
Completion of the Rural Poor Stimulus Facility

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Action: The Executive Board is invited to take note of the update on the completion of the Rural Poor Stimulus Facility.

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For more information on the Rural Poor Stimulus Facility, please visit
<https://www.ifad.org/en/rpsf>.

Completion of the Rural Poor Stimulus Facility

1. For the 136th session of the Executive Board, IFAD delivered its seventh and final progress report on the implementation of the Rural Poor Stimulus Facility (RPSF).¹ The report anticipated the completion of the RPSF and its projects by 30 September 2022. This note confirms the facility's completion, provides an update on the exceptional extensions granted for Afghanistan and Yemen, and lays out Management's next steps. The purpose of the note is to provide a brief overview of the present status of the facility, and supplements the previous progress reports and interim report provided to donors. In addition, a final report – due in June 2023 – will present a comprehensive view of the facility's performance and impact, including project results and lessons learned.

I. Updates on RPSF completion

2. On 30 September 2022, the RPSF and the implementation of its projects reached completion. As previously noted, the facility successfully targeted, allocated and implemented its resources to support rural poor people dealing with the impacts of COVID-19. IFAD allocated 100 per cent of the available US\$89.0 million across 55 single-country projects and nine multi-country projects in all five of IFAD's regions.² More than half of the resources went to low-income countries and 95 per cent of resources to low and lower-middle-income countries. Approximately 50 per cent went to countries with fragile situations. Funds were spread across each of the RPSF four pillars, namely: provision of inputs, access to markets, access to finance, and digital services. As of the completion date, more than 95 per cent of these funds had been disbursed and all projects had begun their closing activities; projects are expected to address all fiduciary and reporting commitments by the end of 2022.
3. As raised in the prior progress reports, however, two specific cases underwent discussion for a 12-month extension, namely a project in Afghanistan, halted by the political crisis and the sanctions following the events of August 2021, and in Yemen, where RPSF funds have been used for a COVID-19 response component of a larger project, the Rural Livelihoods Development Project (RLDP). Since the last update, RPSF donors have granted this extension for the two projects. The completion of the remainder of the facility's projects will proceed as planned.
4. In Afghanistan, a third-party agent will implement a new project – maintaining the activities of the original project, which is centered on the provision of basic productive assets and facilitating access to markets. These activities remain highly relevant given the increasing challenges arising from the pandemic and the worsening economic situation. In Yemen, the funds will be used to continue the activities under RLDP. These were delayed due to issues of security and other shocks, and require stepwise implementation and dedicated monitoring to ensure the buy-in of the affected communities and safeguard farmers against any conflict-related threats. These activities are expected to complete by 30 September 2023.

II. Next steps

5. In light of the completion of the RPSF, Management is focusing on several next steps in the short and medium term.
6. **Implement RPSF in Afghanistan and Yemen.** As mentioned, with the agreement on extensions, IFAD will continue to implement the RPSF project in Afghanistan and the COVID-19 component of RLDP in Yemen. Management will

¹ EB 2022/136/R.21; EB 2022/136/R.21/Add.1.

² IFAD regions include: (i) Asia and the Pacific; (ii) East and Southern Africa; (iii) Latin America and the Caribbean; (iv) Near East, North Africa, Europe and Central Asia; and (v) West and Central Africa.

continue to monitor progress very closely due to the delicate nature of implementing conditions in these contexts.

7. **Leading projects to closure.** With all other RPSF projects completed, the immediate next steps are for projects to finalize all closing and fiduciary activities by 31 December 2022. As noted above, 95 per cent of available funds had been disbursed by the completion date.³ This number may fluctuate, as some projects may need to continue disbursements to cover advance payments for implemented activities (driving up the disbursement figure) and others may return some unused funds (lowering the disbursement figure). By fiduciary closure, these transactions and returns will have stopped, giving IFAD a full picture of any remaining fund balances (though no drastic changes to the current figure are expected). Following fiduciary closure, IFAD will inform donors of the balance and discuss next steps.
8. **Collecting results.** Also with the closure dates approaching, all RPSF projects are undertaking their final data collection and preparing completion reports, apart from a subset of already completed projects. This will be an important step for the completion of IFAD's reporting against the RPSF Results Management Framework. Specifically, it will allow for the extrapolation of the RPSF's contribution through Tier I reporting, and provide an understanding of outreach and support, by pillar, under Tier II indicators. It will also support the reporting of relevant Tier III indicators – such as overall implementation performance and the RPSF's achievements in reaching women and youth. Data collection will also contribute significantly to deepening learning.
9. **Take advantage of completed projects to reflect further upon IFAD's experiences with the RPSF.** With implementation over, IFAD will enter a period of deep reflection. While many lessons have already been included in RPSF progress reports, Management will organize learning events and cross-departmental dialogue to continue strengthening its understanding of the experiences of implementing partners and IFAD staff. These will facilitate exchanges across the institution and with its partners around knowledge and best practices. The data from the above-mentioned reports and the learning from these exchanges will be analysed and incorporated into final donor reporting. In the interim, IFAD is applying lessons learned thus far into developing responses to other shocks and integrating them into its portfolio.
10. **Continued engagement with RPSF donors and reporting.** Finally, as mentioned in previous progress reports, IFAD will fulfil its reporting commitments and continue to share its experiences. First, an interim report capturing available results and learning was shared with donors following the RPSF's completion. This report provided only a snapshot of the present status of the facility, and will be supplemented by a final report to be issued in June 2023. This final report will provide a comprehensive view of the facility's performance and impact, including the results of the projects, along with additional learning obtained through IFAD's reflection efforts. Additionally, IFAD will provide donors with an addendum following the completion of the two extended projects in 2024. Finally, IFAD will continue to share its experiences with Member States, peer organizations and others through various channels, such as its dedicated webpage, social media and other relevant platforms.

³ After setting aside resources for the project extensions in Afghanistan and Yemen, this number increases to 97 per cent of funds approved.