
Report on operational items discussed at the Executive Board consultation on 5 April 2024

Document: EB 2024/141/R.19

Agenda: 11

Date: 22 April 2024

Distribution: Public

Original: English

FOR: INFORMATION

Action: The Executive Board is invited to take note of the report.

Technical questions:

Donal Brown

Associate Vice-President
Programme Management Department
e-mail: d.brown@ifad.org

Enika Basu

Senior Technical Advisor
to the Associate Vice-President
Programme Management Department
e-mail: e.basu@ifad.org

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I. Introduction

1. On Friday, 5 April, the Executive Board met in hybrid modality for a consultation on the batch of country strategic opportunities programmes (COSOPs) submitted for the Board's online review and projects/programmes submitted for the Board's approval at the 141st Executive Board session in April. The consultation was held to enable Member States to engage in an in-depth discussion on the items. Per the "Review of modalities of formal and informal sessions of the Executive Board and its subsidiary bodies" currently being piloted, the projects and programmes discussed at the consultation will be presented for the Board's approval through the batch procedure at the start of the session, following the adoption of the agenda. The consultation complements the individual written comments shared by the Membership with country teams, to which country teams provide written responses.
2. The items discussed included three investment projects in India, Nepal and Philippines respectively; two COSOPs for South Sudan and Nigeria respectively; and two private sector grants to be financed through the Global Environment Facility (GEF). The project for China – the Hunan Green Development Project – was removed from the consultation agenda following the postponement of planned negotiation dates by governments, which was beyond IFAD's control. The project has been rescheduled for presentation at the September session of the Board.
3. In attendance at the session were representatives from 20 Member States on the Board composition,¹ along with other Member States' representatives.² Some of the latter Member States had an item on the agenda and took the floor to speak accordingly.
4. The consultation was chaired by the Associate Vice-President, Programme Management Department, and attended by the Associate Vice-President, Strategy and Knowledge Department, and directors of the relevant divisions, country directors, project technical leads, the Secretary of IFAD and other IFAD staff. It was held in two segments, one in the morning and one in the afternoon.
5. There was a rich discussion around the COSOPs and projects. Delegates raised queries and provided strategic and technical feedback to the teams. Overall, representatives were supportive of the items presented. Several overarching themes emerged during the consultation. These are summarized below:
 - **Sustainability.** Several questions were directed at the project design teams (PDTs) regarding the long-term sustainability of IFAD's investments. Country directors described the sustainability strategies in place for their respective projects. Management emphasized that following the commitments made for the Twelfth Replenishment of IFAD's Resources (IFAD12), all new project designs are rigorously evaluated to include comprehensive exit strategies. These strategies prioritize capacity-building for government counterparts, robust arrangements for infrastructure maintenance, and a private sector-focused exit strategy, particularly for extension services and value chain development.
 - **Private sector.** Member States requested details from PDTs on the inclusion and strengthening of the private sector through IFAD's investments. In addition to clarifications provided by the PDTs, Management assured Member

¹ Board representatives: Angola, Argentina, Austria, Brazil, Canada, China, Finland, France, Germany, India, Japan, Mexico, Kingdom of The Netherlands, Nigeria, Pakistan, Switzerland, United Kingdom, United Republic of Tanzania, United States and Bolivarian Republic of Venezuela.

² Kenya, Philippines, Russian Federation and South Sudan.

States of IFAD's strengthened mandate to mainstream private sector engagement in country programme strategies and its focus on strengthening the private sector through investments and leveraging private sector funding in support of smallholder farmers, as reflected in both the GEF-funded projects.

- **Agroecology.** Member States appreciated IFAD's increasing footprint in investments in commercial agroecological activities, such as the Resilient High-Value Agriculture Programme in Nepal. Management valued Member States' support and informed them that IFAD is increasing its portfolio in the agroecological space, including in the Plurinational State of Bolivia, where IFAD is investing in a project that combines agroecology and market development. Management agreed to a suggestion by Switzerland to present some of the early results from these projects at a future session of the Governing Council.
- **Youth and gender.** Member States requested details on youth and gender mainstreaming in the projects and COSOPs presented. In addition to explanations provided by PDTs, Management reminded Member States that IFAD had set a target of ensuring that at least 60 per cent of new investments in IFAD12 will directly target young rural women and men and informed delegates that currently 64 per cent of approved projects are youth-sensitive and focus specifically on entrepreneurship development of young rural women and men.
- **Humanitarian, development and peace (HDP) nexus.** During the discussions on the South Sudan and Nigeria COSOPs, the issue of fragility was raised. Membership appreciated the detailed fragility assessments provided in the appendices and emphasized the importance of using these assessments in IFAD's new investments in both countries. Management informed representatives that IFAD is enhancing its in-house capacity to address fragility, including through the establishment of a dedicated fragility unit to implement IFAD's new strategy for operating in fragile contexts. Additionally, IFAD is actively collaborating with the other Rome-based agencies (RBAs) and other international financial institutions, leveraging their data and analyses to enhance IFAD's project designs and strengthen partnerships with entities experienced in fragile environments.

II. Summary of proposals and discussions

A. Asia and the Pacific Region

India – Competitiveness Improvement of Agriculture and Allied Sectors Project in Jammu and Kashmir (EB 2024/141/R.3)

6. Members welcomed the Competitiveness Improvement of Agriculture and Allied Sectors Project in Jammu and Kashmir, applauding its relevance and practical approach. Questions arose about the hub and spoke model, which aims to develop farmer-producer organizations and companies, link them to aggregators for better market access and value addition, and establish connections with universities and centres of excellence for technical assistance. Given the region's agroecological sensitivity, members emphasized the importance of agroecological practices to enhance productivity and resilience. Responding to women's empowerment queries, Management noted the project has been gender mainstreamed in response to the socioeconomic context and a gender action plan will be developed to ensure women's full participation and to promote leadership and enterprises led by women. On policy engagement, Management explained that leveraging IFAD's expertise in pro-poor agricultural value chain development had prompted the Government of India and the Government of Jammu and Kashmir to involve IFAD in cofinancing the Holistic Agriculture Development Programme (HADP). IFAD will work closely with HADP management to develop and refine innovative, ecologically and financially

viable business models for production, value addition and marketing to replicate these models for broader policy impact.

Nepal – Resilient High-Value Agriculture Programme (EB 2024/141/R.4)

7. Members endorsed the Resilient High-Value Agriculture Programme (R-HVAP). Switzerland sought confirmation that the programme would adhere to the 13 principles of agroecology outlined in the High Level Panel of Experts on Food Security and Nutrition (HLPE) Report #14. Nigeria queried the programme's adherence to best practices in bio-input production, certification and marketing of agroecology products.
8. IFAD confirmed the programme's alignment with The Ten Elements of Agroecology (approved at the FAO Council in December 2019), which are closely related to the HLPE principles. IFAD plans to use the Tool for Agroecology Performance Evaluation for monitoring purposes. This will be supported by advanced economic and financial models to evaluate the costs and benefits at the farm and macro levels. The programme design focuses on enhancing bio-input production for agroecology transition. It uses local participatory guarantee systems and requires certifications for exports. The programme aims to balance local and international market access, reduce food imports – currently three times the value of exports – and boost exports of organic and fair trade certified products. Initial discussions with exporters revealed that demand is outstripping supply, highlighting the programme's potential.

Philippines – Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities Project (EB 2024/141/R.5)

9. Prior to the consultation, stakeholders had sought clarifications on private sector roles, involvement of the Department of Environment and Natural Resources (DENR) and the Department of Trade and Industry (DTI), alignment with the National Adaptation Plan, agroecology opportunities, land ownership, and youth engagement strategies.
10. Management explained that the Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities Project (VISTA) builds on the ongoing Rural Agroenterprise Partnerships for Inclusive Development and Growth Project (RAPID). VISTA will enhance private sector engagement by including firms, producers' organizations and beneficiaries in investment planning. The project aims to secure private sector financial, technical or in-kind support and facilitate market connections for smallholders. Extension services follow a profit-driven private sector model, with costs covered by cooperatives' margins and enhanced through matching grants. Under the National Convergence Initiative with DENR and DTI, VISTA draws on IFAD's expertise in natural resource management and small and medium-sized enterprise development to improve communities' climate resilience through initiatives like water conservation and soil health, complemented by financial instruments for risk mitigation. VISTA prioritizes agroecology and agroforestry, ensuring Indigenous land rights through the Social, Environmental and Climate Assessment Procedures (SECAP) and Free, Prior and Informed Consent (FPIC) processes. Additionally, VISTA fosters youth engagement in agriculture through skill-building workshops in areas such as agricultural practices and financial literacy, focusing on the coffee and cacao sectors.

B. East and Southern Africa

South Sudan – Country strategic opportunities programme 2024–2029 (EB 2023/OR/15)

11. The COSOP received full endorsement, with Management addressing members' queries about IFAD's collaboration with RBAs and the African Development Bank (AfDB), particularly in fragility assessments and joint programming. Management highlighted IFAD's livestock interventions to boost youth entrepreneurship and efforts to strengthen governmental capacity. IFAD's development pathway in South

Sudan focuses on food systems resilience, social cohesion, agribusiness for youth employment, and strengthened governance. Management confirmed that IFAD collaborates with the other RBAs, and also with the United Nations Development Programme, CARE and NGOs, employing third-party implementation to achieve local impact and coordinating with the World Bank Group and AfDB through a joint programme management unit in South Sudan's Ministry of Agriculture and Food Security. The discussion underscored the importance of collaborative efforts, strategic partnerships, capacity-building, and adopting community driven development and HDP nexus approaches. IFAD has established an office in Juba, expanding its team to work closely with the United Nations Country Team, agriculture sector working groups and other donor committees.

12. Representatives stressed the need for IFAD to bolster strategic partnerships and a resilience vision, moving from emergency responses to sustainable food systems, including closer engagement with local bilateral partners. The potential of livestock development for enhancing food and nutrition security and economic value was noted, alongside the benefits of reducing fish post-harvest losses for nutrition and job creation. The way in which local technical assistance is linked to national governance needs to be set out more explicitly, especially with regard to capacity-building for women and youth.

C. West and Central Africa

Nigeria – Country strategic opportunities programme 2024–2029 (EB 2024/OR/2)

13. In endorsing the COSOP for Nigeria, members expressed appreciation for its response to fragility, its alignment with national food systems pathways, its effective geographic and social targeting, its focus on production and productivity, and the collaboration with RBAs. Management explained that the COSOP will strengthen reforestation and agroforestry and enhance the existing partnerships with universities and research institutions. Management reassured members that a gender analysis had been carried out and highlighted that extension services are provided through public and private extension services, as well as farmers' organizations. Digital extension will be scaled up under the new COSOP. Regarding South-South and Triangular Cooperation on mechanization, Management clarified that potential host countries are mentioned in the COSOP only as examples. As a broker of knowledge, IFAD supports Member States in leveraging opportunities for the exchange of best practices and innovation that they find relevant to their context and priorities.

D. Global Environment Facility grants

BNP Paribas and Grameen Crédit Agricole Foundation

14. Membership's feedback on the grants was overall positive but included some critical concerns about the projects' scope and sustainability. The Kingdom of the Netherlands questioned the short two-year duration and the practicality of the certification processes, while Brazil sought assurances that the certification would not limit future access to climate resources. Germany supported the initiatives but worried that the new certification schemes might increase perceived risks, deterring participation.
15. Management responded that the two-year grants are components of broader, long-term projects. They explained that the certification is designed to define clear criteria for adaptation investments to aid investors and farmers, and confirmed that robust IT support would ensure sustainability beyond the initial phase. Discussions also focused on leveraging private sector expertise to address risk perceptions in climate adaptation financing. Management also noted that successful pilots could be expanded for wider adoption within IFAD's projects, with support from private and government partnerships.