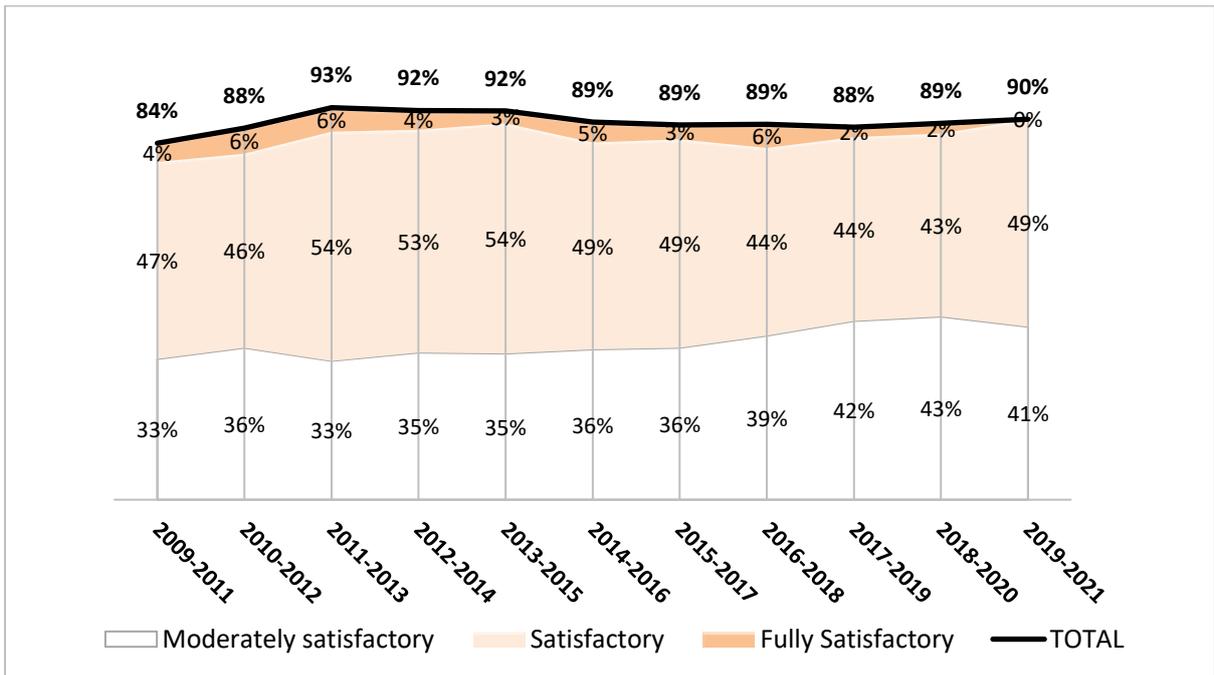
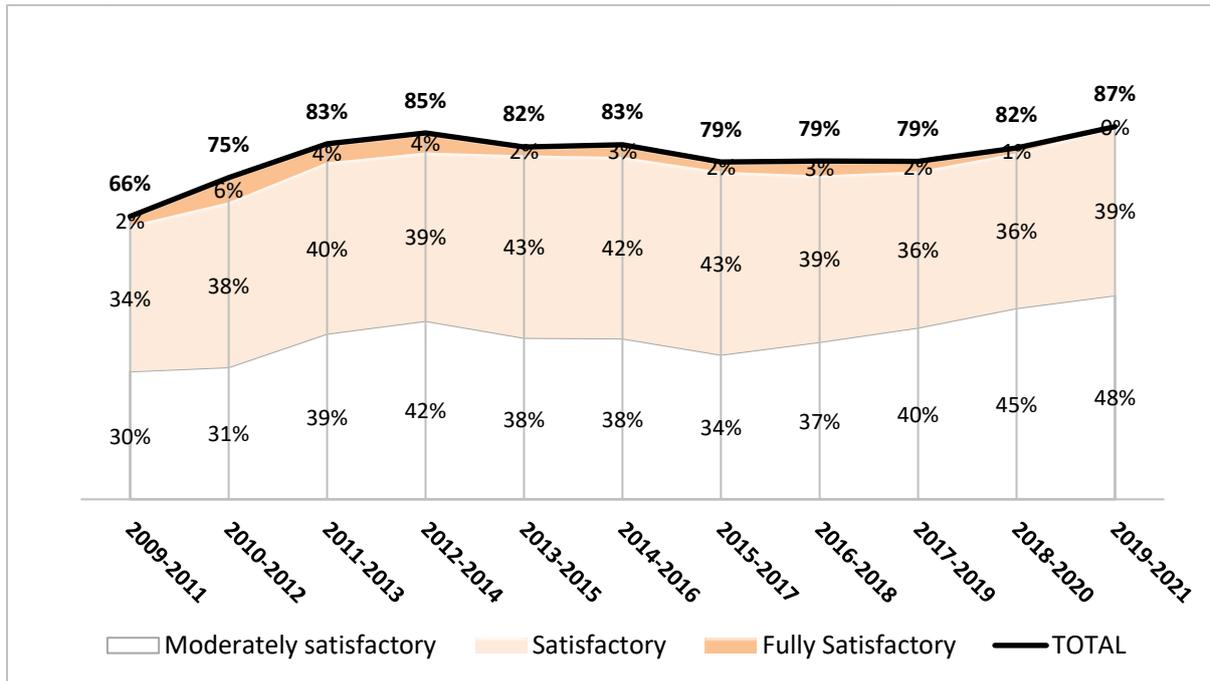


Figure 11  
**Government performance**  
Percentage of projects rated moderately satisfactory or better by three-year moving period



## Overview of IFAD11 commitments

1. This annex provides an overview of the implementation of commitments under IFAD11. The Fund has completed all of the 50 monitorable actions agreed upon with Member States.
2. Progress on specific actions has been reported at Executive Board sessions. It includes: obtaining credit ratings from Fitch and Standard & Poor's; approval of IFAD's strategy for engagement with the private sector; approval of the project restructuring policy; review of the KM strategy; approval of pilot results-based lending operations; approval of the revised operational guidelines on targeting and approval of the ICT4D strategy.
3. Other actions have been completed internally. Examples include: rollout of the ORMS; the revision of supervision and implementation support procedures; and approval of the new project design process through a President's bulletin.
4. Table 1 displays commitments and monitorable actions by their main area of relevance, while table 2 displays the same information by monitorable action type. Both tables also display monitorable outputs associated with each action. Monitorable outputs are internal milestones established by IFAD to follow up on implementation of the action; they do not correspond to specific deliverables agreed upon with Member States.

Table 1  
Completion status of IFAD11 commitments, by area

<i>Commitment areas</i>	<i>Total commitments</i>	<i>Total monitorable actions</i>	<i>Total monitorable outputs</i>	<i>Outputs completed</i>	<i>Outputs delayed</i>
Resource mobilization	2	6	32	32	
Resource allocation	2	5	28	28	
Resource utilization	6	25	131	129	2
Resource transformation	4	14	82	82	
<b>Total</b>	<b>14</b>	<b>50</b>	<b>273</b>	<b>271</b>	<b>2</b>
				<b>99%</b>	<b>1%</b>

Table 2  
Completion status of IFAD11 commitments, by type

<i>Types of monitorable actions</i>	<i>Total monitorable actions</i>	<i>Total monitorable outputs</i>	<i>Outputs completed</i>	<i>Outputs delayed</i>
Enhanced financial architecture	6	29	29	
Enhanced corporate strategies	17	108	106	2
Enhanced corporate processes	10	50	50	
Enhanced reporting	12	64	64	
Enhanced operational instruments	5	22	22	
<b>Total</b>	<b>50</b>	<b>273</b>	<b>271</b>	<b>2</b>
			<b>99%</b>	<b>1%</b>

5. Out of 273 outputs, 271 (or 99 per cent) were completed. Under the area of resource utilization/enhanced corporate strategies, two monitorable outputs remained in delayed status. Delayed outputs were related to conducting a global perception survey to measure familiarity with and awareness of IFAD's brand among key audiences in target countries in 2020 (following the 2018 survey). IFAD

decided not to produce this output due to lack of a dedicated budget and a shift in internal priorities. IFAD has nevertheless completed the corresponding monitorable action – related to increased investment in strategic communication – by producing all remaining planned outputs, including the perception survey in 2018, the communications audit and the update of IFAD's corporate communications strategy and action plan.

## Methodology

1. The RIDE reports in a cross-cutting manner on a range of indicators from human resources to institutional efficiency, country programme performance, project-level results and portfolio management.
2. **Process and data sources.** As a cross-institutional report, the RIDE collects data from multiple external and internal systems. Tier I data is taken from the United Nations Statistics Division. Tier II data are based on Impact Assessment, as well as indicators and targets from IFAD's self-evaluation system and independent evaluation. Tier III information comes from the elaboration of data from internal databases (corporate, quality assurance, and programme management) as well as internal systems (ORMS, GRIPS, and Oracle FLEXCUBE). Specific indicators are calculated through a manual review of COSOP documents. Finally, there are specific Tier III indicators whose progress data comes from IFAD surveys (stakeholder feedback) or external sources (IATI).
3. The datasets that inform the analysis of Tier II data in the RIDE have certain limitations, as explained in the following paragraphs.
4. **With regard to impact data,** the sample is composed of 24 projects representing 25 per cent of the universe of 96 projects that closed between 2019 and 2021. The Fund designed most of these projects in IFAD8 (2010–2012) and IFAD9 (2013–2015). Meeting targets set at a later stage (as in the case of IFAD11 targets) may prove challenging. Despite this limitation, IFAD met all RMF11 targets related to impact domains, the only exception being nutrition.
5. **With regard to project-level development outcomes,** the cohort of projects under analysis is composed of operations with financial closure in the IFAD11 period and an approved PCR. Projects closing in IFAD11 were approved between 2005 and 2015; priorities, resources and the global context have changed, while design reviews became stronger. The cohort of projects analysed under IFAD11 (79 projects) is smaller than in IFAD10 (98) and is expected to shrink further due to ongoing portfolio consolidation efforts. This is likely to increase the variability of results.
6. The cohort of projects under analysis is based on the operation's closing rather than completion date. This is because PCRs are normally due 6 months from the project completion date, but IFAD grants additional extensions to projects undergoing an impact assessment or to meet specific needs (e.g. to allow negotiation and agreement on final ratings with governments). Selecting projects based on their completion date would further reduce the sample size. Additional details are provided in the 2021 President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), annex V (follow-up to IOE comments on the 2020 RIDE).<sup>35</sup>
7. **With regard to project-level outcomes and outputs,** fluctuating yearly performance is due to the cohort of projects analysed: every year, new ongoing projects enter the sample and completed projects exit. Given the demand-driven nature of IFAD-financed projects, reaching targets set during the negotiations for the corresponding replenishment period poses a number of challenges, as the focus areas of the projects approved (and to some extent, of the ongoing projects that get restructured) depend on country-specific demands.
8. The methodology for COIs was rolled out in 2020. The onset of the COVID-19 pandemic added to the challenges of implementing a new methodology in contexts often affected by limited PMU capacity and high staff turnover. Therefore, outcome-level data for 2020 and 2021 are not sufficient in number and quality to identify a trend and robustly assess the level to which their target has been met.

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<sup>35</sup> EB 2021/133/R.18.

IFAD will continue to follow up/provide support to PMUs through OPAC and as outlined in the MEAL action plan to enhance capacity and improve the quality of reporting.

9. The analysis of countries with fragile situations is based on the World Bank's harmonized list of countries for the relevant fiscal year, as reported in annex II. Given the limited number of changes from year to year, and for the sake of simplicity, the latest available list is used to perform the analysis of project data for a period of three years (or two years, depending on the definition of the RMF indicator).

## Detailed review of IFAD's mainstreaming agenda

### A. GENDER EQUALITY, WOMEN'S EMPOWERMENT AND GENDER TRANSFORMATIVE APPROACHES

**International context.** The year 2021 marked the second year since the World Health Organization declared COVID-19 a global pandemic. The combined impact of the pandemic, conflict and extreme weather events meant that inequalities kept widening globally and the limited progress for women and girls continued eroding<sup>36</sup>.

The Generation Equality Forum took place in 2021 and set off a 5-year journey to accelerate action and implementation on global gender equality. The Forum, convened by UN Women and co-chaired by the governments of France and Mexico in partnership with civil society and youth, took place first in Mexico City in March and then in Paris in late June. The landmark effort brought together governments, corporations and change makers from around the world and generated \$40 billion in financial commitments, as well as multiple policy and programme commitments. IFAD is involved as both as an individual commitment maker as well as a co-leader of the Action Coalition for Feminist Action for Climate Justice (FACJ), which is one of the multi-stakeholder Action Coalitions driving the action agenda of the Forum.

As part of the Decade of Action to deliver on the SDGs, the 2021 **Food Systems Summit** (FSS) gave the global community an opportunity to come together and make actionable commitments to transform food systems and provide safe, nutritious food for all. The Summit was a corporate commitment and IFAD was engaged in the event process from the outset contributing also to knowledge and debate through the release of its flagship Rural Development Report. The Gender Lever, led by International Food Policy Research Institute (IFPRI), with membership from FAO, IFAD, WFP, Self Employed Women's Association (SEWA) and RECOFTC- The Center for People and Forests was created. It worked with Action Track Leadership teams and the Secretariat to ensure that solutions for transforming food systems are gender transformational, and respond to the needs, priorities and constraints of women of all ages. The Gender Lever was instrumental in mobilizing the voices of women, men and other groups from across the globe to meaningfully engage with the UN Food Systems Summit. This resulted in dialogues in Africa, Latin America, South Asia, Europe and Central Asia. The Gender Lever was also key to keep the gender agenda as a top priority across the UN Food Systems Summit processes including the game changing propositions, dialogues and Champions Network. The Gender Lever prioritised actions under the following four areas; (i) Expanding women's agency; (ii) Increasing access and rights to resources, services and opportunities; (iii) Eliminating systemic institutional and legislative biases against women; (iv) Shifting harmful and constraining gender and social norms.

From **Gender Lever to Coalition**. In September 2021, the "Coalition of action on gender equality and the empowerment of women in food systems" was launched. Led by the Summit Gender Lever, the Coalition unites the work of the Gender Lever and the various cluster working groups with Member States and other supporters of Gender Equality and women's empowerment in Food Systems. During the Summit process, many solutions and propositions emerged that seek to address the challenges facing women and girls in food systems. These have been consolidated in a single agenda for action and the Coalition aims to advance the realization of these solutions and propositions. The goal of the Coalition is to ensure that women and men, boys and girls, and other groups have equitable roles, responsibilities, opportunities, and choices, and that countries, communities, households, and individuals are equipped to participate in local, global and regional food systems activities in a meaningful, dignified, and equitable way.

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<sup>36</sup> <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2021/Progress-on-the-Sustainable-Development-Goals-The-gender-snapshot-2021-en.pdf>.

Under the Gender Equality and Women's and Girls' Empowerment Workstream, IFAD's Gender team continue supporting the development of globally accepted "Voluntary Guidelines on Gender equality and women's empowerment in the context of food security and nutrition" under the leadership of the Committee for Food Security (CFS). The Guidelines will provide members and other stakeholders with concrete practical guidance on how to advance gender equality, women's and girls' rights, and women's empowerment as part of their efforts to eradicate hunger, food insecurity and malnutrition. The draft of the Guidelines has been submitted to the CFS for comments. It is anticipated that final version of the Guidelines will be endorsed in October 2022.<sup>37</sup> IFAD will continue its involvement throughout the process through participation in the consultations and providing relevant feedback to the draft Voluntary Guidelines.

**Strategic orientation.** Through its Gender Action Plan (GAP) for 2019 to 2025, IFAD is committed to enhancing the impact of its programming on gender equality and women's empowerment. Some important features include the strengthening of the implementation of gender transformative approaches, adopting an integrated approach to gender, youth, nutrition, environment and climate and leveraging IFAD's enhanced business model, especially regarding decentralization and a culture of results and innovation.

In 2021, IFAD strengthened its gender-related commitments for IFAD12. As such, the target for projects to be designed as gender transformative was increased from 25 per cent to 35 per cent. Moreover, the 2021 edition of SECAP now goes beyond avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming gender equality and women's empowerment issues throughout the project cycle. Finally, in 2021, IFAD developed its Strategy on Diversity, Equity and Inclusion.<sup>38</sup> The objective of the strategy is to embed diversity, equity and inclusion into every aspect of IFAD's workplace culture and workforce. Gender equality is a key dimension of the strategy.

Regular grants are playing 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. Three ongoing regular grants have a specific focus on gender equality, women's empowerment and measuring progress made in achieving these results. These grants are contributing to integrating gender transformative approaches and measurement in IFAD's portfolio: (i) "Scale up Empowerment through Household Methodologies: from Thousands to Millions", implemented by OXFAM Novib and Hivos; (ii) "Securing women's resource rights through gender transformative approaches", implemented by a consortium of CGIAR Centres and (iii) "Assessing the Gendered Impact of Rural Development Projects" with IFPRI has the aim of supporting IFAD in improved learning and accountability through impact assessments of IFAD-supported projects. **Achievements against IFAD's Gender Action Plan and commitments.** An ex ante gender sensitivity analysis of the value of the IFAD loan and grant portfolio was conducted to measure the proportion of loans and grants with gender-specific objectives supported by clear budget allocations.<sup>39</sup>

A total of 39 loans were approved by the Executive Board in 2021, amounting to US\$ 1,030,844,868. Out of those, eight loans equivalent to USD 137,440,000 were not eligible for the analysis because they did not imply the development of a new project design document (e.g. additional financing of already existing projects or of projects designed with a financing gap).

The overall gender sensitivity outcome on loans (figure 1) analysed shows that 91 per cent of the loan value was rated moderately satisfactory (gender score of 4) and above,

<sup>37</sup> [https://www.csm4cfs.org/wp-content/uploads/2022/02/CFS\\_GEWE\\_VGs\\_First\\_Draft\\_en.pdf](https://www.csm4cfs.org/wp-content/uploads/2022/02/CFS_GEWE_VGs_First_Draft_en.pdf)

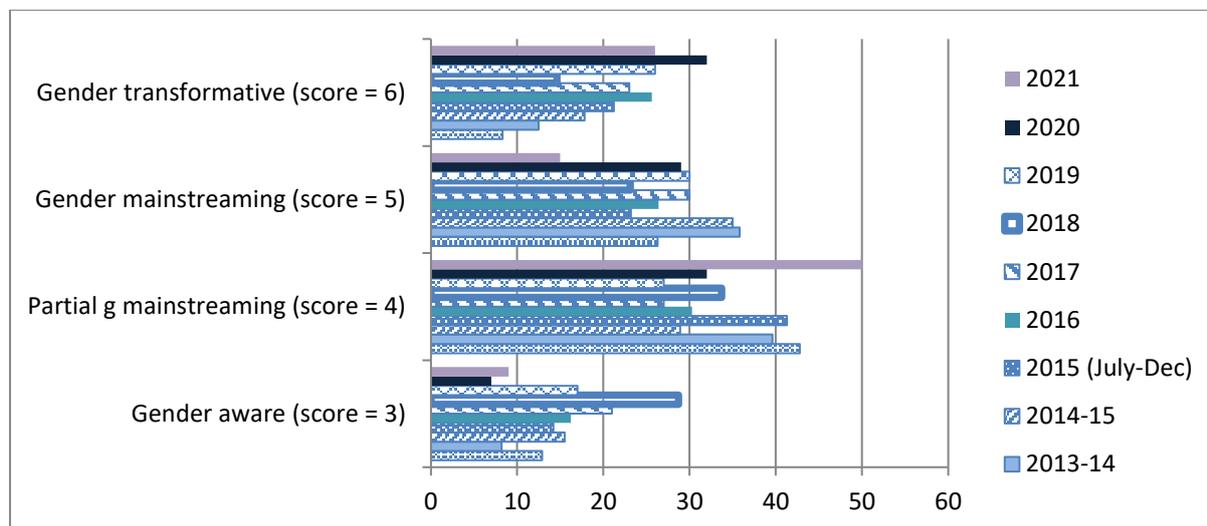
<sup>38</sup> <https://webapps.ifad.org/members/eb/134/docs/EB-2021-134-R-9.pdf>

<sup>39</sup> Gender action plan indicator 1.1.

compared to 93 per cent in in last year's analysis, 83 per cent in 2019 analysis, and 71 in 2018.

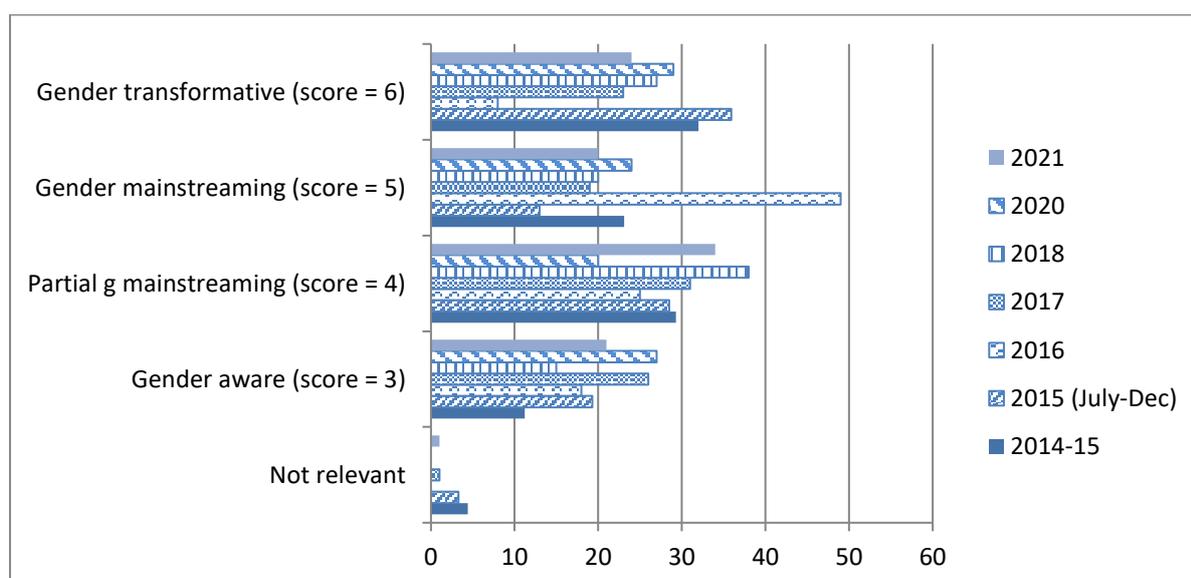
The proportion of the total loan value that can be classified as gender transformative (gender score of 6) is 26 per cent (equivalent to USD 233,875,615), compared to 32 per cent of in 2020, 26 per cent in 2019 for an IFAD11 average of 28 per cent.

**Figure 1. Gender sensitivity analysis – loan investment projects approved 2013-2021**



A gender sensitivity analysis of the 10 IFAD grants approved in 2021 with a total value of US\$ 10.2 million (figure 2) reveals that 79 per cent of grants by value were rated moderately satisfactory (gender score of 4) or above compared to 73 per cent in 2020. 24 per cent of grants value were classified as gender transformative, a slight decline compared to the 29 per cent in 2020. The analysis did not apply to two grants amounting to USD 133000.

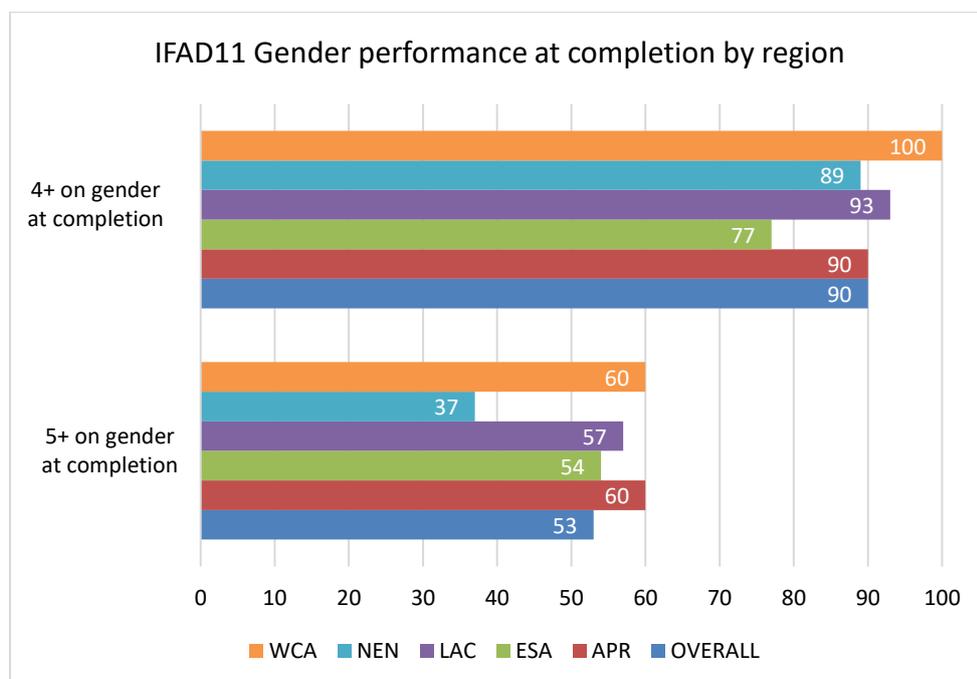
**Figure 2. Gender sensitivity analysis – IFAD-financed grants approved 2014-2021**



IFAD11 target of "90 per cent of IFAD-supported projects closed between 2019-2021 are rated as moderately satisfactory or better at completion" (rating 4+) was reached at

90 per cent overall. Examining the five IFAD regions, WCA exceeded the target with 100 per cent of projects rated at least moderately satisfactory at completion and LAC at 93 per cent. 53 per cent of the IFAD-supported projects rated satisfactory or highly satisfactory (5+ - also considered "fully gender mainstreamed") at completion, against the IFAD11 target of 60 per cent. Out of the regions, APR met the target and WCA exceeded the target with 62 per cent of projects rated 5+ at completion. A regional breakdown is provided in the figure 3 below.

**Figure 3. IFAD 11 gender performance at completion (by region)**



Of 17 the UN system-wide Action Plan (UN SWAP) performance indicators (PI) IFAD's performance 'exceeds' the criteria under 8 indicators including Strategic planning gender-related SDG results (PI 1), Reporting on gender-related SDG results (PI 2), Evaluation (PI 4), Policy (PI 6), Leadership (PI 7), Gender-responsive performance management (PI 8), Organizational culture (PI 13) and Knowledge generation and communication (PI 16). IFAD performance 'meets' the criteria under 6 performance indicators including Gender responsive auditing (PI 5), Financial resource tracking (PI 9), Gender architecture (PI 11), Capacity Assessment (PI 14), Capacity Development (PI 15) and Coherence (PI 17). IFAD performance is 'approaching' requirements for 2 performance indicators: financial resource allocation (PI 10) and Equal representation of women (PI 12).

**Successes and lessons.** Guidance by IFAD's Policy on Gender Equality and Women's Empowerment and its Gender Plan of Action are important in ensuring that interventions are relevant and address key issues related to gender equality and women's empowerment. These strategic orientations are translated in project-specific gender action plans. However, not every project has a comprehensive one. Although highly relevant, the objective of balancing workloads is not always sufficiently addressed. Efforts have been made to provide guidance for the development of solid gender action plans. As such, it is important to ensure that practices to reduce women's time poverty are included as part of the project's interventions. Moreover, projects without a gender action plan are being mapped so dedicated support can be provided.

While IFAD is well on track to achieve its commitment in terms of number of gender transformative projects at design, the translation into actions on the ground is not

always clearly understood once implementation begins. The start-up of projects is therefore a very important moment to ensure that everyone is clear on what needs to happen to achieve the anticipated results in terms of gender equality and women's empowerment.

Measuring transformative change is an inherently complex and holistic endeavour. IFAD has been rolling out the measurement of its empowerment indicator, which is mandatory for gender transformative projects. While this now enables projects to more systematically track empowerment and social change, project still face a number of challenges. These related, for example, to its costs, time constraints and perceived complexity. Furthermore, project seldom go beyond reporting on the collection of gender-disaggregated data. There is also room to better take into account intersectional dimensions, for example in terms of age and ethnicity. This does not allow projects to actually monitor progress, adapt and learn. Capacity development on gender-sensitive M&E is a priority and dedicated support has been provided to those projects implementing the empowerment indicator. The IFAD11 Impact Assessment analysis supported the complex task of measuring transformative change by looking at two key indicators: women's economic empowerment and women's access to resources. Women's economic empowerment was measured by looking at decision making power over income (either by women only or jointly with men); women's access to resources through women's ownership of various assets (such as land, livestock and others). Estimates indicate that women in beneficiary households have more decision-making power than women in comparison households by 29 per cent. Impacts related to asset ownership were found to be negligible. IFAD's contribution to women's economic empowerment could thus be considered a first necessary step that will likely contribute to increased asset ownership in the future.

**IFAD12 outlook:** IFAD's Gender team developed a methodology to prioritize projects across the five regions for support to improve their targeting and gender performance. The Gender team is also working with regional teams to incorporate the regional priority in the assessment. Regular follow up and technical support to improve the performance will continue through Project Delivery Team (PDT) members. The prioritization work will be periodically updated to track and achieve the completion targets of IFAD12.

During IFAD12, the Gender team will conduct various technical labs and capacity-building activities. This includes the revamped Operations Academy, and other staff induction sessions, project start-up and regional workshops, technical sessions on social norms, gender transformative approaches and tools, monitoring and evaluation of gender transformative changes, etc. Technical contents are under development in collaboration with partner organizations, senior experts and centres of excellence. An integrated focus with the other mainstreaming themes will always been taken into account. A thematic capacity development need assessment will also be conducted during the first semester of 2022 to complement information available on knowledge needs and drive new capacity development efforts on gender transformative programming.

Supplementary funded initiatives will support efforts to achieve IFAD12 commitments. The Joint Programme on Gender Transformative Approaches for Food Security, Improved Nutrition and Sustainable Agriculture (JP GTA) will be further rolled out during IFAD12. The second phase of the Joint Programme on "Accelerating Progress towards the Economic Empowerment of Rural Women" will be implemented during IFAD12 and targets the Pacific Islands, Tanzania, Niger, Tunisia and Nepal. While launched in 2021, "the Gender Transformative Mechanism in the context of Climate Adaptation" (GTM) will become operational under IFAD12. As long-term goals, the GTM aims to empower over 20 million rural people across 27 projects and 20 countries to achieve gender transformative results in agriculture, strengthen climate resilience, and improve rural people's wellbeing by 2030.

The IFAD11 replenishment report<sup>40</sup> underlines the key role IFAD plays in ending rural poverty and hunger, addressing climate change, improving nutrition, empowering rural women and girls, creating opportunities for the youth and addressing the challenges of fragility, disability and migration in rural areas. In line with the SDGs Agenda of Leaving no one behind, the Fund has committed to target its investments to those who need it most, i.e., the poorest people and the poorest countries. The IFAD Targeting Policy, which was approved in 2008, is one of the key instruments IFAD has adopted to ensure that the fund's operations reach and benefit the poor and food insecure. It responds to the core mandate of IFAD, which is to promote rural transformation, end rural poverty and hunger. It has been streamlined into IFAD programme cycle through the development of guidance, tools, requirements and continuous technical support to projects and staff. Although highly relevant, IFAD's Targeting policy is outdated. Following the 2018 Annual Report on Results and Impact of IFAD operations (ARRI) of the Independent Office of Evaluations<sup>41</sup> IFAD committed to update its Targeting policy to, amongst other things, align with the SDGs and the emerging priorities such as rural youth employment and persons with disabilities. The informed and participatory review process started in 2019 with the update to the Targeting Operational Guidelines will continue with the presentation of the revised Targeting policy to the Executive Board in December 2022.

Partnerships are a key instrument for IFAD to widen and deepen its impact in terms of gender equality and women's empowerment. As such, the strong collaboration with the other Rome-based Agencies will be leveraged on. This includes the two joint programmes (JP-RWEE and JP-GTA), but also the work on the CFS Voluntary Guidelines for Gender Equality and Women's and Girls' Empowerment in the context of food security and nutrition. Furthermore, as a co-leader of the Generation Equality Action Coalition on Feminist Action for Climate Justice, IFAD will work with UN Women and others to track the implementation of commitments that have been made. Finally, as a member of the UN Interagency Network on Women and Gender Equality, IFAD will continue to put the spotlight on rural women.

## B. YOUTH

**International context:** There are over 1.2 billion young people (aged 15-24) in the world today and over 80 per cent of those live in developing countries. They are disproportionately affected by high unemployment and underemployment rates. According to the International Labour Organization (ILO), 67.6 million youth are unemployed<sup>42</sup> and their work is not always recognized or remunerated as "employment" in rural areas, being informal and frequently unprotected with about 126 million of young workers who are among the working poor<sup>43</sup>.

The situation is particularly grave in rural areas of the least developed countries, where employment opportunities are scarce and where constraints on access to land, natural resources, finance, technology, knowledge, information and education pose additional challenges for young people to seize opportunities for bettering their lives and contributing to the rural economy.

A sustained increase in the global population which is expected to grow to around 9.7 billion in 2050<sup>44</sup> - and the corresponding increase in the number of young people -

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<sup>40</sup> Report of the Consultation on the Eleventh Replenishment of IFAD's Resources <https://www.ifad.org/documents/38714174/40306705/Report+of+the+Consultation+on+the+Eleventh+Replenishment+of+IFAD%27s+Resources.pdf/3819f1bc-d975-45ce-9770-8f673e26caa0>>

<sup>41</sup> [IFAD 2018 Annual Report on Results and Impact of IFAD Operations. Independent Office of Evaluation; IFAD 2017. What works for gender equality and women's empowerment – a review of practices and results Evaluation synthesis. Independent Office of Evaluation.](#)

<sup>42</sup> ILO (2020), Global Employment Trends for Youth 2020.

<sup>43</sup> Ibid.

<sup>44</sup> UNDESA (2019), World Population Prospects 2019.

which is expected to increase by more than 60 per cent over the next 40 years in the least developed countries<sup>45</sup> - imposes additional burdens on the labour market.

Creating more productive and decent work for an increasing proportion of youth in a changing climate and shifting dietary habits world is a core part of IFAD's work along with supporting them to enhance and benefit from food systems. According to the latest State of Food Security and Nutrition in the World (SOFI) report from FAO, the number of hungry people rose by 118 million in 2020, and one of its key recommendations to reverse this trend is to support young people to participate in food systems and help make these systems more effective and efficient. Against this backdrop, IFAD was designated the UN anchor agency for Action Track 4 (AT4), "Advancing equitable livelihoods" within the Food Systems Summit (FSS) convened by the UN Secretary-General in October 2021. Through a multi-stakeholder engagement process, AT4 launched a coalition on Decent Work and Living Income and Wages, which is currently led by IFAD, ILO, and CARE. The coalition takes a UN wide approach to food systems transformation and is committed to the goal of ensuring economic and social justice and the right to adequate and nutritious food for all by promoting labour and human rights and increasing opportunities for decent and productive employment.

**Strategic orientation:** During IFAD11, the Fund has significantly stepped up its efforts to youth-sensitivity programming and adopted a cross-sectoral approach with a view to increase decent job opportunities and promote young people active engagement in operational processes at all levels.

In mainstreaming youth employment across its portfolio, the Fund has put specific focus on agribusiness development as a path to business opportunities for the youth across agricultural value chains, which builds on the combination of appropriate targeting, access to productive assets, goods, services, and entrepreneurship skills enhancement in a tailored fashion and based on context-specific differentiated solutions. Beyond entrepreneurship development, the Fund is also focused on enhancing the employability of rural youth within labour markets. In promoting this employment-centred approach as a strategy to include young people in development paths out of poverty, a good understanding of the business ecosystems has proved critical in order to close the gap between the demand and supply of labour. This has contributed to IFAD's increasing attention to forge strategic and mutually rewarding relationships with the broader farming community actors across public and private sectors and civil society with the objective of scoping out relevant synergies and facilitated capital, assets, market access and other real-world constraints. This integrated investment approach to jobs creation for youth is anchored on market-driven production, post-harvest growth, and linkages with appropriate goods and services (MFIs, extension etc.) around select commodity value chains.

The "integrated" nature of these initiatives offers a comprehensive and tailored package of knowledge, skills, financial and inputs support to young people, which are delivering promising results on employment creation. In particular, IFAD is increasingly investing in rural business incubation approaches within its Youth Agribusiness Hubs Programme that redirects youth livelihood aspirations toward more profitable rural enterprises and labour competitive skills sets by combining talent, technology, capital, capacity building, and know-how. This approach aims at establishing a network of agribusiness incubators integrated with other initiatives already occurring in the same countries in order to eliminate operations in isolation and use collective input for wider impact.

On empowering young voices with agency, IFAD is also supporting grassroots engagement approaches that account for dynamic frameworks for dialogues to ensure that youth voices are heard in decision-making processes and country programming activities. This is currently being piloted through the *Youth Grassroots Approach (YGA)* initiative

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<sup>45</sup> United Nations Population Fund (2011), Population dynamics in the least developed countries.

connecting youth voices to action) in four countries - Colombia, Morocco, Rwanda, and Senegal.

These two flagship models are contributing to key dimensions of youth empowerment: (i) economic empowerment, through the creation of youth employment opportunities; (ii) and agency, through the institutionalization of participatory mechanisms that allow a more systematic engagement of young people as equal partners in field operations, thereby increasing the responsiveness of IFAD programming to their needs and views. These are outcomes of Rural Youth Action Plan (RYAP) implementation, which among other IFAD's commitments contribute to SDGs 1 (end poverty), SDG2 (end hunger), SDG5 (gender empowerment), and SDG8 (promote decent work and economic growth).

**Achievements against IFAD commitments:** In stepping up its efforts to deliver on the ambitious IFAD11 youth mainstreaming commitments, IFAD's pro-youth interventions have revolved around the implementation of a comprehensive menu of activities that yielded the following key achievements against IFAD11 commitments in the RYAP action areas:

**Country delivery.** In 2021, 100% COSOPs were youth sensitive while 86% of the projects approved over the same year were validated as youth-sensitive (25 out of 29) and 64% of them (16 out of 25) were rated satisfactory or highly satisfactory by the Quality Assurance Group (QAG) at design. In comparison with design in 2019 and 2020, when 45 per cent and 37 per cent of youth-sensitive projects were respectively rated satisfactory or highly satisfactory, this indicator shows a clearly positive trend of the quality of project designs, which are effectively delivering on the objectives of their targeting strategies. Overall, if we consider the entire IFAD11 business cycle (2019-2021), the target of 50% youth-sensitive projects at design has been exceeded with 86% of projects validated as youth sensitive (77 out of 89) and a total estimated outreach of more than 5 million young people for an estimated USD 108 million mobilized for youth-sensitive approaches.

At the design phase, more emphasis was put on analysing national policies addressing young people and outlining specific challenges and opportunities related to youth heterogeneity.

The inclusion of young people as a priority target group in IFAD11 also resulted in enhanced youth targeting approaches and well-defined pathways to foster entrepreneurship and job creation such as skills development and access to assets. Numerous tailored approaches were reinforced in the course of the year to support youth such as the incubation schemes in Cameroon (AEP-Youth project with 86 per cent of the youth agribusinesses still operational and creating direct jobs); the integration of youth in both the upstream and downstream of specific value chains in Nigeria (VCDP); the increased number of youth/social inclusion officers within the PMU.

In comparison to the last two years, IFAD has moved towards improving youth-sensitive indicators and employment data by use of the core outcome indicator C.I. 2.2.1 (New jobs created). In 2021, at least eight new youth-sensitive projects<sup>46</sup> integrated this specific indicator to ensure tracking of youth employment creation - a number that increased by 62 per cent since 2020. Despite these positive trends, some challenges persist such as reporting on youth-related outcomes, particularly on job creation.

**Strengthening capacity in youth-sensitive programming.** Efforts have been made to ensure that youth issues are reflected in on-going mandatory trainings and e-learning modules, mainstreaming labs, and Operations Academy curricula targeting IFAD staff with the objective to increase adequate in-country technical and analytical expertise on youth-sensitive approaches and effectively blend them within the portfolio to deliver on the youth mainstreaming agenda. Efforts under this action area have also targeted implementation partners and youth organizations through capacity-building in

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<sup>46</sup> The eight projects are SACP, RENFORT, KP-RETP, CSAT, PRODER, RK-FINFA, PROSPER and SAPZ.

innovative youth incubation and engagement approaches. For example, trainings in agribusiness hub systems development and its value addition in terms of innovation were organized through virtual in-country workshops in Rwanda, Nigeria, Malawi, Madagascar, and Ivory Coast targeting project implementation unit staff and further scaling up is planned in response to increasing demand from IFAD operations.

IFAD has also significantly enhanced its advocacy role in promoting the potential of rural youth at the global level through policy engagement and partnerships building, which are key pillars of the IFAD youth agenda. During COP26, IFAD has taken on the issue of meaningful youth participation and representation in decision-making processes, putting rural youth at the heart of multilateral discussions about climate change and adaptation strategies in the context of employment. By opening up opportunities for rural young people direct participation in policy dialogue – currently very limited – IFAD is legitimizing its position as ardent advocate for youth engagement.

**Partnership building** with youth-led organizations has been continuously pursued in joint advocacy and communication activities (CFS, Pre-COP26, Global Conference on Family Farming and Sustainable Food System, Food System Summit, etc.), acknowledging them as a serious constituency able to speak out on its own behalf. Moreover, in the spirit of realising IFAD’s commitment to enhance the involvement of youth in its governance at all levels, the fund is currently piloting the Youth Grassroots Approach (YGA) in four countries. The approach aims to ensure that youth serve as equal and active partners in the design and delivery of development projects and as allies and pressure groups in policy dialogue, making IFAD’s interventions more responsive to their needs and views through a more structure and tailored engagement process. The YGA has already been adopted by the Youth Agribusiness Hubs Programme where the Rwanda Youth in Agribusiness Forum (RYAF) plays the role of convener organization and serves, among other things, as interlocutor to promote a bottom-up dialogue with rural youth representatives.

In strengthening its focus on youth employment, IFAD has increasingly paid attention to the linkages with **child labour** and has raised its advocacy and awareness-raising efforts within the International Partnership for Cooperation on Child Labour in Agriculture (IPCCLA)<sup>47</sup> and in major policy dialogues, including the second and third Global Conferences on Child Labour. As part of this effort to prevent forced employment and child labour in agriculture, IFAD undertook a revision of the SECAP Guidance Statements and included performance standards on labour and working conditions. In partnership with FAO, IFAD is also exploring pathways to integrate child labour concerns in its investment programmes through the development of a child labour risk assessment tool.

The promotion of decent employment opportunities for young in agriculture is key corporate undertaking at the centre of IFAD policy engagement agenda. Given its mandate and global commitment, IFAD is currently leading the **Decent Work and Living Income and Wages coalition**<sup>48</sup> whose outcomes will progressively inform IFAD’s COSOPs and loan projects.

**Successes and lessons:** As previously highlighted, youth is already consistently mainstreamed, given that all COSOPs and 87 per cent of loan-financed project designs are validated as youth-sensitive and have facilitated youth inclusion in related rural transformation strategies. However, they do so to varying degrees, and approaches differ in their capacity to fully address youth unemployment issues and delineate clear empowerment pathways. In particular, IFAD11 revealed areas of improvement in

<sup>47</sup> IFAD is one of the founding members of IPCCLA), which is a global initiative bringing together ILO, FAO, IFAD, CGIAR and IUF since 2007.

<sup>48</sup> Action within the coalition will be advanced through five priority areas: (1) Institutionalising and strengthening labour and human rights and improving labour governance in food systems; (2) Promoting decent employment in food systems, with a focus on more and better jobs for the most vulnerable; (3) Empowering food system workers through strengthening workplace organization and effective social dialogue; (4) Ensuring the right to social protection and income security; and (5) Achieving 100 per cent living incomes and wage

measuring employment outcomes for young people. To address these concerns and ensure the effective tracking of youth engagement, a job-tracking outcome indicator has been made mandatory for youth-sensitive projects approved in IFAD12. Special attention will need to ensure ongoing projects strengthen their youth performance to meet completion commitments.

IFAD continues to strengthen the evidence base of how youth integrates with other themes. From implementation, there is room for improvement particularly in certain areas that require immediate and targeted attention such as the green job dimension for youth. Within the Youth Agribusiness Hubs Programme, a comprehensive and coherent “greening business” plan is under preparation, which is expected to integrate green dimensions by adopting a gradual and incremental approach to incubate youth-led green enterprises and build up the skills of both young entrepreneurs and workers to finance, manage, operate, and maintain the capital asset or implement the structural production changes (such as climate-smart agriculture). Among the key tools and approaches currently being piloted there are: experimental approaches focusing on learning through a process of trial and error; incentives frameworks for youth to engage in green farming; establishment of Community of Practice; (7) sound M&E Frameworks to track results and attract climate finance. Against this backdrop, the agribusiness model in Kenya has taken a number of actions focusing on private sector partnerships, skills development, awareness raising, knowledge sharing and advocacy, green business development and mainstreaming a green dimension throughout the Agribusiness Hub Programme over the next 12- 18 months. To this end, a significant share of green jobs (entrepreneurship and wage employment) and operational partnerships are expected to be developed throughout the project. Lastly, social inclusion officers based on the ground as well as project social inclusion staff within loan projects have been pivotal to improving the performance and impact of operations through technical backstopping particularly at early implementation, continued capacity building of project implementation units, which greatly contributed to the quality of project delivery.

**IFAD12 outlook:** IFAD12’s new commitment is to ensure that 60 per cent of new investment projects are youth-sensitive at design with specific focus on youth employment. With the growing transition towards a green economy, the creation of decent green jobs in the rural economy for youth will be prioritized. In this regard, the creation of new mechanisms such as the Private Sector Financing Programme (PSFP) and the Rural Resilience Programme (2RP) - where youth and youth employment are explicitly given prominence - provide the right framework to step up IFAD’s engagement with this target group.

Against these ambitious targets, tracking youth employment creation can be particularly challenging for agricultural projects, and therefore ensuring the collection and tracking of the best data possible will become crucial for the attribution of the impact of the projects on outcomes. To this end, during IFAD12 the Fund will step up efforts on improving corporate tracking systems and systematizing data collection methodologies on jobs, employment, and youth aspirations. Another challenge lies in tracking youth-sensitive project performance, as there are currently no specific ratings to gauge youth indicators in supervision guidelines. Solutions to adequately account for and integrate relevant youth-related elements and dimensions will be fostered through further discussions in-house throughout IFAD12.

### C. NUTRITION

**International context:** The year 2021 offered unique opportunities for advancing food security and nutrition through the UN Food Systems Summit, the Nutrition for Growth Summit and the COP26 on climate change. IFAD also engaged in interagency initiatives such as the establishment of the UN Nutrition and its secretariats, and the Committee of Food Security processes on the voluntary guidelines on food systems and nutrition. IFAD actively engaged in country and global level policy dialogues in the run-up and during the food systems summit in September 2021 and supported countries to define

food systems pathways, many of which prioritised nutrition. IFAD is also engaged in a number of food systems coalition related to nutrition, such as the school meals coalition, zero hunger, healthy diets.

At the COP26, IFAD promoted the role of small-scale producers in climate change adaptation and mitigation and in creating resilient food systems. IFAD's Nutrition Team held a side-event, "FOODTalk: Healthy Planet and Well-Nourished People" which dove into the core issues that pit nutrition and climate change as two opposing forces and proposed practical win-win solutions to bridge the divide and minimise trade-offs from a country, technical and policy perspective.

IFAD consolidated its lessons learned, built on the recommendations and follow-up actions that emerged from the Food Systems Summit and COP26 to make SMART commitments at the Nutrition for Growth (N4G) event at the end of 2021. IFAD was an active participant in the preparation of this event, through its role in the advisory group, and as a member of the healthy diets committee led by FAO and the UK Government. This event brought a lot of interest, with IFAD hosting four side events – "Making Food Affordable for Rural People: Is it Possible?"; "Advancing Equitable Access to Nutrition for all Food Systems Workers"; "Nutrition-Sensitive Agriculture: Lessons Learned from IFAD-Supported Projects in East and Southern Africa" and "Financing for Nutrition: Leveraging the Pivotal Role of Public Development Banks." The N4G event offered an additional opportunity for collaboration and partnerships (i.e. CARE, EAT Foundation, TIP, GAIN, CGIARS, NORAD, Public Development Banks, etc.) and highlighted IFAD's global leadership on sustainable food systems transformation.

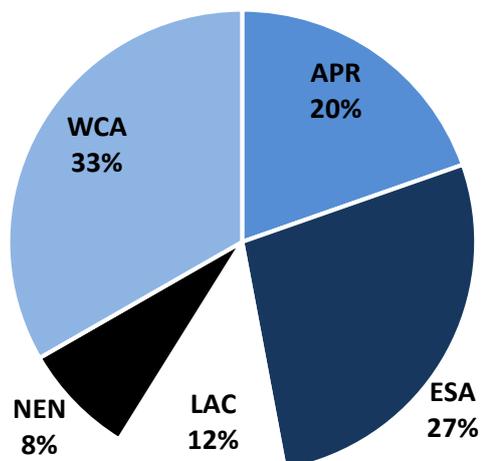
**Achievements against IFAD commitments:** IFAD continues to strengthen its progress on nutrition mainstreaming. To date, IFAD has surpassed its commitment under IFAD11 (2019-2021): all COSOPs were nutrition-sensitive and 64 per cent of IFAD11 projects – corresponding to 51 projects - were validated and approved as nutrition-sensitive at design, against a target of 50%.

Action area 4 of the Nutrition Action Plan (NAP) emphasises the improved use of evidence on nutrition-sensitive agriculture and food systems. IFAD is committed to strengthening its monitoring and evaluation systems. In 2021, IFAD undertook an intensive review of 51 IFAD11 nutrition-sensitive projects, to develop a database that provides essential data regarding nutrition interventions, targeting and finances. This database enables IFAD to create a baseline, from which projects will be monitored and evaluated throughout their project cycle.

In line with the Nutrition Action Plan (NAP), IFAD has made concerted efforts to improve use of evidence to inform its NS operations. Since IFAD's criteria for nutrition-sensitive projects came into effect, more and more projects are incorporating and measuring the core outcome/output nutrition indicators into their log frames and M&E systems. IFAD has also established a database of all nutrition-sensitive projects designed in IFAD11. The database was developed following an in-depth review of all IFAD11 nutrition-sensitive projects and provides essential data such as nutrition beneficiary targets and types of interventions and finances invested in nutrition. IFAD will use this database to generate evidence that will inform strategic decisions to improve the quality of nutrition mainstreaming in operations, capacity building and policy engagement.

Region	IFAD 11 Nutrition Sensitive	
APR	10	20%

### IFAD 11 Nutrition-Sensitive Projects by Region



<b>ESA</b>	14	27%
<b>LAC</b>	6	12%
<b>NEN</b>	4	8%
<b>WCA</b>	17	33%
<b>Total</b>	<b>51</b>	

IFAD continues to strengthen implementation support to on-going projects. In 2021, 90 per cent of nutrition-sensitive projects rated at least a four or above at supervision and mid-term review missions. As part of implementation support, IFAD, through NORAD's SF, is providing technical and financial support to seven projects in ESA and WCA. In 2021, these projects were supported to develop their nutrition strategies and actions plans to guide them during implementation, and are improving the integration of nutrition into their M&E and targeting approaches. Furthermore, the NORAD SF is supporting the PMUs with nutrition specialists, to be embedded in the PMUs.

At the beginning of 2021, four country programme reviews, in Angola, Kenya, Burundi and Zambia, were finalised and published. These country reviews provide an in-depth analysis of the current operations present in each country and provide strategic guidance on how to strengthen the nutrition-sensitive portfolio in each country.

One of the strategic approaches of the NAP is to strengthen the technical, analytical and managerial capacity of project management teams and partners. This has been achieved through a multitude of strategies, focusing on stronger collaboration with regional divisions and project management teams. The year 2021 saw the assignment of nutrition focal points in all regions where IFAD works. The nutrition focal points have been essential in building bridges and promoting the importance of nutrition-sensitive agriculture. To further bolster the capacity of IFAD staff and Project Management Units in designing, implementing and advocating for nutrition-sensitive agriculture and food systems investments, IFAD held five Nutrition Labs in four regions (APR, ESA, NEN and LAC) in 2021; across all regions a total of 194 participants attended these nutrition labs. The Nutrition Labs provided a platform for projects to share their successes and challenges, and learn from one another.

IFAD continues to maintain partnerships with Bioversity International, Wageningen University, McGill University, IFPRI, among others; and explores new avenues for collaboration. The partnership with IFPRI, in collaboration with the ESA region and Uganda ICO, led to a food and nutrition security mapping exercise in Uganda, which generated evidence that was used in the national food systems dialogues. Through ASAP2, IFAD and Wageningen University deepened the evidence base surrounding the linkages between climate and nutrition. A webinar, "Food Systems: Harnessing Nutrition Co-Benefits of Climate Resilient Agriculture" was held, where the knowledge products were launched and stakeholders from academia, research, governments, civil

society and development agencies gathered to discuss the climate-nutrition nexus. To strengthen this work IFAD held a training workshop on climate change and nutrition linkages, targeting country programme staff, HQ and regional division's staff; a total of 26 participants attended this training. The KM products under this grant included one comprehensive literature review prepared in an interactive PDF format, three country case studies, one video and one teaser for social media promoting the climate-nutrition nexus. Through a partnership with Bioversity International, the Indigenous Peoples and Nutrition Digital Toolbox was initiated. This toolbox will provide guidance for designing and implementing projects and initiatives that aims to improve nutrition of Indigenous communities by leveraging local biodiversity and food systems.

**Successes and lessons:** Incorporating nutrition objectives among IFAD corporate commitments was a strategic decision that has brought nutrition to the forefront and has been a key driver to increasing the number nutrition-sensitive projects at design. This is an indispensable commitment also in light of findings from the Impact Assessment for projects that closed between 2019 and 2021, which were designed, on average, about eight years earlier and where nutrition gains are very low. An encouraging trend is emerging where more governments are advocating for integration of nutrition in operations, a clear evidence of their ownership and buy-in. For example, more and more projects are incorporating nutrition activities across all stages of the value chain, from primary production to consumption. This enables projects to tackle the myriad of factors influencing malnutrition, helping to ensure access to diverse, healthy and sustainable diets for all.

Overall, support during implementation stage has increased but there is the need to strengthen monitoring and evaluation capacities. There remains a great deal of confusion on the nutrition-sensitive indicators. To ensure these are adequately incorporated into baseline, mid-term and end line surveys, as well as are correctly monitored and interpreted, specific technical support to project teams is needed. Another significant aspect is the development of nutrition strategies and action plans, which has enabled projects to better translate NS interventions at design into concrete and context specific actions and to integrate NS metrics into investments. A significant level of support in this regard has been provided, with promising feedback, and will be continued.

Partnerships with implementing agencies and organisations with specialised technical expertise has been invaluable in enhancing beneficiaries' knowledge and capacity on nutrition; and is an integral part of all projects, present and future, to strengthen the implementation of nutrition-sensitive interventions. More and more projects incorporate nutrition activities across all stages of the value chain, from primary production to consumption. This enables projects to tackle the myriad of factors influencing malnutrition, helping to ensure access to diverse, healthy and sustainable diets for all.

**IFAD12 outlook:** IFAD12 has raised its ambition and seeks to ensure that 60% of new investment projects are nutrition-sensitive. Furthermore, moving forward, emphasis will be placed on strengthening the implementation of nutrition-sensitive projects, particularly at start-up to ensure that good practices at design are followed through during the whole project cycle. The year 2021 saw IFAD strengthen its evidence base and initiate measures to ensure effective monitoring and evaluation of nutrition-sensitive projects. These efforts will be vital in achieving IFAD12 commitments and ensuring that nutrition-sensitive projects deliver nutritious and healthy diets to the most vulnerable populations in rural areas. IFAD12 will see increased efforts to generate and use data to inform interventions, policy and learning.

As IFAD's nutrition-sensitive portfolio continues to expand, concerted efforts will be made to scale up its internal capacities and those of its implementing partners. A great deal of work has been done in this regard, and under IFAD12 new, innovative knowledge

transfer methods such as e-learning will be pursued, with the emergence of a new e-learning course.

#### D. ENVIRONMENT AND CLIMATE CHANGE

1. This chapter provides an overview of IFAD's Environment and Climate Change (E&CC) mainstreaming initiatives, complementing the detailed report in the Adaptation for Smallholder Agriculture Programme (ASAP) annex.
2. **International context:** Following COVID-related delays, the UNFCCC COP26 at last took place in 2021. IFAD's COP engagement was bigger than ever before, with 32 events hosted at its own Pavilion. This gave IFAD high visibility, emphasizing its unique niche in building multi-dimensional resilience in the face of climate change, with and for the rural poor<sup>49</sup>. IFAD partnered with the Italian Ministry of Ecological Transition in the pre-COP, emphasizing the connection between youth and climate change at a joint event. Support for climate action in agriculture was prominent at COP26, where the roadmap for the Koronivia Joint Work on Agriculture (originally launched at COP23) was set to conclude. Parties agreed to the joint work, with a view to proposing a new roadmap at COP27, which should focus on new topics and means of implementation. Important decisions were reached at COP26 with regard to the Paris Rulebook, which sets out vital guidance for the implementation of the Paris Agreement. The Glasgow Climate Pact further confirms the relevance of IFAD's mandate in this regard, calling for urgent action on topics central to IFAD's work, such as: scaling up adaptation finance in developing countries with an ambition to ensure an equal ratio between adaptation and mitigation; protecting, conserving and restoring nature and ecosystems; enhancing gender equality and empowerment of women; ensuring meaningful youth participation in decision-making processes; and fostering indigenous peoples' and local communities' key role in effective action on climate change.
3. Financial pledges following COP26 confirmed the success of IFAD's engagement, with Sweden becoming the latest contributor to ASAP+ and Ireland doubling its existing pledge. Norway's top up to IFAD12 followed a bilateral discussion around the importance of adaptation between Minister Tinnereim and IFAD's President in Glasgow.
4. Other key international, climate-related engagements in 2021 for IFAD included part one of the Convention on Biodiversity's (CBD) COP15, One Planet Summit, Climate Adaptation Summit, UN Food Systems Summit, Finance in Common Summit, High-Level Dialogue: An Adaptation Acceleration Imperative and the Africa, Asia Pacific and Latin America and Caribbean Climate Weeks. In terms of strategic partnerships, IFAD formally joined the Africa NDC Hub, the UN for NAPs, the Thematic Working Group (TWG) on Agriculture, Food Security and Land Use under the NDC Partnership (NDC-P), and the UN Senior Leadership Group on Disaster Risk Reduction for Resilience.
5. In step with its global engagement on the post-2020 Biodiversity Framework, IFAD adopted its first-ever Biodiversity Strategy in December 2021<sup>50</sup>. The strategy will guide IFAD's work on biodiversity in years to come, ensuring strong interconnections with existing environment and climate work. For example, at the IUCN Congress in 2021, IFAD's President committed that by 2030, at least 30 per cent of IFAD's climate finance would support Nature-Based Solutions. This strategy will run concurrently with the

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<sup>49</sup> IFAD, 2021. *IFAD and COP26: What next?* <https://webapps.ifad.org/members/eb/134/docs/EB-2021-134-R-2.pdf>

<sup>50</sup> IFAD, 2021. *IFAD Strategy on Biodiversity 2022-2025*. <https://www.ifad.org/en/-/biodiversity-strategy>

environment and climate strategy, until 2025, after which a new, integrated strategy will be produced.

6. Furthermore, the establishment of the US\$10 million “IFAD Climate Facility” significantly boosts IFAD’s capacity to build an ambitious pipeline of international climate fund co-financed projects<sup>51</sup>. The successful accreditation upgrade in 2021 under the Green Climate Fund is another promising step in this direction: IFAD can now submit proposals to the GCF for amounts greater than US\$250 million (total financing) and implement high-risk (Environment and Social Safeguard Category A) projects. In late 2020, IFAD was re-accredited to the Adaptation Fund<sup>52</sup>.
7. **Strategic orientation:** IFAD’s Strategy and Action Plan on Environment and Climate Change committed to mobilize at least US\$200 million in supplementary climate finance from the global climate funds during IFAD11 (and a further US\$300m in IFAD12). This target was substantially exceeded, with IFAD securing a total of \$294.1 million from the Adaptation Fund (AF), GCF and GEF between 2019-2021<sup>53</sup>. Additionally, as further detailed in the ASAP annex, IFAD secured US\$67 million in bilateral contributions towards the third evolution of its own flagship climate programme, ASAP+.
8. The 2021 updated edition of IFAD’s SECAP, with strengthened standards on topics including biodiversity, climate change and pollution, became mandatory for all new project designs from September 2021 onwards<sup>54</sup>. A four-module training course is now mandatory for all IFAD staff and consultants working on related functions, with an additional four modules diving deeper into specialized topics.
9. In 2021, IOE’s thematic evaluation of IFAD’s Support for Smallholder Farmers’ Adaptation to Climate Change<sup>55</sup> and the Multilateral Organisation Performance Assessment Network (MOPAN) report on *The Multilateral Response to Climate Change* were published<sup>56</sup>. Both independent assessments highlighted the successes and scope for improvement in IFAD’s climate work. Overall, findings were positive, with the MOPAN report calling IFAD “an early mover in designing climate finance instruments”, commending its “strong focus on results monitoring, learning and innovation” and stating that “MDBs would benefit from a strong partnership with IFAD given its focus on addressing vulnerability”. Furthermore, IFAD rated highest in terms of overall performance and transparency in the 2021 assessment of Quality of Official Development Assistance (QuODA) and ranked fourth in evaluation, owing to its high-quality evaluation systems.<sup>57</sup>

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<sup>51</sup> IFAD, 2021. *Utilization of Resources under the IFAD Regular Grants Programme for the Implementation of the IFAD Climate Facility*. <https://webapps.ifad.org/members/eb/133/docs/EB-2021-133-R-25.pdf>

<sup>52</sup> <https://www.adaptation-fund.org/document/fast-track-re-accreditation-of-the-international-fund-for-agricultural-development-ifad-as-a-multilateral-implementing-entity-mie/>

<sup>53</sup> Distributed as follows: 2019 = US\$45.7 million; 2020 = US\$145.4 million; 2021 = US\$103 million. This comprises the volume of the investment projects themselves (IFAD11 total: US\$ 274.4 million), project preparation funds, where applicable (IFAD11 total: US\$ 2.6 million) and agency fees (IFAD11 total: US\$ 17.1 million).

<sup>54</sup> IFAD, 2021. *Social, Environment and Climate Assessment Procedures*. <https://www.ifad.org/en/-/social-environmental-and-climate-assessment-procedures>

<sup>55</sup> IOE, 2021. *Thematic Evaluation of IFAD’s Support for Smallholder Farmers’ Adaptation to Climate Change*. <https://webapps.ifad.org/members/eb/134/docs/EB-2021-134-R-12-Rev-1.pdf>

<sup>56</sup> MOPAN, 2021. *LESSONS IN MULTILATERAL EFFECTIVENESS: Pulling Together: The Multilateral Response to Climate Change*. [https://www.mopanonline.org/analysis/items/MOPAN\\_MLE\\_Climate\\_Change\\_July2021\\_web.pdf](https://www.mopanonline.org/analysis/items/MOPAN_MLE_Climate_Change_July2021_web.pdf)

<sup>57</sup> <https://www.cgdev.org/publication/quality-official-development-assistance>

10. **Achievements against IFAD commitments.** As can be seen in Table 1 of this Appendix, despite the challenges caused by the pandemic, results met or exceeded targets in all action areas of the Strategy and Action Plan on Environment and Climate Change 2019-2025. The remainder of this section summarizes key achievements.
11. All IFAD11 country strategies included an assessment of the country's Nationally Determined Contributions under the Paris Agreement, ensuring that IFAD's climate investments are well-aligned with national climate ambition and finance targets.
12. The IFAD11 PoLG climate finance target of 25 per cent was substantially surpassed, with 35 per cent of the PoLG commitments (USD 1.2 billion) validated as climate finance<sup>58</sup>. The vast share, USD 1.1 billion (i.e. 90 per cent of the total) was validated as adaptation finance, demonstrating how IFAD bucks the trend of global climate finance flows, whereby adaptation finance is dwarfed 1:12 by mitigation finance<sup>59</sup>. Although IFAD's mitigation investments are expected to grow in coming years through efforts to maximise adaptation-mitigation co-benefits and synergies, adaptation and resilience building for smallholder livelihoods will always be the core of IFAD's climate action.
13. The adoption of IFAD core climate change indicators has been mandatorily linked to the share and type of IFAD climate finance (adaptation or mitigation) that an investment includes. Of the projects approved during IFAD11 that are already ongoing and reporting against results, 83 per cent are reporting against E&CC indicators. Of these, 62% per cent are reporting on two or more E&CC indicators. As can be seen in section III – Development Results of the main RIDE report, RMF11 targets on E&CC indicators have been exceeded in most cases. For example, IFAD11 programming almost doubled its commitment to avoid/sequester -65m tCO<sub>2</sub>e over 20 years, having approved projects with the potential to avoid/sequester -112m tCO<sub>2</sub>e over 20 years<sup>60</sup>, thanks to the Fund's increasing emphasis on leveraging and quantifying mitigation co-benefits in its climate resilience investments. At output level, IFAD exceeded its target of "groups supported to sustainably manage natural resources and climate-related risks" more than four times over (some 46,000 groups were supported compared to the target of 10,000) and brought some 270,000 additional hectares of "land under climate resilient practices" (1.77 million in total, as compared to 1.5 million targeted). Notably, the outcome level indicator on "Number of persons/households reporting adoption of environmentally sustainable and climate-resilient technologies and practices" also delivered beyond expectations: IFAD11 looked to ensure adoption among at least 300,000 beneficiaries and reached 367,684. This strong performance is a promising start for IFAD's climate and environment indicators, whose systematic integration in project logframes only began at the start of IFAD11.
14. In terms of ratings at completion, IFAD11 exceeded both its targets of at least 90 per cent of projects rating 4 or higher on Adaptation to Climate Change (92 per cent) and Environment and Natural Resources Management (94 per cent). The 2021 (ARRI) confirms that: "Only two criteria, ENRM [environment and natural resources management] and adaptation to climate change, show statistically significant

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<sup>58</sup> As per the *Multilateral Development Banks' Methodologies for Climate Finance Tracking*.

<sup>59</sup> CPI, 2021. *Global Landscape of Climate Finance 2021*. <https://www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2021/>

<sup>60</sup> IFAD's GHG accounting been reinforced through close collaboration with FAO, applying FAO's internationally recognized EX-ACT and GLEAM-i tools.

*improvements over the long term (for projects completed between 2007 and 2016)*<sup>61</sup>. Additionally, the IFAD11 Impact Assessment exercise shows that IFAD interventions helped build households' resilience, including to climate change, by 14 per cent. Extrapolated to the whole portfolio, 40 million households became more resilient with IFAD's support.

15. **Successes and lessons:** Taking stock and systematizing lessons and evidence from past work and impact assessments is integral to IFAD's climate portfolio. In 2021, a corporate exercise to better capitalize and disseminate lessons learned from IFAD projects included a special focus on lessons drawn from environment and climate adaptation and mitigation activities. Related categories and contents have now been embedded in IFAD's Operational Results Management System (ORMS), in alignment with the catalogue of lessons learned, available for all IFAD projects to improve project design and implementation.
16. In view of the exponential growth of IFAD's climate portfolio, a need for additional staff and expertise, also in emerging areas (such as nature-based solutions, greenhouse gas accounting and geospatial remote sensing), has been flagged, *inter alia* by the IOE evaluation. IFAD is pursuing new recruitments and upskilling hand-in-hand with its decentralization policy, which aims to ensure greater presence country level. This, in turn, should reinforce IFAD's engagement in important national policy processes around the climate-agriculture nexus. As IFAD's climate portfolio grows, redoubling on monitoring and evaluation efforts is key: to this end, IFAD formed an interdepartmental working group to crystalize a corporate resilience framework, drawing on best-practices by all operational units, from project-level results indicators, to resilience scorecard methodologies to impact assessment measures of resilience. In step with IFAD's outlook towards Paris Alignment and more stringent requirements on environmental pollution and climate embedded in SECAP 2021, a greater emphasis on GHG accounting is also emerging.
17. **IFAD12 outlook:** IFAD12 continues to raise the stakes for IFAD's climate work. At least 40 per cent of IFAD12 investments will finance climate action, and its climate finance pipeline from supplementary sources (including ASAP+, AF, GCF and GEF) is set to continue growing substantially. To ensure all IFAD's investments support the interlinked goals of the Paris Agreement, an important next step will be to produce a Paris Alignment roadmap that will boost IFAD's and its Member States' efforts to facilitate the transition to low-emission, climate-resilient development. IFAD plans to position its climate work strategically around these three pillars:
  - a. Leveraging low emission, climate resilient, pro-poor transformation of food systems;
  - b. Catalysing climate innovations and expanding knowledge and evidence;
  - c. Scaling up climate finance directed at small-scale producers.

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<sup>61</sup> IOE, 2021. Annual Report on Results and Impact of IFAD Operations. <https://www.ifad.org/en/web/ioe/w/2021-annual-report-on-results-and-impact-of-ifad-operations>