

Executive Board

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Report on IFAD's Mainstreaming Effectiveness related to Environment, Climate, Gender, Nutrition, Youth and Social Inclusion 2024

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monitorable action 12.

Action: The Executive Board is invited to review the Report on IFAD's Mainstreaming Effectiveness 2024.

Technical questions:

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Report on IFAD's Mainstreaming Effectiveness related to Environment, Climate, Gender, Nutrition, Youth and Social Inclusion 2024

I. Introduction

- 1. IFAD addresses the interplay between environment, climate change, gender, nutrition, youth, Indigenous Peoples and persons with disabilities to achieve sustainable food systems that ensure food security and nutrition without compromising future generations. The Report on IFAD's Mainstreaming Effectiveness (RIME) reviews the Fund's 2023 performance against targets in these areas (see appendix I for definitions of terms) and includes the yearly report on the Adaptation for Smallholder Agriculture Programme (ASAP). Appendix II offers an in-depth analysis of each theme.
- 2. In 2023, despite multiple global challenges, IFAD made significant progress in social inclusion targets and increased climate finance by 7 percentage points from 2022. Nearly all mainstreaming targets are expected to be met by the end of the Twelfth Replenishment of IFAD's Resources (IFAD12) (annex II). Targets for core indicators related to mainstreaming themes are on track, although project-level development outcome ratings decreased slightly.
- 3. The 2023 Multilateral Organisation Performance Assessment Network (MOPAN) rates IFAD's environment and climate work as highly satisfactory, highlighting its strategic focus on climate resilience and sustainability. The report underscores IFAD's responsiveness to climate challenges and its success in meeting targeted commitments.

II. Global challenges: The importance of IFAD's mainstreaming themes

- 4. A holistic approach is essential to address overlapping crises and their distinct impacts on rural small-scale farmers. By integrating initiatives under a shared framework, IFAD ensures no one is left behind, fostering resilience, inclusivity and sustainability.
- 5. The global landscape for rural smallholders underscores the critical need for this approach. With 80 per cent of the world's extreme poor living in rural areas, small-scale farmers play a pivotal role in local food security and poverty reduction, producing up to 70 per cent of food consumed in low- and middle-income countries. The costs of adaptation to climate change in developing countries are projected at US\$215 billion annually this decade. However, adaptation planning and implementation seem to be levelling off, posing significant risks for the most vulnerable populations.² Despite their importance to global food security, climate finance is simply not reaching small-scale farmers. Only 0.8 per cent of global climate finance³ during 2019/2020 went to small-scale producers the very people who are least able to cope with the impacts of a global crisis that is not of their making.
- 6. IFAD is currently conducting assessments of progress made during the IFAD11 and IFAD12 periods in order to prepare new policies, strategies and action plans related

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¹ <u>Framework for Implementing Transformational Approaches to Mainstreaming Themes: Environment and Climate, Gender, Nutrition and Youth.</u>

https://www.unep.org/resources/adaptation-gap-report-2023.

³ CPI 2023.

to these critical issues. These efforts will lay the groundwork for meeting the ambitious targets of IFAD13.

III. Mainstreaming in the IFAD12 portfolio

7. In the IFAD project cycle, mainstreaming themes are prioritized based on a country's situation analysis and are an essential part of the planning process. To integrate these themes, IFAD is guided by its policies and strategies, such as: the targeting policy, the engagement with Indigenous Peoples policy, the biodiversity strategy, the disability inclusion strategy and operational tools such as such as the Social, Environmental and Climate Assessment Procedures (SECAP), climate finance handbook, dadaptation framework tool and how-to-do notes on nutrition; free, prior and informed consent; Gender Action Learning System (GALS); and youth.

A. Mainstreaming in COSOPs

- 8. IFAD successfully fulfilled its corporate commitment of ensuring that 100 per cent of its country strategic opportunities programmes (COSOPs) and country strategy notes (CSNs) incorporated an analysis of nutrition, gender, youth, environment and climate as per the Social, Environmental and Climate Assessment Procedures (SECAP). In IFAD12 additional emphasis is being given to Indigenous Peoples, persons with disabilities and biodiversity.
- 9. All new COSOPs and CSNs also fulfil the commitment of analysing recipient countries' own natural resource management with a focus on agriculture-related climate change commitments and priorities, including their Nationally Determined Contributions (NDCs) and operationalizing the adaptation actions detailed in the NDCs through National Adaptation Plans under the Paris Agreement to the United Nations Framework Convention on Climate Change.

B. Mainstreaming in project design

10. IFAD is on track to achieve its targets for incorporating gender-transformative programming, youth sensitivity, nutrition sensitivity and disability inclusion in new projects designed in IFAD12. Although the target for projects that prioritize Indigenous Peoples has not been met at the time of publishing this report, it is anticipated that it will be achieved if there are no major delays in the 2024 pipeline (Figure 1).

⁴ In IFAD's Operation Manual.

Figure 1

Summary of status of mainstreaming targets during 2022–2023⁵ and projections to end of IFAD12⁶

	IFAD12 targets at project design	Status end of 2022	Status end of 2023	Projections end of IFAD12 *
8	40% of PoLG is climate finance [increased from 25% target in IFAD11]	30%	37%	50%
V	90% build adaptive capacities [new in IFAD12]	69%	78 %	84%
(i)	35% new designs validated as <code>gender-transformative</code> [increased from 25% in IFAD11]	53%	53%	50%
O	60% new designs validated as nutrition-sensitive [same as IFAD11]	60%	63%	60%
	60% new designs validated as youth-sensitive [same as IFAD11]	67%	63%	68%
	10 new designs prioritize Indigenous Peoples [new in IFAD12]	3	5	12
0	5~new designs prioritize persons with disabilities $[new~in~IFAD12]$	5	5	5

Source: Operational Policy and Results Division (OPR) mainstreaming dashboard.

- 11. Capacity-building initiatives, technical support and effective project delivery teams ensured high-quality designs addressing relevant themes. This support is crucial when clients hesitate to allocate loans or when themes are not prioritized by partner governments.
- 12. While social inclusion mainstreaming commitments are being met overall, there are significant regional differences (Figure 2). These variations may stem from regional priorities, challenges, country demands, institutional capacities and local contexts.

^{*} Projections are as at 1 June 2024 and represent the most optimistic scenario. Figures are subject to change based on the approval status of the current pipeline.

⁵ For social inclusion themes the RIME analyses projects approved in 2022 and 2023, regardless of the financing type. For climate finance, the RIME analyses projects and additional financing requests approved in 2022 and 2023 respectively up until 31 December 2023. Type Z projects (IFAD-designed and supervised but with no IFAD financing) are not included in the analysis

⁶ Data set includes 60 projects approved and/or validated for social inclusion themes.

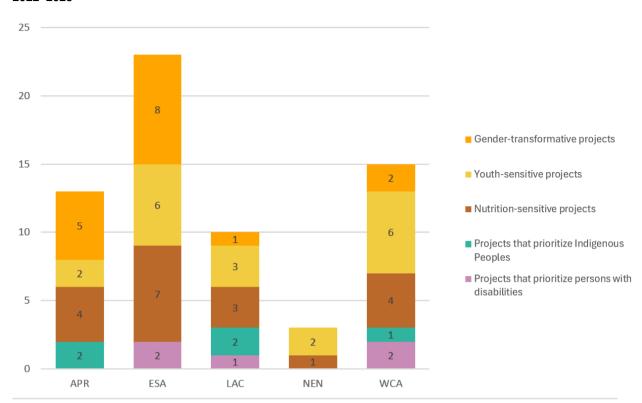


Figure 2
Regional breakdown of social inclusion mainstreaming themes in new project designs approved in 2022–2023

Source: OPR mainstreaming dashboard.

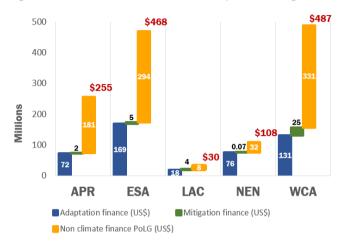
APR: Asia and the Pacific Division; ESA: East and Southern Africa Division; LAC: Latin America and the Caribbean Division; NEN: Near East, North Africa and Europe Division; WCA: West and Central Africa Division.

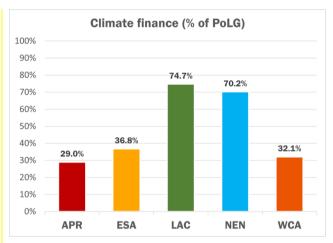
- 13. Regional and corporate stock-take exercises track and discuss performance on mainstreaming targets. Regional teams are addressing unmet targets with initiatives like the NEN Social Inclusion Action Plan (SIAP) and "social inclusion labs", and the APR regional gender action plan aligned with the corporate gender action plan. APR is piloting SIAPs that integrate various mainstreaming themes and target group vulnerabilities in new designs. Thematic specialists in the Environment, Climate, Gender and Social Inclusion Division (ECG) hold pre-consultations with country and mission teams to identify entry points for mainstreaming themes.
- 14. IFAD is nearing the 40 per cent climate finance target set for IFAD12, with projections indicating full achievement by the end of the period. Despite fewer approvals in 2023 compared to 2022, climate finance increased by 7 per cent, showing a strong focus in this area.
- 15. The current average for percentage of projects building adaptive capacities has increased from 69 per cent in 2022 to 78 per cent in 2023, although projections indicate that IFAD may fall slightly short of this target. The primary challenge in meeting this target is that the sample comprises ongoing projects from previous IFAD cycles and there is limited flexibility to implement design adjustments in these projects to ensure the development of adaptive capacities.
- 16. In pursuit of climate finance targets, IFAD created a handbook and held orientation sessions to deepen understanding of climate finance tracking methodology and

⁷ As at 1 June 2024. This represents the most optimistic scenario. The figure is subject to change based on the approval status of the current pipeline.

- ensure accurate programming of climate finance. On-call technical advice was also provided to project design teams for effective integration of climate considerations.
- 17. Regional variations also apply to climate finance. Figure 3 shows the percentage of adaptation and mitigation climate finance within the total programme of loans and grants (PoLG) by region. A total of US\$502.7 million was allocated, with US\$465.5 million for adaptation and US\$37.2 million for mitigation, representing 37.3 per cent of the total PoLG.

Figure 3
Regional and overall breakdown of adaptation/mitigation finance in projects approved in 2022–2023





18. To meet the 40 per cent climate finance target, IFAD's environment and climate project design team identifies additional mitigation and adaptation finance opportunities, aligns climate actions with government needs, and integrates climate considerations across the value chain. The ECG team in APR designates a focal person for each project to support integration and tracking climate finance. Efforts also include raising internal awareness and providing regular updates to regional teams on their progress.

C. Mainstreaming at completion

- 19. IFAD has demonstrated its strengths in environment and natural resources management (ENRM) and climate change adaptation (CCA), with projects almost achieving the IFAD12 target of 90 per cent rating moderately satisfactory or better (4+). Despite a slight decline in projects rated 4+ compared to the previous year, the indicators remain close to their targets. Extrapolations from past performances suggests the trend will improve next year. The lower ratings are possibly linked to overall performance, not specific weaknesses in ENRM and CCA, as most low-rated projects also struggled in other areas.
- 20. Completion ratings for gender equality and women's empowerment (GEWE) show that 85 per cent of projects were rated as 4+ against a target of 90 per cent, while 39 per cent were rated satisfactory, falling short of the aspirational target of 60 per cent (Figure 4). GEWE results are weaker in countries with fragile situations, undermined by the increased vulnerability of women in these contexts. Other factors contributing to challenges in achieving targets at completion for GEWE are related to shocks (such as COVID-19), lack of data hindering results measurement on GEWE and projects designed as early as IFAD9.9

⁸ Based on a cohort of 14 projects closed during the period 2021–2023 in countries with fragile situations, only 21 per cent of projects are rated 5+ for gender equality in fragile contexts compared to 44 per cent in non-fragile situations.

⁹ Six out of 10 projects rated as read-active pages?

⁹ Six out of 10 projects rated as moderately unsatisfactory on GEWE were approved during IFAD9, and one was approved during IFAD8.

21. An analysis of the cohort of 66 projects closing in 2021–2023 revealed that several recurring factors contributed to lower ratings in mainstreaming-related indicators, especially those related to gender. These factors include poor overall project performance (i.e. problem projects resulting in delays and even early cancellations), insufficient budgetary resources, difficulties in evaluating indicators, subpar government performance and the absence of well-defined strategies for gender and targeting.

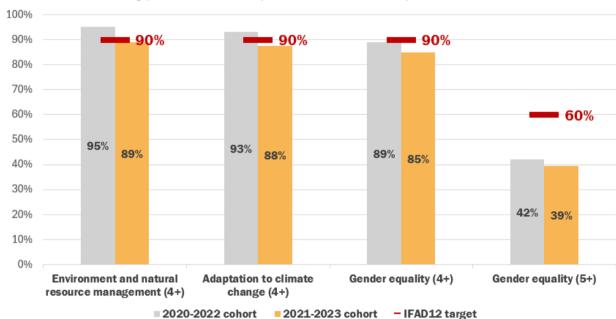


Figure 4
Status of mainstreaming performance at completion in 2020–2022 compared to 2021–2023¹⁰

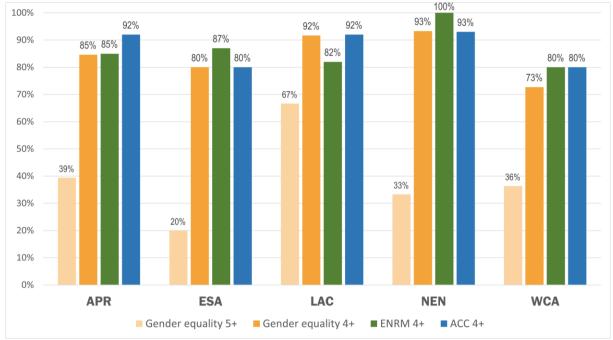
Source: Project completion report (PCR) ratings in the Operational Results Management System (ORMS).

- 22. Despite these obstacles, there is a strong focus on learning from experiences. Lessons are consistently integrated into the design process, refining strategies to better meet performance targets at completion for example, by applying IFAD12 Mainstreaming Guidelines for Social Inclusion Themes and IFAD Climate Finance Tracking Guidelines that ensure a thorough situation analysis, clear integration in the theory of change, mandatory logical framework indicators, and dedicated human and financial resources. In addition, based on recommendations by the Independent Office of Evaluation of IFAD (IOE), a new gender action plan is envisaged in IFAD13 focusing on practical guidance on addressing GEWE objectives.
- 23. Furthermore, IFAD has updated its approach for operating in fragile situations, with a focus on promoting long-term resilience for its beneficiaries and partner institutions. This involves the use of advanced diagnostic tools, adaptive management of country programmes and the strengthening of internal capabilities. Additionally, IFAD is increasing resource allocation and building partnerships to support these efforts. In IFAD13, IFAD will establish a dedicated unit to address fragility.
- 24. Project-level development outcome ratings at completion differ across regions (Figure 5). For example, the LAC projects exceeded the 60 per cent target of gender 5+ rating while NEN is at 100 per cent of projects performing 4+ for ENRM. Regional performance of IFAD projects is affected by the presence of fragile

¹⁰ The cohort of projects analysed for this year (66 projects) is smaller than in 2023 (76 projects), which is likely to increase the variability of results.

situations and the increased rigour in ratings. Furthermore, the shrinking portfolio size, now 66 projects down from 76 last year, also increases result variability.

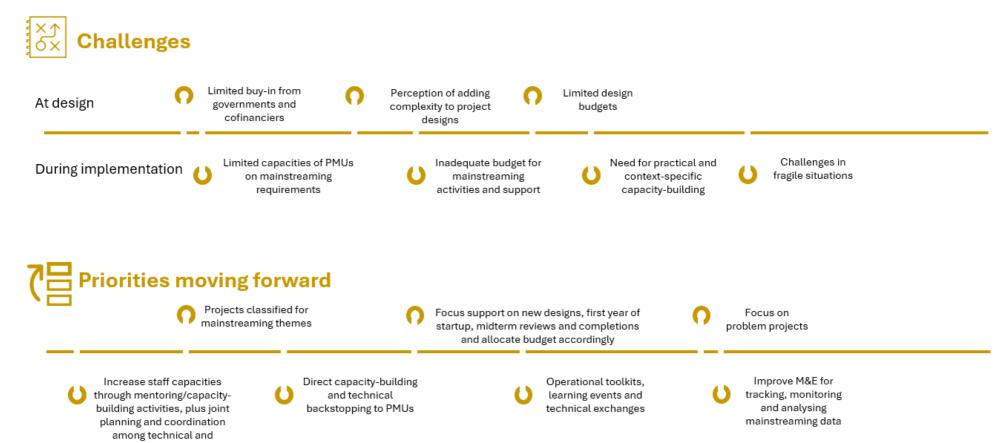
Figure 5 Regional breakdown of mainstreaming performance at completion 2021–2023



25. The challenge ahead is to address gaps identified in staff capacity, complexity, insufficient budgets and poor monitoring and evaluation (M&E). All regions, in partnership with ECG, have measures in place to improve performance by the end of IFAD12 and beyond. For example, ESA is collaborating with ECG to address gaps in gender-transformative approaches and improve documenting results in PCRs. The SECAP watchlist is being prepared for APR to enhance quality implementation. Initiatives to tackle challenges both at design and completion (figure 6) are in progress in all regions and include capacity-building aimed at both staff and project management units (PMUs), developing operational toolkits, learning events, and enhanced M&E, i.e. through the uptake of new courses on M&E that complete IFAD's Operations Academy (OPAC) M&E curriculum and new IFAD guidance to strengthen project-level M&E. These measures are expected to improve performance across all indicators, not only those related specifically to mainstreaming areas.

Figure 6
Challenges and priorities in achieving mainstreaming targets in IFAD12 and beyond

regional divisions



26. An analysis of projects under implementation demonstrate significant contributions to the achievement of the Sustainable Development Goals (SDGs) related to social inclusion, climate change and nutrition as indicated by the 209 projects currently reporting against IFAD's <u>core indicators</u> (figure 7).

Figure 7

IFAD core indicators related to mainstreaming and contribution to SDGs 1, 2 and 13 up to 2023



95.6 million people receiving project services

IFAD12 target: 127 million

Female: 53% Youth: 26% Indigenous Peoples: 34%



3.3 million with improved nutrition

IFAD12 target: 6 million

Female: 63% Youth: 28%

Indigenous Peoples: 74%

57% of women with minimum dietary diversity IFAD12 target: 25%



2.2 million hectares of land brought under climate-resilient management (millions)

IFAD12 target: 1.9 million

952 810 households reporting adoption of environmentally sustainable and climate-resilient technologies and practices

IFAD12 target: 350 000 households

13 040 groups supported to sustainably manage natural resources and climate-related risks

IFAD12 target: 11 500 groups

27.3 million tons of greenhouse gas emissions avoided and/or sequestered (million tons of CO2e over 20 years)

Target: 95 million tons

Source: Project logical framework data in ORMS.

27. In conclusion, IFAD12 has successfully integrated mainstreaming themes such as nutrition, gender, youth, environment and climate into all country strategies and new designs. Significant progress has been made in climate finance and building adaptive capacities, despite some regional disparities. Enhanced technical support and collaboration have been crucial, laying a solid foundation for the ambitious goals of IFAD13 and addressing challenges at implementation.

IV. Partnerships and cooperation for increased impact and innovation

- 28. IFAD's strategic partnerships are crucial for fostering innovation and complementing its portfolio to achieve sustainable outcomes at scale. Further details are found in appendix II.
- 29. Notable collaborations include the Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM), a US\$200 million initiative integrating blended finance to enhance rural climate resilience, and the Vision for Adapted Crops and Soils (VACS), promoting climate-resilient agriculture. The Reducing Agricultural Methane Programme and IFAD's substantial mobilization of supplementary climate finance further emphasize its commitment to climate adaptation and mitigation.

30. Other key initiatives include co-leading the food systems financing agenda with the World Bank, promoting youth engagement through grassroots youth alliances and replicating the successful agribusiness hub model. IFAD's Sustainable Issuance Programme has significantly expanded its investor base and funding capacity, securing EUR 65 million from Hamburger Pensionskasse in March and EUR 115 million from Amundi in May, bringing its total funding to US\$344 million by December 2023 to support development projects. Additionally, partnerships like the Indigenous Peoples Assistance Facility and the Global Initiative for Gender Transformative Approaches for Securing Women's Resource Rights enhance inclusive and equitable development efforts.

V. Way forward

- 31. Monitoring and performance enhancement:
 - (i) Close monitoring of the portfolio. IFAD is closely monitoring its pipeline to ensure that changes do not impact the achievement of targets. For instance, if projects intended to be nutrition-sensitive are postponed and replaced with ones that are not, it would jeopardize the nutrition-sensitive target, which currently stands at 60 per cent, as any variation could affect the overall percentage. Monthly portfolio reviews are therefore conducted to identify projects needing additional technical support, allowing strategic allocation of resources to help IFAD teams and government counterparts integrate mainstreaming themes into project design and implementation, especially in underperforming areas. Additionally, IFAD is strengthening monitoring procedures, particularly through enhanced application of geographic information systems (GIS) and remote sensing, such as through its partnership with the European Space Agency.
 - (ii) **Focus on boosting performance at implementation.** Regional teams will work closely with ECG to develop tailored action plans to build capacities, improve planning and coordination, and increase efforts for tracking, monitoring and analysing mainstreaming data. In addition, ongoing efforts to fill vacant positions with qualified staff, engagement in communities of practice, partnerships with other agencies including the Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme, ongoing efforts to enhance the use of spatial data in IFAD, building rosters of qualified consultants and piloting new technologies funded with grants are also expected to boost performance.
- 32. Policy and strategy development:
 - (i) **Preparation of new policies, strategies and action plans:** IFAD is assessing progress and consulting across the organization to develop new policies and strategies building on IFAD11 and IFAD12 results to meet IFAD13's ambitious targets. Key developments include:
 - (a) A new strategy for environment, climate and biodiversity, addressing design challenges and integrating biodiversity throughout project phases. Additionally, the new strategy will include a roadmap for Paris Agreement alignment, furthering IFAD's climate commitments;
 - (b) The gender policy will be updated to address thematic evaluation recommendations on GEWE, with a new resourced action plan for operationalization in 2025;
 - (c) A revised Nutrition Action Plan, aligned with IFAD13 priorities, will enhance food systems transformation for improved nutrition and healthier diets; and
 - (d) A new corporate action plan for youth engagement will be developed, scaling the agribusiness hub model for youth employment and

entrepreneurship, and intensifying engagement with youth organizations including the Grassroots Youth Alliance initiative.

33. Strategic partnerships and engagement:

- (i) IFAD projects will continue to build on and integrate the country's established systems for monitoring, evaluation and data capturing. By aligning with these national investments, which have received substantial support from other financing partners, IFAD investments can enhance synergies and maximize impact, ensuring more effective and cohesive implementation.
- (ii) **Expand and foster strategic partnerships.** IFAD is broadening its strategic alliances to drive innovation and tackle various issues. This includes participation in initiatives like the Joint Programme on Gender Transformative Approaches for Food Security and Nutrition, the Joint Programme on Rural Women's Economic Empowerment, the Gender Transformative Mechanism, the global initiative on Decent Jobs for Youth and the Alliance for Entrepreneurship in Africa's working group on agroentrepreneurship. Collaborations with FAO on climate finance tracking and biodiversity monitoring further enhance IFAD's capacity for transformative change.
- (iii) **Private sector engagement.** IFAD will leverage growing investments in the private sector, boost climate finance and encourage private sector commitments to expand its portfolio with explicit climate and biodiversity finance. These efforts will build on the success of projects utilizing innovative finance, such as <u>water funds projects</u> or the <u>GEF food systems integrated programme</u>.

34. Utilizing advanced technologies:

- (i) **Exploring advanced technologies.** IFAD will utilize advanced technologies like GIS mapping, remote sensing and blockchain for project implementation and monitoring. This includes, for instance, recording investments made using IFAD loans and grants in GIS in a growing number of projects in order to enhance implementation planning and M&E.
- 35. Building evidence and value for money propositions:
 - (i) Building evidence and value for money propositions. Evidence from impact assessments, corporate evaluations, SECAP studies and reports will support the development of a compelling value for money proposition for borrowers regarding mainstreaming priorities. This evidence base will facilitate adjustments and capacity-building for IFAD staff and implementing partners. Examples of evidence-based products developed in 2023 are listed in appendix III.

Progress report on the Adaptation for Smallholder Agriculture Programme

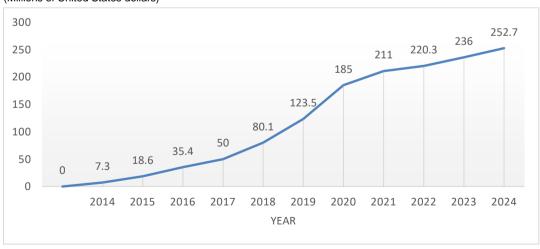
- 1. In line with the reporting assurances of the trust fund agreement, this progress report provides an update on the multiple phases of IFAD's Adaptation for Smallholder Agriculture Programme (ASAP).
- 2. The <u>first phase of the Adaptation for Smallholder Agriculture Programme</u> (ASAP1) was launched by IFAD in 2012. It mobilized US\$316 million in total, with the aim of improving the climate resilience of approximately 6.7 million small-scale farmers.¹¹
- 3. ASAP2 was launched in 2017 as a technical assistance mechanism to advance IFAD's work on climate adaptation, mitigation and safeguards, including mobilizing cofinancing from climate and environment funds, piloting innovations, and developing tools, studies and knowledge products. ASAP2 mobilized approximately US\$16 million.
- 4. Launched in 2020, the <u>enhanced Adaptation for Smallholder Agriculture Programme</u> (ASAP+) builds on ASAP1 and ASAP2 with the goal of mobilizing US\$500 million. It aims to build the climate resilience of small-scale agricultural producers, and to help partners achieve their national climate change adaptation and mitigation goals. ASAP+ currently supports a pipeline of 10 investment projects spanning multiple regions.

I. Overall programme status and results

A. ASAP1 status and results

- 5. ASAP1 has funded interventions in around 44 IFAD-supported projects across 41 countries (with two projects each in Côte d'Ivoire, Nigeria and Sudan). The portfolio is set for completion in 2025. So far, 27 projects have been closed and completed, while 17 are ongoing, all having reached the midterm review phase. In 2023, eight projects reached completion.
- 6. Disbursement of ASAP1 (figure 1) has been strong despite a difficult operational context in many countries due to fragile contexts, political instabilities and impacts from the war in Ukraine. The portfolio currently stands at 80 per cent disbursed.





¹¹ https://unfccc.int/climate-action/momentum-for-change/financing-for-climate-friendly/adaptation-for-smallholder-agriculture-programme-asap.

programme-asap.

12 https://webapps.ifad.org/members/repl/12/3/docs/IFAD12-3-R-2-Add-3.pdf?attach=1.

- 7. Last year, ASAP received an "A" rating in the United Kingdom's programme completion review (PCR) for its significant achievements in climate-smart agriculture, resilience-building and improving small-scale farmers' livelihoods. The PCR highlighted ASAP's grant-based adaptation financing and collaborative government execution. It also praised ASAP for mobilizing cofinancing and scaling innovative approaches effectively.
- 8. The PCR advises enhancing evidence and learning on climate adaptation in ASAP projects through a sustainability impact assessment by 2025/2026, a comprehensive value-for-money and cost-benefit analysis, and creating a central knowledge repository. It recommends ongoing sharing of results and tracking indicators such as women's participation, resilience and nutrition. Many of the recommendations are currently being implemented.
- 9. Learning and knowledge management (KM) on climate change adaptation are central to ASAP's objectives, with numerous studies and KM products already published. In November 2023, IFAD released its latest study in the ASAP technical series focusing on climate information services (CIS).¹³ ASAP's investments in CIS span three main areas: climate change adaptation; land-use planning and natural resource management; and early warning systems. This paper summarizes lessons and experiences with CIS, drawing from ASAP's programmatic insights.
- 10. Table 1 presents performance against ASAP1 output and outcome targets at portfolio level. All targets are at least 75 per cent achieved, with many indicators showing achievement above 120 per cent.

¹³ ASAP Technical Series: Climate Information Services (ifad.org).

Table 1
Aggregate programme targets and results against ASAP1 logical framework

ASAP results hierarchy	ASAP results at global portfolio level		Portfolio results indicators	Programmed at design ¹⁴	Results from RIME 2023	Current results	Percentage achieved
Goal	Poor smallholder farmers are more resilient to climate change			6 727 159	6 822 593	6 985 574	105
Purpose	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	Number of tons of greenhouse gas emissions (CO2e) avoided and/or sequestered	80 million tons over 20 years (2012 target)	50 million tons over 20 years	n/a	n/a
Outcome 1	Improved land management and gender-sensitive climate-resilient agricultural practices and technologies	4	Number of hectares of land managed under climate-resilient practices	1 884 273 hectares	1 401 738 hectares	1 606 007	85
Outcome 2	Increased availability of water and efficiency of water use for smallholder agriculture production		Number of households, and production and processing facilities, with increased water	4 443 facilities	4 323 facilities	4 854	109
	and processing		availability	289 503 households	351 283 households	396 497	137
Outcome 3	Increased human capacity to manage short- and long-term climate risks and reduce losses from	6	Number of individuals (including women) and	1 926 889 people	1 955 221 people	1 898 394	99
	weather-related disasters		community groups engaged in climate risk management, environment and natural resources management or disaster risk reduction activities	25 407 groups	19 654 groups	25 773	101
Outcome 4	Rural infrastructure made climate resilient	7	United States dollar value of new or existing rural infrastructure made climate resilient	US\$131 575 730	US\$129 687 000	124 817 000	95
				543 km	476 km	528	97
Outcome 5	Knowledge on climate-smart smallholder agriculture documented and disseminated	8	Number of international and country dialogues on climate issues where ASAP-supported projects or project partners make an active contribution	36	34	38	106

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¹⁴ Currently expected to be achieved by December 2025, but subject to change depending on the evolving status of ASAP projects.

B. ASAP 2 status

- 11. Like ASAP1, ASAP2-financed initiatives need to be completed by end-2025. As of now, 98 per cent of the funds have been allocated and spent. The overall balance of unallocated ASAP2 funds is US\$361,442.3.
- 12. ASAP2 is currently funding several key initiatives, including the Ex-ante Carbon Balance Tool (EX-ACT) and the Global Livestock Environmental Assessment Model-interactive (GLEAM-i)¹⁵ with FAO, and the update of the Climate Adaptation in Rural Development Assessment Tool (CARD)¹⁶ tool in collaboration with FAO and FINRES. EX-ACT is moving into its second phase for 2024–2025, aiming to support the production of up to 65 analyses. GLEAM-i is set to conclude by October 2024, while the upgrade of the CARD tool within ABC Map¹⁷ is scheduled for completion by June 2024.

C. ASAP+ status and pipeline

13. ASAP+ has received US\$75.8 million, with an additional US\$16.5 million as receivable contributions, totalling US\$92.3 million. Table 2 shows the current ASAP+ pipeline, which now includes 10 projects since 2023, including a new one in Chad, the Strengthening Productivity and Resilience of Agropastoral Family Farms Project (RePER).

Table 2
ASAP+ current porfolio

Project location and name	Project overview	Status
Brazil Amazon Sustainable Management Project (PAGES)	The project will target 20,000 family farms associated with rural organizations and aims to reduce rural poverty while decreasing deforestation and environmental degradation in the Amazon region of Maranhão, increasing the resilience of 64,000 people and reducing approximately 6 million tons of CO2 equivalent. ASAP+ financing: US\$17.1 million	In implementation
Brazil Promotion of Payment for Environmental Services (PES) for deforestation-free supply chains	Brazil will use CompensACTION funds to pilot projects that recognize the potential of PES in incentivizing forest conservation. IFAD proposes a PES pilot fund to promote forest conservation by marginalized communities through deforestation-free value chains. The aim is to assess PES's potential to enable livelihood diversification, increase deforestation-free income sources through non-timber forest product (NTFP) production and improve NTFP market access. ASAP+ financing: US\$4.4 million	In implementation
Burkina Faso Programme to Strengthen Smallholder Resilience to Climate Change (PSSRC)	This programme aims to boost smallholder resilience to climate change with investments in proven adaptation practices, Indigenous technologies and nature-based solutions. It emphasizes enhancing water access for agriculture, promoting crop and income diversification, and implementing sustainable agricultural models led by the Government. ASAP+ financing: US\$7 million	Approved September 2023
Chad Strengthening Productivity and Resilience of Agropastoral Family Farms Project (RePER)	RePER's development objective is to improve the performance and increase the resilience of the targeted agropastoral family farms. ASAP+ financing will strengthen the resilience of family agropastoral farms by: (i) improving access to water and disseminating environmentally friendly techniques that are resilient to climate change in production and post-harvest activities; (ii) improving access to climate information, setting up ecological monitoring systems and environmental and climate education; and (iii) reducing emissions, preventing deforestation and improving household living conditions by promoting energy-efficient stoves. ASAP+ financing: US\$7 million	In implementation

¹⁵ EX-ACT is a free, open-source, Excel-based model used to estimate and track the impact of agricultural, forestry and other land use investments and policies on greenhouse gas emissions. It helps national stakeholders strengthen their capacity to monitor emission reduction goals across various projects and supports policy-makers in integrating climate change mitigation into national policies and international commitments, such as nationally determined contributions. GLEAM-i is an online calculator that estimates greenhouse gas emissions from the livestock sector. It considers the entire life cycle of animal products, from input production to the farm gate.

¹⁶ CARD is a platform exploring the effects of climate change on the yield of major crops.

¹⁷ ABC-Map, designed by FAO, assesses environmental impacts of national agriculture, forestry and other land use sector policies, plans and investments using Google Earth-based satellite imagery. It facilitates identifying synergies and trade-offs among climate, biodiversity and land restoration actions.

Project location and name	Project overview	Status
Ethiopia Participatory Agriculture and Climate Transformation Programme (PACT)	PACT aims to achieve resilient agricultural income growth and improved diets for rural households. ASAP+ funds will support infrastructure, ecosystem enhancements and community livelihood diversification. CompensACTION funds complement PACT's activities in three target regions. ASAP+ financing: US\$11.4 million	In implementation
Lesotho Regeneration of Landscapes and Livelihoods (ROLL)	The CompensACTION pilot will be embedded in the ongoing ROLL project. It features a regeneration coalition facility, aiming to support the setting up of local multi-stakeholder initiatives, as well as a regeneration opportunities fund, which can invest in activities proposed by the coalitions and that have returns on water-related ecosystem services. The CompensACTION pilot enhances the Regeneration Opportunities Fund's ecosystem services payment system to include water efficiency, carbon sequestration and innovative carbon financing. ASAP+ financing: US\$4.4 million	Pending internal approval
Malawi Programme for Rural Irrigation Development (PRIDE)	PRIDE focuses on developing resilient land and water management systems, transferring knowledge to smallholders and ensuring linkages to viable markets. The ASAP+ resources will fund the construction of irrigation systems, increasing productivity in rainfed areas and reversing land degradation. The programme will add at least 20,000 beneficiaries to those targeted by PRIDE, with supplementary funding from the Global Environment Facility (GEF). ASAP+ financing: US\$7 million	In implementation
Niger Family Farming Development Programme in the Diffa Region (ProDAF)	The programme will build on and scale up the ongoing ProDAF investments to strengthen the resilience of vulnerable households through climate adaptation practices and technologies, better agronomic practices and improved water resources management. The programme will collaborate with other interventions funded by GEF, the Green Climate Fund and ASAP in Niger. ASAP+ financing: US\$7 million	Portfolio temporarily suspended ¹⁸
Somalia Adaptive Agriculture and Rangeland Rehabilitation Project (A2R2)	A2R2 aims to improve water resources and rangelands management, eco-agriculture and climate-proof livelihoods, as well as forest and habitat rehabilitation, and improved governance and information systems for land degradation and biodiversity. A pilot microfinance facility will target vulnerable groups, particularly women and youth, for climate-resilient income-generating activities. Funding for ASAP+ will cofinance funding from GEF's Least Developed Countries Fund (LDCF) and the Global Agriculture and Food Security Program. ASAP+ financing: US\$7 million	Pending internal approval
<u></u>		5 " ' '
Yemen Rural Livelihood Development Project (RLDP)	RLDP targets vulnerable women and youth, aiming to benefit 175,000 people. It aims to enhance food and nutrition security, boost sustainable agriculture production and build resilience through community-based planning, climate-resilient infrastructure and climate-smart agriculture. The project, approved by the Executive Board, is cofinanced by the Rural Poor Stimulus Facility, the Swiss Agency for Development and Cooperation and GEF's LDCF.	Pending internal approval
	ASAP+ financing: US\$7 million	

- 14. ASAP+ began disbursements in 2022, with PAGES Brazil disbursing US\$1.4 million to date. Political instability in the Sahel has caused delays in launching projects in this region. However, projects in Burkina Faso, Chad, Ethiopia and Malawi are set to start disbursing funds in the first half of 2024.
- 15. Table 3 shows aggregate results targets for the approved ASAP+ projects. Aggregate project results and targets will continue to rise as additional contributions for ASAP+ are mobilized and programmed as investments.

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¹⁸ The de facto government situation in Niger since 26 July 2023 has caused sanctions from the regional bodies and government inability to settle its arrears with major international financial institutions, including IFAD. Now that the sanctions have been lifted on Niger (24 February 2024), Niger is expected to be able to settle its arrears and to see re-engagement materialize for the financing agreement to be signed and for the project to effectively start its activities, including the ASAP+components.

Table 3
Project results targets against ASAP+ Results Management Framework indicators*

ASAP+ results hierarchy	ASAP+ results at global portfolio level	Portfolio	results indicators	Programmed at design
Goal	Poor smallholder household (HH) members supported in coping with the effects of climate change (outreach)	1	Number of poor smallholder household members whose climate resilience has been increased	HH 197 093 Persons 964 757
Outcome 1	Outcome area 1. Increased resilience of vulnerable households to the impacts of climate change on their food security and nutrition,	2	Number of persons/households reporting adoption of environmentally sustainable and climate-resilient technologies and practices [CI 3.2.2.]	HH 22 112 Persons 123 681
	focusing particularly on rural women, youth, Indigenous Peoples and persons with disabilities	3	Number of persons/households reporting a significant reduction in the time spent for collecting water or fuel [CI 3.2.3.]	HH 8 313 Persons 37 945
Sub- outcome 1.1	Improved access to nutritious food and products from agrobiodiverse farming systems	4	Number of persons/households supported to increase the diversity of farmed species and varieties.	HH 508 Persons 3 000
Sub-	Enhanced human capacity	5	Number of persons/groups supported to sustainably manage natural resources and climate-related risks [CI 3.1.1.]	Groups 20 864
outcome 1.2	to manage climate risk	6	Number of persons/households provided with climate information services	HH 465 Persons 3 000
Sub- outcome 1.3	Scaled-up climate-resilient land and natural resources management	7	Number of hectares of land brought under climate-resilient management [CI 3.1.4 / ASAP 4]	Hectares 513 244
		8	Number of persons/households with increased water availability and/or efficiency for production purposes [ASAP 5b, modified]	HH 3 213 Persons 13 622
Sub- outcome 1.4	Climate-proofed services and infrastructure	9	US\$ value of new or existing rural infrastructure made climate resilient [ASAP 7a]	US\$ ('000) 26 000
		10	Km of new or existing rural roads that have been made climate resilient [ASAP 7b]	Km 10
Sub- outcome 1.5	Strengthened policy frameworks on climate- resilient smallholder agriculture	11	Number of existing/new laws, strategies, regulations or policies on climate change and the agricultural sectors proposed to policymakers for approval, ratification or amendment	5
Outcome 2	Reduced emissions from win-win interventions with significant development benefits, particularly for food insecure and marginalized groups	12	Number of tons of greenhouse gas emissions (CO2e) avoided and/or sequestered [CI 3.2.1]	1 842 433
Sub- outcome 2.1	Increased availability of low- emissions development	13	Number of persons accessing technologies that sequester carbon or reduce greenhouse gas emissions [CI 3.1.3]	Persons 3 540
Catoonio E. I	opportunities	14	Number of persons in new or existing green jobs	-

^{*} The information presented includes data for projects whose designs were completed and therefore can be considered final save for adjustments made to targets during implementation, and others whose designs are ongoing and therefore should be considered preliminary.

D. Status of the ASAP Trust Fund

16. Table 4 presents the financial status of the ASAP Trust Fund as at end-2023.

Table 4
Financial status of the ASAP Trust Fund*

				Contributions received	Estimated receivable received	Grand total received+ estimated receivable
	Member State	Local currency (000)	Year received	(US\$' 000)**	(US\$' 000)**	(US\$' 000)**
Complementary contributions	Belgium	EUR 6 000	2012	7 855	0	7 855
ASAP1	Canada	CAD 19 849	2012	19 879	0	19 879
	Finland	EUR 5 000	2014	6 833	0	6 833
	Netherlands (Kingdom of the)	EUR 40 000	2012	48 581	0	48 581
	Norway	NOK 63 000	2013/2014/2015	9 240	0	9 240
	Sweden	SEK 30 000	2013	4 471	0	4 471
	Switzerland	CHF 10 000	2013	10 949	0	10 949
	United Kingdom	GBP 147 523	2012/2013/2014	202 837	0	202 837
	Subtotal			310 645		310 645
Supplementary funds						
ASAP1	Flemish Department for Foreign Affairs	EUR 2 000	2014	2 380	0	2 380
	Republic of Korea	US\$3 000	2015	3 000	0	3 000
	Subtotal			5 380		5 380
	Total ASAP1			316 025		316 025
	Norway	NOK 80 000	2016	9 550	0	9 550
ASAP2	Sweden	SEK 50 000	2016	5 904	0	5 904
	France	EUR 600	2019/2021	660	0	660
	Total ASAP2			16 114		16 114
Staff secondment	France	US\$1 140		1 140		
	Qatar Development Fund	US\$500	2020	500	0	500
	Austria	EUR 2 000	2020	2 437	0	2 437
	Ireland	EUR 4 000	2021	4 702	0	4 702
ASAP+	Sweden	SEK 100 000	2021	11 018	0	11 018
	Germany	EUR 32 000	2021/2022	19 084	16 533	35 617
	Denmark	DKK 190 000	2021/2023	28 170	0	28 170
	Norway	NOK 100 000	2022	9 881	0	9 881
	Total ASAP+			75 792	16 204	92 325
	Total			409 071		424 464

^{*} Note that the amount of funding mobilized for ASAP+ has decreased slightly from last year due to a fluctuation in exchange rates.

Summary of IFAD12 commitments relative to mainstreaming themes¹⁹

Monitorable action	Committed end date	Status	Description as at 31 December 2023
Increase target for climate finance to 40 per cent of the IFAD12 PoLG	Q4 2024	In progress	37 per cent
Present the IFAD Strategy on Biodiversity to the Executive Board	Q4 2021	Complete	Biodiversity strategy approved:
3. Develop specific agrobiodiversity initiatives to improve management and restoration of water or land ecosystems	Q4 2022	Complete	The Food and Agriculture Organization of the United Nations and the World Agroforestry institute (ICRAF) hosted events focusing on agrobiodiversity and developed an agroforestry stocktake to boost investments. Agroforestry integrated into 28 per cent of surveyed operations under IFAD12. Recent projects like Value Chain Innovation for Sustainable Transformation in Agrarian Reform Communities (VISTA) in the Philippines, Enhancing Food Security through Sustainable Agriculture (EFOSE) in Haiti, Hunan Green Development Project (HGDP) in China, Tree Crops Extension Project II (TCEPII) in Liberia, Inclusive Smallholder Agriculture Development in the North-West Mountains (DINAMO) in Tunisia, and Frontera Agroecological Programme in Bolivia (Plurinational State of) highlight agrobiodiversity. Supplementary funds include EUR 52.5 million from the European Union for the Investing in Livelihood Resilience and Soil Health in African, Caribbean and Pacific (ACP) countries programme, and EUR 20.2 million (including EUR 5 million from Belgium) for the Global Programme for Small-scale Agroecology Producers and Sustainable Food Systems Transformation. Programmes with the Green Climate Fund, Adaptation Fund and Global Environment Facility support ecosystem restoration and biodiversity investments. The Vision for Adapted Crops and Soils (VACS) initiative boosts crop diversity and soil health.
Ensure that 35 per cent of new investment projects are gender-transformative at design	Q4 2024	In progress	53 per cent
5. Climate capacity: 90 per cent of projects designed to build adaptive capacity	Q4 2024	In progress	78 per cent
6. Ensure that 60 per cent of new investment projects explicitly prioritize youth and youth employment	Q4 2024	In progress	63 per cent
7. Ensure that 60 per cent of new investment projects are nutrition-sensitive at design	Q4 2024	In progress	63 per cent
Present an updated policy for IFAD's work with Indigenous Peoples for approval to the Executive Board	Q2 2022	Complete	Approved: EB 2022/137/R.6
9. Ensure that at least 10 new projects include Indigenous Peoples as a priority target group	Q4 2024	In progress	Five projects approved as at 31 December 2023 in Brazil, Democratic Republic of Congo, El Salvador, Lao People's Democratic Republic and Solomon Islands. Philippines approved in April 2024 and five projects are in the pipeline for approval by December 2024.

¹⁹ Data relative to design based on Operational Policy and Results Division (OPR) mainstreaming dashboard.

Monitorable action	Committed end date	Status	Description as at 31 December 2023
10. Replenish the Indigenous Peoples Assistance Facility including through mobilization of additional resources from other partners	Q4 2022	Complete	In 2023 IFAD approved US\$2.5 million in regular grant resources to complement the contribution from the Swedish International Development Cooperation Agency (SIDA) and mobilized an additional US\$ 2.9 million from the Norwegian Agency for Development Cooperation (NORAD). Also, US\$400,000 has been mobilized from the ASAP+.
11. Present a strategy for persons with disabilities to the Executive Board	Q2 2022	Complete	Approved: EB 2022/137/R.7
12. Ensure that at least five new projects include persons with disabilities as a priority target group	Q4 2024	Complete	Five projects approved prioritizing persons with disabilities in Democratic Republic of Congo, Ecuador, Ethiopia, Madagascar and Mali.
13. Revise IFAD's targeting policy to better reflect mainstreaming and social inclusion priorities (Indigenous Peoples, persons with disabilities)	Q4 2022	Complete	Approved: EB 2023/138/R.3
14. Strengthen reporting on mainstreaming themes and commitments through a standalone annual report to complement the Report on IFAD's Development Effectiveness (RIDE)	Q3 2023	In progress	First report submitted in 2023

Summary of key terms related to IFAD mainstreaming priorities

Targeting

IFAD's definition of targeting has both strategic and operational meanings.

- a. Strategically, targeting relates to resource allocation to ensure that funds are programmed in a way that is consistent with IFAD's mandate. The focus of this Policy is on targeting within country programmes and informing new and existing corporate initiatives. Allocation of resources across countries through the performance-based allocation system and the Borrowed Resources Access Mechanism is not addressed here.
- b. Operationally, poverty targeting is traditionally defined as the process by which resources are directed to people defined as poor on the basis of eligibility criteria (such as geographic targeting, self-targeting and direct targeting). IFAD expands this to encompass the broad set of actions including all aspects of design and implementation that include or exclude individuals from project interventions and ensure that IFAD's investment projects are relevant and effective in reaching, benefiting and empowering the target group.

IFAD's target group are people living in poverty in rural areas as well as vulnerable populations at risk of falling into poverty in rural geographies, with a continuing priority on the poorest and most excluded, including those who are food-insecure.

Climate finance

A project with **climate finance** aims at increasing climatic resilience by actively tackling identified climatic vulnerabilities through adaptation and mitigation measures in response to country needs and Nationally Determined Contributions (NDCs). IFAD has adopted the internationally recognized MDB Methodologies for Tracking Climate Change Adaptation and Mitigation Finance (hereafter: the MDB Methodologies).

The metric for this target is **Climate-focused PoLG (percentage)** and is measured as United States dollar value reported as a percentage share of total IFAD approvals, calculated based on the internationally recognized MDB Methodologies for Climate Change Adaption and Mitigation Tracking. Climate finance is calculated at design, based on the final cost tables and project design reports of approved IFAD operations.

Adaptation finance

There are separate methodologies for calculating adaptation and mitigation finance. **Climate change adaptation** aims to reduce the risks or vulnerabilities posed by climate change and to increase resilience to the adverse impacts of climate change. Identification of adaptation finance is a result of a three-step process and thus, for a project's finance to be counted either fully or partially as adaptation finance, the project must meet each of the following three steps:

- Set out the project's context of vulnerability to climate change;
- 2. Make an explicit statement of intent to address this vulnerability as part of the project; and
- 3. Articulate a clear and direct link between the vulnerability and the specific project activities.

The metric for this target is **Projects designed to build adaptive capacity (percentage)** and is measured as a percentage of IFAD projects that include activities aiming to build climate-related

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	adaptive capacity across multiple dimensions (e.g. increasing incomes; improved access to productive resources; empowerment of vulnerable groups). This indicator is measured at design, based on the project design reports of approved IFAD operations.
Mitigation finance	Climate change mitigation reduces or limits greenhouse gas (GHG) emissions, or sequesters carbon to mitigate climate change. However, not all activities that reduce GHG emissions are eligible to be counted towards MDB mitigation finance, which is based on a list of activities that are compatible with low-emission pathways. Mitigation finance tracking is built on the Common Principles for Climate Change Mitigation Finance Tracking developed jointly by the MDBs and the International Development Finance Club (IDFC). This methodology is refined over time, to iteratively increase ambition and enhance alignment with the goals of the Paris Agreement, especially on keeping anthropogenic climate change to "well below" 2 degrees Celsius above pre-industrial levels.
	As a precondition for attributing mitigation finance to an IFAD project, IFAD requires an ex-ante GHG assessment to prove that the project overall has the potential to be a net sink of GHG emissions, compared to the without-project scenario.
	Though some interventions can achieve adaptation and mitigation objectives jointly, the activities and outcomes of adaptation are context-specific, while mitigation has a global component.
Building adaptive capacity	This new indicator shows that while IFAD climate finance regards only activities specifically aimed at addressing climate change, the majority of IFAD projects address climate objectives. A project will automatically be flagged as building adaptive capacities provided that at least 15 per cent of the IFAD investment is validated as climate finance.
Gender mainstreaming	Gender mainstreaming is the process by which reducing the gaps in development opportunities between women and men and working towards equality between them become an integral part of the organization's strategy, policies and operations.
Gender transformative	A gender transformative project actively seeks to transform gendered power dynamics by addressing social norms, practices, attitudes, beliefs and value systems that represent structural
	barriers to women's and girls' inclusion and empowerment.
Nutrition-sensitive	barriers to women's and girls' inclusion and empowerment. Criteria that also apply to a "gender mainstreamed" project (a subset of "gender transformative" projects) are not marked with an asterisk. Criteria that go beyond "gender mainstreaming" and help to identify a "gender transformative" project are marked with an asterisk. Note that the IFAD12 RMF only formally tracks "gender transformative" projects approved. It is obligatory for gender-transformative projects to report on the IFAD empowerment index, which is based on IFPRI's project level Women's Empowerment in Agriculture Index (pro-WEAI). This indicator is measured at design, based on a range of design criteria verified in the project design

	specific challenges and potentials of rural youth. This can be reached by various means, especially by providing a balanced mix of activities that support youth access to assets, skills, and services.
Disability inclusion	A project that includes Persons with Disabilities as a priority target group aims to advance the social, economic, and/or political inclusion of persons with disabilities in rural areas. This is done using a "twin-track approach", meaning that these projects (a) introduce broader disability inclusion mainstreaming measures alongside (b) providing targeted support to empower persons with disabilities ²⁰ .
Prioritizing Indigenous Peoples	A project that includes Indigenous Peoples as a priority target group is located in areas home to Indigenous Peoples and showcases pathways to Indigenous Peoples' socio/economic empowerment. It enhances their livelihoods building on their cultural heritage and identity as assets, such as by promoting self-determination (Free, Prior and Informed Consent), traditional knowledge and food systems, tenure security, resilience of Indigenous Peoples' ecosystems, recognition of their role as stewards of natural resources and biodiversity, inclusive income generation and market access alongside women's empowerment ²¹ .

UN Disability Inclusion Strategy (UNDIS).
 This is done in line with the IFAD Policy on Engagement with Indigenous Peoples and Standard 4 of SECAP 2021.

In focus: Detailed review of IFAD's mainstreaming effectiveness

A.ENVIRONMENT AND CLIMATE (INCLUDING BIODIVERSITY)

International context

- 1. Half of the global population resides in rural areas of developing nations. where hunger and poverty are rampant, affecting over 80 per cent of the world's extreme poor²². Rural communities, especially small-scale producers, face heightened vulnerability to climate change, conflict, and financial exclusion, leading to increased instability and forced migration²³. Marginalized groups, including women, youth, and Indigenous Peoples, bear the brunt of these challenges²⁴. Small-scale farmers produce up to 70 per cent of food consumed²⁵ in low- and middle-income countries. The costs of adaptation in developing countries are projected at US\$215 billion annually this decade, however adaptation planning and implementation seem to be levelling off, posing significant risks for the most vulnerable populations²⁶. The potential cost of climate change effects at 3 °C of warming has recently been estimated at up to 10 per cent of GDP, with worst effects of up to 17 per cent in poorer, low-latitude countries²⁷. Despite the importance of small-scale farmers to global food security, climate finance is simply not reaching them. Only 0.8 per cent of global climate finance²⁸ during 2019/2020went to small-scale producers - the very people who are least able to cope with the impacts of a global crisis that is not of their making.
- 2. Biodiversity loss further threatens livelihoods and food systems and reduce their resilience and adaptative capacities. At COP28, the leaders of the UNFCCC and Convention on Biological Diversity (CBD) released a joint statement calling for a common effort to tackle both climate change and biodiversity loss. Rural households are especially vulnerable as their production system and livelihood depend directly on healthy and biologically diverse ecosystems. About 70 per cent of the world's poor depend on wild species, 1/5 people rely on wild plants, algae and fungi for food and income, and 2.4 billion rely on fuel wood²⁹. Around 80 per cent of the planet's remaining biodiversity and 40 per cent of carbon stored in tropical forest are located in communal and Indigenous Peoples' lands. Empowering and protecting Indigenous Peoples and rural communities is at the heart of the recently adopted Global Biodiversity Framework (GBF)³⁰. In 2023, the Global Biodiversity Framework Fund (GBFF) was launched with a central focus on empowering IFAD core target groups to sustainably use, restore and conserve biodiversity.

Strategic orientation

3. **IFAD responds to Member States' increasing demand by offering diverse financing options**, prioritizing high concessionality, including grants. Research shows financing needs align with country income levels, with lower-income

²² IFAD, Rural Development Report: Transforming Food Systems for Rural Prosperity, 2021.

²³ United Nations, Sustainable Development Goals Report 2022.

²⁴ Data from IFAD impact assessments undertaken between 2019 and 2021

²⁵ IFAD, Rural Development Report: Transforming Food Systems for Rural Prosperity, 2021.

²⁶ https://www.unep.org/resources/adaptation-gap-report-2023

²⁷ https://www.nature.com/articles/s41558-024-01990-8

²⁸ CPI 2023

 $[\]frac{https://documents1.worldbank.org/curated/en/995271468177530126/pdf/443000WP0BOX321onservation01PUBLIC1.pdf}{df}$

³⁰ https://www.ifad.org/en/web/latest/-/our-planet-is-losing-its-biodiversity.-here-are-five-ways-ifad-and-rural-people-are-protecting-it

countries requiring more resources, especially in grants and concessional lending. IFAD's technical expertise remains consistently sought after across all income brackets.

- 4. **IFAD** intensifies engagement in climate adaptation projects at country and regional levels, ensuring support reaches vulnerable communities. Collaboration with the private sector to enhance food systems resilience expands, addressing the critical priority of domestic food production. Additionally, IFAD enhances effectiveness in fragile and conflict-affected situations, integrating crisis-resilience into programming to meet nuanced needs.
- 5. Financially, IFAD projects now incorporate climate change adaptation activities, seamlessly blending climate finance with traditional Official Development Assistance (ODA) in investment programs. Operationally, external evaluations highlight IFAD's capability in designing premier climate-focused investment projects, emphasizing climate adaptation for resilient food systems and promoting sustainable agricultural practices.
- 6. Following adoption of GBF and in line with IFAD's 2022-2025 Biodiversity Strategy, IFAD is expanding its investments in biodiversity, recognizing its strong link to the climate-nutrition and people agenda. The roll out of IFAD updated SECAP is already providing ways to mitigate biodiversity risk and align to most GBF targets meanwhile increased adoption of IFADs biodiversity indicator will help monitoring and evaluation efforts.

Examples of partnerships and cooperation

- 7. IFAD, in partnership with the World Bank, co-financed Bangladesh's Program on Agricultural and Rural Transformation for Nutrition, Entrepreneurship, and Resilience (PARTNER). This collaboration scales up successful initiatives, enhances farmer incomes, and builds resilience to climate change. IFAD's involvement pilots a Program for Results Financing model, strengthening its role as a key development partner in Bangladesh's agricultural sector. Leveraging experience from past investments like PACE, NATP-2, and SACP, IFAD emphasizes market-oriented production systems and private sector involvement.
- 8. The Government of Egypt selected IFAD to lead the food and agriculture pillar of the Nexus of Water, Food, and Energy (NWFE) initiative, in line with Egypt's National Climate Change Strategy 2050. This pillar comprises five projects totaling US \$3.35 billion for phase 1 (2023-2030).
- 9. **IFAD joined CGIAR, FAO, and the Rockefeller Foundation in a joint pavilion at COP28.** Hosting 70+ high-level events, it convened stakeholders including farmers, Indigenous Peoples, rural women, youth, private sector reps, donors, and dignitaries such as the King of Lesotho and the King of Tonga.
- 10. **IFAD and FAO collaborate closely on climate finance tracking and biodiversity monitoring**. IFAD adopted its first biodiversity indicator in early 2023, based on FAO's ABC map tool. This tool predicts investment impacts on biodiversity, climate vulnerability, and carbon sequestration. ABC map 2.0 launched in early 2024 after IFAD and FAO refinement. Training of IFAD staff and piloting the indicator has happened across 25+ projects, with over 90 per cent showing potential positive biodiversity impacts.
- 11. **IFAD partners with IISD for cost-benefit analyses on green infrastructure investments in Kenya and Eswatini**. These inform economic analysis, financial preparation, and innovative climate finance design for projects.

- 12. IFAD's membership in the Systematic Observations Financing Facility (SOFF) enhances disaster risk reduction programs, focusing on climate resilience and preparedness in vulnerable regions.
- 13. IFAD's engagement in the Koronivia Joint Work on Agriculture and UN4NAP supports governments in implementing and enhancing national climate plans for the small-scale agriculture and rural sector.
- 14. **IFAD collaborated with the European Investment Bank (EIB)**, signing two agreements to enhance food security, poverty alleviation, and climate resilience in rural areas, with a focus on Africa.
- 15. **IFAD** shared expertise with the CBD secretariat to implement the GBF, publishing experiences in biodiversity finance and good practices. IFAD presentations at CBD events showcased its work. IFAD also organized learning events, including sensitization on agriculture's role in national biodiversity strategies at various forums and training sessions.
- 16. The **Vision for Adapted Crops and Soils (VACS)**, launched by the U.S. in 2023 and hosted by IFAD, focuses on climate-resilient crops and healthy soils for global food security. It enhances climate resilience for small-scale producers, prioritizing adaptation financing for vulnerable communities. VACS funding will be blended with IFAD investments to increase finance leverage for smallholder farmers.
- 17. At COP 28, IFAD launched the **Reducing Agricultural Methane Programme** (**RAMP**) in partnership with the US State Department and the Global Methane Hub. RAMP focuses on four areas: deploying technical assistance to at least 15 countries for integrating methane mitigation into their NDCs, publishing a guidebook for mainstreaming Global Methane Pledge objectives, supporting project design for 10 methane reduction projects, and supporting curation and dissemination of knowledge.
- 18. In 2023, IFAD mobilized US\$183 million in supplementary climate finance, including US\$ 45 million from AF, US\$ 39 million from ASAP+, US\$ 55 million from GCF, and US\$ 44 million from GEF (comprising GEF, LDCF, and SCCF). These funds are co-financing IFAD's operations. This effort was crucial for directing more resources to the poorest and most climate-vulnerable countries, including those eligible for grants and concessional loans, and complementing IFADs PoLG portfolio.
- 19. IFAD's Sustainable Issuance Programme is a pivotal element of its funding strategy, aimed at securing resources for timely delivery of financing to impact rural lives positively. After two inaugural issuances totaling US\$ 150 million in 2022, IFAD expanded its investor base and currency range. In March 2023, it issued its first Euro sustainable private placement of EUR 65 million to Hamburger Pensionskasse (HPK), a German pension fund with a strong ESG focus. HPK integrates ESG criteria across its business lines. In May 2023, IFAD's second Euro placement, totaling EUR 115 million, went to Amundi, Europe's largest asset manager, known for its responsible investment practices. These, alongside 2022's issuances, brought IFAD's total by December 2023 to US\$ 344 million, bolstering its support for eligible development projects.

Achievements against IFAD12 commitments and action plan KPIs

20. In 2024 IFAD committed to achieving its 40 per cent climate finance target across its portfolio through investing at least USD 666.1 million into climate change adaptation and mitigation. Across IFAD12, this 40 per cent means roughly US\$1.4 bn in climate finance being programmed to smallholders over 3 years.

- 21. In IFAD 12, as of 31 December 2023, 37.3 per cent of approved projects have been validated as climate finance against a 40 per cent target with projections for 2024 showing that the target will be achieved. Using the Rio Marker, this figure becomes much higher since 91 per cent of the portfolio scores either CC2 or CC1³¹.
- 22. **IFAD12** and **IFAD13** committed that **90** per cent of projects include at least **15** per cent of adaptation finance according to the MDB methodology for climate finance tracking. Currently 78 per cent of IFAD projects build adaptive capacity.
- 23. The latest Multilateral Performance Network (MOPAN) report indicates that IFAD is adept at responding to critical global challenges, particularly climate change. IFAD's mandate is deemed highly relevant, focusing on impoverished rural communities, increasing allocations to fragile countries, and catalyzing climate finance to benefit rural populations. The report underscores IFAD's responsiveness to climate challenges and its ability to deliver on targeted commitments to address them.
- 24. Over the past decade, IFAD's environmental and climate change adaptation (ENRM and CCA) performance significantly improved, as highlighted in the 2023 Annual Report on the Independent Evaluation of IFAD (ARIE) by the Independent Office of Evaluation of IFAD (IOE). Data from 288 project level evaluations and 45 country strategy and program evaluations show consistent enhancement in ENRM and CCA performance. The share of well-performing projects increased from 71 per cent in 2011-2013 to 90 per cent in 2019-2021, showcasing IFAD's sustained commitment to integrating climate and environmental considerations across all interventions.

Highlights

- 25. At COP28, the Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM) was launched, offering tailored finance for small-scale food producers and rural microenterprises in Kenya, Rwanda, Uganda, and the United Republic of Tanzania. Integrating blended finance, risk-sharing, and technical assistance, ARCAFIM addresses climate adaptation financing needs over a 12-year period. The implementation, spanning a 12-year period, leverages a unique financial structure where loans provided to regional Host Banks are matched in a 1:1 ratio, effectively doubling the available resources. This project includes grants and loans, with \$90 million allocated for on-lending by the Host Bank for climate adaptation activities and an additional \$20 million in grant-based funding for innovations and capacity building in rural adaptation. Risk management strategies include credit risk sharing to mitigate loan-related risks and ensure repayment, all aimed at securing long-term sustainability and impact in the region. ARCAFIM aims serve as a model for public-private climate adaptation platforms at scale.
- 26. IFAD, a signatory to the COP28 UAE Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action, mobilized over \$2.5 billion, including a \$200 million UAE-Gates Foundation partnership, advancing global momentum towards sustainable food systems and climate resilience. Concurrently, IFAD collaborated with the NDC Partnership to introduce the innovative '4 by 4 investment framework' model in a white paper at COP28, at COP28, aiming to unlock private investment for climate-adaptive and water-resilient food systems.
- 27. Demonstrating IFAD's strategic commitments to boosting agricultural productivity and sustainability amid changing climates, projects like the Climate Adaptation and Livelihood Protection Project (CALIP) also

³¹ As per the <u>methodology</u> outlined in the OECD DAC Rio Markers for Climate Handbook, a scoring system of three values is used, in which activities/projects are marked as either (i) targeting the UNFCCC as a principal objective (score "2"); (ii) as a significant objective (score "1"); or (iii) not targeting the Convention (score "0").

showcase proactive measures. CALIP, augmenting the Haor Infrastructure and Livelihood Improvement Project (HILIP), significantly improved ecosystems and agricultural productivity, benefiting over 344,000 people and safeguarding 140 villages from flooding through the development of a flood early warning system. Meanwhile, in Cabo Verde, the Rural Socio-economic Opportunities Programme (POSER), funded by IFAD since 2013, aimed to enhance the living conditions of the rural poor and increase resilience to climate change. Leveraging GIS technology, POSER establishes climate-resilient infrastructure and finances around 500 micro-projects on income-generating activities, highlighting IFAD's integration of advanced technologies into climate resilience strategies.

Challenges

- 28. **Strategic prioritization and selectivity:** The MOPAN report suggests that IFAD's increasing ambition and activity in climate-related goals must be supported by more selective and strategically prioritized actions. Effective engagement in partnerships that align with IFAD's role in the multilateral system is crucial. As climate-resilient agriculture is now central to IFAD's mandate, enhancing strategic partnerships and expanding its country presence are vital steps to maximize impact.
- 29. **Capacity Constraints**: While climate finance grows in importance, there remains a gap in the ideal capacity to meet mainstreaming goals and ensure the delivery of climate finance as part of the PoLG stays on track, particularly in additional financing designs where flexibility for adjustments is limited. Additionally, there is a need for capacity to report on climate finance in Type C projects and ensure compliance with IFAD reporting requirements and the Core Indicators Framework, especially for projects initiated by co-financiers.
- 30. **Biodiversity integration:** Ensuring adequate capacity to integrate biodiversity into IFAD's investment programs is now crucial, given the growing emphasis on biodiversity efforts. New indicators and commitments necessitate sufficient resources and capacity within countries to handle them effectively. IFAD is currently testing the tracking of climate finance allocated to Nature-based Solutions (NbS), aiming to allocate 30 per cent of its climate finance through NbS. However, due to initial methodological limitations, it is currently only tracked within climate mitigation finance, potentially undervaluing IFAD's investments in biodiversity.

Key lessons

- 31. Agriculture and rural households play a crucial role in advancing the biodiversity agenda. Diverse agricultural systems, such as agroecology, not only coexist with but also enhance biodiversity, while boosting resilience to climate change. Furthermore, the broad set of services that natural and modified ecosystems provide to people are increasingly recognised. Often, these are maintained by local people, in particular Indigenous People. However, at the same time, the global biodiversity agenda, if not well implemented, poses risks, especially to Indigenous Peoples. IFAD is committed to finding pathways to reward local ecosystem custodians for the services they provide to society at large, including climate and water regulation processes. The Fund's pivotal role in this regard was underscored at the sixth global meeting of the Indigenous Peoples' Forum at IFAD.
- 32. IFAD's success in addressing climate change and rural poverty is evident in projects like the Pro-semiarid Project (PSA) or the Dom Helder Camara Phase II (PDHC II) in Brazil. By prioritizing ecological sustainability, agroecological approaches and collaboration with local stakeholders, particularly women and youth, the PSA enhanced productivity and promoted agrobiodiversity.

- The project's focus on capacity building in sustainable agricultural practices provided valuable lessons in linking agricultural activities with biodiversity enhancement and sustainable development. The PDHC II provided technical assistance services to poor rural farmers increasing their capacities and resilience with sustainable agricultural practices and enhancing their access to family farming public policies.
- 33. Moreover, in Nepal, the Adaptation for Smallholders in Hilly Areas (ASHA) project was funded by a grant, a government's contribution and participant's contributions. The **project contributed to strengthening the capacity of vulnerable smallholder farmers and local institutions to adapt to climate-related risks**. Impact assessment findings show that the project improved production capacity (e.g. access to irrigation especially during the dry season by 4 percentage points) and increased livestock sales by 112 percent.

Actions required to enhance/improve performance

- 34. To enhance performance, IFAD must prepare a new strategy for environment, climate, and biodiversity for Executive Board approval in 2025, addressing design and delivery challenges. The strategy should integrate biodiversity in all project phases with specific indicators and finance tracking, aiming for comprehensive benefits through interdisciplinary teams and leveraging synergies with biodiversity, nutrition, and Indigenous Peoples agendas. Additionally, the accompanying action plan should address capacity gaps.
- 35. **IFAD** should explore advanced technologies and innovative approaches to aid project implementation and monitoring, such as GIS for mapping, remote sensing for monitoring, and blockchain for fund tracking. Additionally, IFAD should continue testing AI-powered tools to streamline portfolio contributions.
- 36. IFAD should leverage growing investments in the private sector, boost climate finance, and encourage private sector commitments to expand its portfolio with explicit climate and biodiversity finance. Building on the success of projects utilizing innovative finance, such as the water funds projects or the GEF Food System Integrated Programme would be beneficial.
- 37. IFAD should strengthen working collaboration with Forest, Environment, and Climate leading ministries.

IFAD13 outlook

- 38. Its next funding cycle of IFAD13 aims to mobilize US\$2 billion in new financing to support a program of work worth at least US\$10 billion and improve the lives of over 100 million people. Building on this momentum, IFAD13 (2025-2027) includes a pledge to further integrate climate considerations across all investments, increasing the share of climate finance from 40 per cent to a minimum of 45 per cent.
- 39. Additionally, beginning with IFAD13, Additional Climate Contributions (ACCs) will be implemented to mobilize more dedicated and predictable climate finance to assist the most vulnerable rural communities in developing countries in adapting to climate impacts.

B.GENDER EQUALITY, WOMEN'S EMPOWERMENT AND GENDER TRANSFORMATIVE APPROACHES

International context

- 40. The world is off track to achieve gender equality by 2030 and there is a growing demand from partnering countries for closing the gender gap with the aim to develop inclusive, resilient and equitable agri-food systems³².
- 41. Globally, agrifood systems employ a large number of women and provide a more significant source of livelihood for women compared to men in many countries. Nonetheless, women's roles tend to be marginalized and their working conditions are likely to be worse than men's and precarious. Women's access to key resources such as land, inputs, services, finance and digital technology continues to lag behind men's. These challenges which constraint their productivity and as well global economic and social outcomes are exacerbated by persistent gender discrimination and social norms that restrict women's roles and access to opportunities.
- 42. To effectively close gender gaps, it is necessary to adopt a systematic approach that goes beyond simply including women in projects. Instead, interventions must be intentionally designed to benefit both women and men based on their specific needs, empower them, and transform power relations within their households, communities, networks, and institutions..

Strategic orientation

- 43. The revised Poverty Targeting Policy was approved at the April 2023 Executive Board. The 10-year policy reaffirms the Fund's commitment to its target group defined as the rural people living in poverty and at risk of falling into poverty. The operationalizing of the policy will ensure that IFAD's funded operations are relevant and effective in identifying, reaching, benefiting and empowering poor and vulnerable rural women, men, boys and girls in all their diversity.
- 44. In 2023, the implementation of gender action plan (2019-2025) has been heavily focused on (action 1) the support to IFAD funded programmes and projects. The mid-year review of the GAP will be conducted in 2024. In 2023, the Independent Office of Evaluation launched a thematic evaluation on gender equality and women's empowerment covering the 2012 -2023 period. The conclusions and recommendations of the evaluation will inform the next gender policy and related action plan.

Example of partnerships and cooperation

- 45. In June 2023, IFAD expanded its relationship with PROCASUR when it brought together twenty-three gender specialists and technical team members from 13 IFAD-funded projects in Malawi for a Learning Route about gender transformative approaches. Participants and their hosts shared experiences with household approaches, the theatre for development and financial action for learning sustainability. At the completion of the Learning Route, participants developed innovation plans to replicate and scale up the implementation of GTAs in their respective projects.
- 46. The Global Initiative for Gender Transformative Approaches for Securing Women's Resource Rights (WRR) is working to enhance women's land rights through the integration of gender transformative approaches (GTAs) in rural development interventions. IFAD collaborated with a consortium of Centre for International

³² SDG 2023 <u>Infographic on Indicator 5</u> UNWOMEN. 2022. Progress on the Sustainable Development Goals: The gender snapshot 2022.

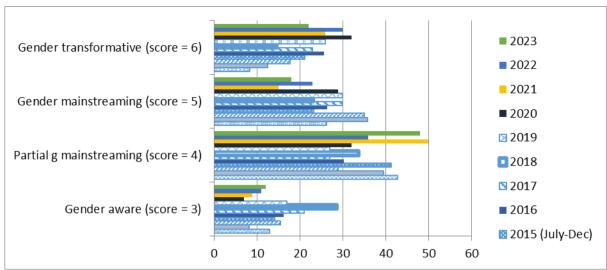
Forestry Research and World Agroforestry (CIFOR-ICRAF), International Food Policy Research Institute (IFPRI), and Alliance of Bioversity International and International Centre for Tropical Agriculture (CIAT) to implement the WRR initiative. This consortium piloted a process for designing and implementing GTAs across selected IFAD projects in six countries. Addressing gender dimensions became critical to the effective implementation and achievement of these projects' goals. In 2023, a series of capacity building and learning events aimed at IFAD staff, staff of IFAD funded projects and government counterparts were conducted as part of the initiative.

- 47. In September 2023, IFAD and the government of Ethiopia organized a knowledge-sharing workshop with key stakeholders such as CIFOR ICRAF, Farm Radio
 International, Mercy Corps Agrifin, Digital Green, World Bank Africa Gender
 Innovation Lab, to discuss and map-out recent evidence and research related to gender equality, climate change adaptation, climate finance and market inclusion in Ethiopia targeted at rural women and explore potential collaboration opportunities. This was to inform the design of the co-financing from the Gender Transformative Mechanism in the Context of Climate Adaptation with the Participatory Agricultural and Climate Transformation programme in Ethiopia.
- 48. IFAD actively participated in the Commission on the Status of Women 67, the Commission on Food Security and Nutrition for the adoption of the voluntary guidelines on gender equality and the empowerment of women's and girls' for food security and nutrition, and COP28 with various side events.³³

Achievements against IFAD12 commitments and action plan KPIs

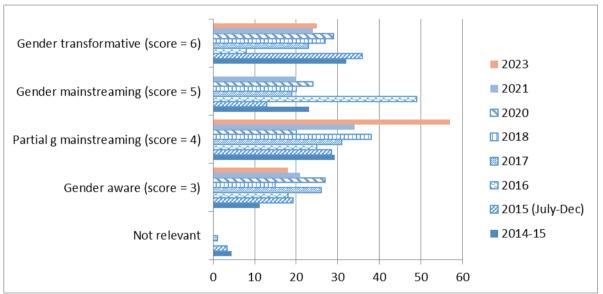
- 49. **Performance on gender at design has been strong and increasing.** In IFAD11, the Fund exceeded its target of gender transformative ambitions at design (41 per cent against a target of 25 per cent). For IFAD 12, the Fund reports 53 per cent as of December 2023 against a target of 35 per cent.
- 50. In accordance with the Gender Action Plan, which operationalizes IFAD's Gender Policy, IFAD also carries out a sensitivity analysis on 20 IFAD loans approved in 2023, amounting to US\$ 543 634 038. Out of those, four projects equivalent to US\$ 83 430 000 were not eligible for the analysis because they did not meet the requirements.
- 51. The overall analysis shows that per 88 per cent of the loan value was rated moderately satisfactory and above, compared to 89 per cent in last year's analysis. Twenty-two per cent of total loan value (equivalent to US\$ 100 305 800) classified as gender transformative in 2023. This is lower compared to 30 per cent in 2022.

³³ COP 28: Making the Green Transition Inclusive of Persons with Disabilities; COP28: Untangling the nexus between gender and climate: the Gender Transformative Mechanism in the context of climate adaptation; CSW 67: Addressing the digital gender gap in rural communities; CSW 67: Facilitating Women's Secure Land Tenure for Climate Resilience and Sustainable Development for All; CSW 67: A facilitator to Secure Land Tenure and Natural Resources for All



Gender Sensitivity Analysis (Loans: 2015-2023).

52. A gender sensitivity analysis of the five IFAD grants approved in 2023 with a total value of US\$ 6.07 million reveals that 82 per cent of grants by value were rated as moderately satisfactory or above and 25 per cent of grants were classified as gender transformative.



Gender Sensitivity Analysis (Grants: 2015-2023).

- 53. **Performance during implementation has been steady.** The rolling average over 2021–2023 sits at 85 per cent with 87 per cent for the year 2023 for projects rated 4+.
- 54. Performance ratings at completion are on track for ratings of (4+) and off track for ratings of (5+). The rolling average over 2021–2023 is 39 per cent.
- 55. The shortfall of projects achieving the more ambitious target of satisfactory or better (5+) for gender equality is partially explained as follows: (i) projects completing in IFAD12 are designed as early as IFAD9, when some of the recent tools for designing effective gender interventions were not available; and (ii) many ongoing projects are negatively affected by the two years of remote missions during the Covid-19 years.

2023 Highlights

- 56. In India, the Gender Transformative Mechanism (GTM) is working to enhance the capabilities of the Women Development Corporation of Maharashtra (MAVIM) to become a leading institution. MAVIM is responsible for implementing various programs, including the NAV-Tejaswini program, which is co-financed by IFAD and has a budget of 413.28 million. The primary objectives of the NAV-Tejaswini program are to empower women economically and socially, and to assist one million impoverished rural households in overcoming poverty in a sustainable manner by increasing their participation in the market, better integrating them into value chains, enhancing their resilience to climate change, and improving their food and nutrition security.
- 57. In its reporting to the UN SWAP for 2023, IFAD met or exceeded 14 out of the 16 indicators against which it reports.
- 58. IFAD actively participated at the adoption of the voluntary guidelines on gender equality and the empowerment of women's and girls' for food security and nutrition at the Commission on Food Security and Nutrition.

Challenges

- 59. Maintaining design ambitions during implementation can be a challenge. Despite their best intentions, most ministries of agriculture (IFAD's main implementing partner) are ill capacitated to implement their ambitious gender agenda. This lack of capacity percolates in PMUs.
- 60. **Measuring gender performance beyond outreach is a challenge.** Measuring gender equality and women's empowerment along its multiple dimensions requires sex-disaggregated data collection and analysis for all interventions. Countries often do not invest enough in collecting gender statistics and projects M&E systems do not adequately track economic empowerment, decision making, effective leadership, access to and control over resources, etc. Generally, data is not available beyond outreach.
- 61. The demand for gender expertise far outstrips the availability of staff Gender is mainstreamed in all projects, and all projects should receive gender support. Unfortunately, this is not possible given the limited number of staff.

Key lessons

- 62. **The performance at design** is strong because that process is for the most part under the control of IFAD. Overall, the design team members have the required skills to mainstream gender considerations in projects.
- 63. Review of ToRs, participation of an SI person in missions and dissemination of tools. With proper planning and advanced notice for mission, ToRs can be reviewed and the required expertise can be mobilised and the relevant tools can be shared.
- 64. Projects with a dedicated person accountable to the implementation of a properly resourced gender action plan developed to operationalize the gender strategy perform better.
- 65. Maintaining design ambitions during implementation is a challenge. Line ministries in charge of implemented IFAD funded programmes are generally ill capacitated to implement their ambitious gender agenda This lack of capacity percolates in PMUs. Support is needed early on and throughout the entire project cycle.

Actions required to enhance/improve performance

66. With the support of HR, IFAD has accelerated the recruitment of staff for the vacant positions resulting in a fully staff gender team.

- 67. The validated consultants from the roster will be trained and used to complement staff capabilities to systematize technical support during and in between supervision and implementation support missions.
- 68. The gender team in collaboration with the regions has developed regional gender action plans to jointly agree on a way forward to improve the gender performance at completion.
- 69. A new pre-completion note is currently being utilized for projects with 18 months or less of implementation to completion to ensure results of interventions are properly documented and analysed and the exit strategy is implemented so gender targets are met.

IFAD13 outlook

- 70. The 2012 gender policy will to be updated to align with the global goals, strengthen its focus addressing social norms which perpetuate gender inequalities and more broadly address the recommendations of the thematic evaluation on GEWE. A new resourced action plan for the operationalization of the policy is also envisaged.
- 71. IFAD will be more intentional in promoting the adoption of the voluntary guidelines on GEWE in the context of food security and nutrition.
- 72. Initiatives such as the <u>Joint Programme on Gender Transformative Approaches for Food Security and Nutrition</u> (JP GTA), <u>Joint Programme on Rural Women's Economic Empowerment</u> (JP RWEE), <u>Gender Transformative Mechanism</u> (GTM) and "<u>Securing women's resource rights through gender transformative approaches</u>" implemented by a consortium of CGIAR Centres are contributing to integrating gender transformative approaches in IFAD's operations. They also will finance technical expertise and new tools for measuring gender outcomes, changes in social norms and build evidence for policy engagement.
- 73. Capacity building for IFAD staff, PMU and service providers will be prioritized and systematized. Staff resources will be complemented by trained consultants with expertise in gender and targeting. This will be coupled by implementation support to ensure design ambitions are maintained during implementation.

C. NUTRITION

International context

- 74. Globally, the triple burden of malnutrition underweight, micronutrient deficiencies and overweight and obesity affects both high and low-income countries. Over 3 billion individuals worldwide experience poor-quality diets, and over 2 billion people are deficient in key minerals and vitamins needed for optimal physical and mental development and good health, thus perpetuating generational poverty Ironically, food insecurity disproportionately affects people living in rural areas, the very places where food is produced and many people facing malnutrition are small-scale food producers themselves.
- 75. In response, IFAD leverages its unique role as a United Nations specialized agency and International Financial Institution, by providing solid technical knowledge and the critical financial support governments need to invest in programmes that will build sustainable and resilient food systems that ensure nutrition and food security for all. Through nutrition sensitive interventions tailored to address the specific nutritional challenges and development context of recipient countries, IFAD financed projects play a key role in improving the quality of the diet of rural populations. IFAD's takes a people centered approach and focuses support on small-scale producers and family farmers, rural workers, women, youth, Indigenous Peoples, victims of disaster and conflicts. Collaboration with nutrition stakeholders, development partners, civil society, and the private sector is an essential component of IFAD's support to improving food and nutrition security for small-scale producers.

Strategic orientation

- 76. The updated Targeting Policy highlights the multidimensional nature of poverty, including food insecurity and malnutrition and stresses IFAD's people-centred and life-cycle approach, focusing on the nutritionally most vulnerable groups, including children, adolescent girls, women of reproductive age (in particular pregnant and lactating women). The updated Policy emphasises the adoption of food security and nutrition indicators to profile rural populations in the diagnostic framework of IFAD's operations.
- 77. Guided by its Action Plan on Mainstreaming Nutrition-Sensitive Agriculture (2019-2025), IFAD adopted a multisectoral approach to optimize the complementary contributions that food and agriculture can make to improve nutrition, including by engaging with partners with expertise in other sectors, particularly health, education water and sanitation.

Example of partnerships and cooperation

78. In 2023, IFAD advocated at the global and local levels and raised awareness on the key roles that rural smallholder producers play in food security and nutrition and the need for increased investments in rural **development**. The main highlights of the year include the engagement of his Majesty King Lestie III of Lesotho, African Union's champion on nutrition, in the IFAD co-hosted pavilion event at COP28. His Majesty highlighted the fruitful partnership with IFAD in improving nutrition through agri-food systems transformation. This partnership also led to IFAD's support for the High-Level Dialogue on Nutrition Financing hosted by his Majesty King Letsie III in Maseru, Lesotho, which focused on cost-effective strategies for better allocation of financial resources for nutrition. During the First Global Ministerial Meeting of the School Meals Coalition, hosted by the French Government in Paris in October 2023, the Vice President of IFAD highlighted IFAD's work on food systems transformation, connecting small-scale producers to school feeding programmes as well as IFAD's increasing ambitious commitments on nutrition for IFAD13 replenishment. Finally, IFAD and the World Bank continued to co-lead the

financing agenda for food systems transformation in support of the UN Food Systems Coordination Hub. A key achievement in 2023 related to fast-tracking the development of a country tool that supports governments generate financial data and trends in domestic financing to food systems to guide investment decisions (the 3FS). Impactful investment decisions depend on timely and high-quality financial data. IFAD and WB leveraged the expertise from the ecosystems of support including FAO, OECD, GAIN, AGRA, 4SD, SUN to help decision makers make financing decisions for food systems that are aligned with national priorities, being aware of tradeoffs and risks. In 2023, three governments were supported - Niger, Peru and Kenya - to pilot this tool and generate evidence on the status of their domestic financing to food systems to inform national budget allocations and negotiations with their development partners.

Achievements against IFAD12 commitments and action plan KPIs

- 79. For the year 2023, IFAD met the corporate commitment of 100 per cent Country Strategic Opportunities Programmes (COSOPs) designed as nutrition sensitive.
- 80. With 67 per cent of new design validated as nutrition-sensitive in 2023, IFAD is on track to meet IFAD12 corporate commitment of 60 per cent NS. During the course of the year, 10 new nutrition sensitive projects were approved.

81. Achievements against the nutrition KPIs include:

- 3.3 million persons/households provided with targeted support to improve their nutrition against the IFAD 12 target of 6 million..
- 87.5 per cent of the nutrition-sensitive projects that underwent mid-term reviews in 2023, obtained a performance score of 4 or above on nutrition.
- 79 per cent of ongoing projects that were rated on nutrition obtain a performance score of 4 or above during project supervision.
- A Regional Knowledge and Experience Sharing Workshop on Nutrition Sensitive Approaches for agriculture, rural development, and food system transformation was carried out in WCA.
- IFAD contributed to the following deliverables aimed to support evidence-based decision making: SOFI 2023; UN-Nutrition Private Sector Committee agency mapping document and brief report on decade on nutrition; White Paper and the School Meal and Food system Report; Concept Note on the (RBAs) Joint South-South and Technical Cooperation (SSTC) Initiative on School Feeding; Paper on "Landscape of IFAD engagement on School based nutrition interventions"; ECOSOC Report 2023.
- IFAD engaged in the following processes: supported the IFNA Regional Training for East African countries on nutrition-sensitive programming; attended as a task force member the AGR2023; continued its engagement in the CFS; coorganized with WHO the Webinar on Indigenous Peoples and Health/Nutrition in the occasion of the International Day of the World's Indigenous Peoples (9 August); delivered a presentation at the Brazil-RBA joint SSTC workshop; participated at the event "The Road Ahead: A Conversation between the President of the Center for Global Development (CGD) and the President of IFAD".
- The percentage of women reporting minimum dietary diversity (MDDW) is 57 per cent against a target of 25 per cent..
- Eight strategic knowledge products were developed in 2023: one Case study on Burundi, three reports on how to address Overweight and obesity in LMICs in rural development and food systems (one comprehensive literature review, one country mapping, and the Issue 91 of the IFAD Research Series); one study on Social and Behaviour Change Communication (SBCC) and Nutrition Education in

Asia and the Pacific (APR) regions in partnership with BRAC University (for internal dissemination); and 3 videos to show the implementation of SBCC in three NS projects in Malawi (PRIDE), Zimbabwe (SIRP) and Burundi (PRODEFI II)

- Two webinars organized to share lessons on SBCC and Nutrition Education from IFAD-funded nutrition-sensitive projects in East and Southern Africa and in Asia and the Pacific.
- The roster of validated consultants was finalized and launched with about 60 validated consultants.

Highlights

Appendix II

- 82. In conjunction with the 2023 Governing Council, IFAD featured an Innovations Market Place that saw the selection of an innovative exhibition proposed by the Nutrition Team on Foods for the Future, alias, Neglected and under-utilized species (NUS). Showcasing successful investments in NUS, IFAD highlighted the potential of sustainable food systems in addressing malnutrition and enhancing resilience to climate change by leveraging biodiversity. One standout example was the Kiribati Outer Islands Food and Water Project (KOIFWP), demonstrating how native species adoption has bolstered food and nutrition security while improving community health conditions.
- 83. As part of IFAD's recognition of the importance of school feeding for nutrition, health and children's education, IFAD joined the School Meals Coalition (SMC) and actively participated in its monthly Partner Group meetings. It also contributed to SMC White Paper and the School Meal and Food system Report. In 2023, IFAD also contributed to the Concept Note on the RBAs Joint South South Technical Cooperation (SSTC) Initiative on School Feeding. IFAD is also an active member of UN-Nutrition, and attends the monthly Steering Committee meetings, and participate to the Advocacy, KM, and Private sector Working group.

Challenges

84. Operational level:

- lack of adequate budgetary level for nutrition activities and M&E in project budgets;
- nutrition not sufficiently integrated in the theory of change of projects;
- nutrition technical experts not always part of the design teams;
- lack of baseline data on nutrition to corelate at MTR and PCR.
- 85. Institutional level: each additional theme is viewed as a risk by the client and the PDT team.

Key lessons

86. What worked well:

- A nutrition specialist is part of the design team at an early stage;
- capacity building and nutrition labs targeting staff and PMUs;
- advocacy by the PDT for nutrition in project design preparation;
- onboarding of a dedicated nutrition expert in the PMU as early as possible;
- start-up packages and technical tools and back-up support to country/project teams supports in starting implementation;
- partnering with other UN agencies and/or international and local NGOs for their specific expertise;

• providing CDs with nutrition situation analysis at early stages of design and accessible talking points when dialoguing with governments on COSOPs.

Actions required to enhance/improve performance

87. Operational level:

- nutrition to be integrated into the theory of change in the project designs;
- mandatory allocation in the overall project budget on nutrition with detailing in every AWP/B: mandatory start of nutritional interventions in the first year of project delivery;
- start up package to provide detail guidance on nutrition interventions and measurement;
- building a database of firms/surveys and tools for PMU for measuring the impact of nutrition activities;
- mandatory rating for nutrition sensitive projects at PCR.

88. Institutional level:

- provide impetus for championship on nutrition and social inclusion across IFAD divisions;
- building evidence and value for money proposition for the borrowers on nutrition interventions.

IFAD13 outlook

- 89. Overall, IFAD is on track to meet its IFAD12 commitments. However, any change in the 2024 pipeline during the year may affect the achievement of the agreed 60 per cent of IFAD's portfolio to be nutrition-sensitive in the IFAD12 replenishment cycle. The new IFAD13 commitments and targets are: 60 per cent of IFAD13 sovereign projects are nutrition-sensitive, and 5 million people with improved nutrition.
- 90. During the course of IFAD13, IFAD will update its Nutrition Action Plan, using multiple strategies to set ambitious targets for 2030 and beyond. The updated plan will be aligned with IFAD13 priorities, including addressing fragility, biodiversity and climate, and engagement with the private sector, particularly at the local level. In particular, the plan will provide an opportunity to deepen IFAD's vision and how it can support food system transformation to improve nutrition and promote healthy diets.

D. YOUTH

International context

- 91. Eighty-five per cent of the world's 1.2 billion young people aged 15– 24 live in developing countries, mostly in rural areas. By 2030, a seven per cent rise is projected in the youth population. In rural areas, the challenges for young people are particularly complex. Constraints on access to land, natural resources, finance and markets, services, technology, knowledge, information and education are the main challenges faced by rural youth. Too often, they resort to migration, either to urban areas or overseas. At the same time, young people, on average, are more agile, educated, innovative, and generally tend to have stronger aspirations for work that benefits society and environmental sustainability. These skills will be critical for reforming food systems and adapting to the global challenge of climate change. With the right support, young people can take the lead in modernizing rural areas, and in the transformation of agriculture and food systems. The potential returns of investing in young people are boundless for food security, poverty reduction and employment, as well as peace and political stability.
- 92. IFAD recognizes that addressing the drivers of youth unemployment and underemployment requires a dynamic and differentiated "ecosystems-based approach", which accounts for both supply and demand-side interventions within food systems. IFAD supports young people to access the resources, skills and services they need to be productive and have a positive impact on their communities, and invests in expanding employment and enterprise development opportunities for rural youth.

Strategic orientation

93. Flagship programmes

- **a. Youth Grassroots Approach (YGA):** Youth Alliances were supported within the YGA and are operational in Rwanda, Senegal, Morocco, Colombia. In 2023 the Rural Youth Alliance in Colombia identified the characteristics, needs, interests, expectations, and preferences of 1810 rural youth across 70 municipalities. This data aims to inform a national policy on rural youth.
- 94. **Agribusiness Hub Model:** The programme is operating in 9 African countries. As of end March 2024 this flagship youth programme has supported activities to upskill and provide other measures of support to 34,811 rural youth (training and direct placements as interns, apprentices and workers, provision of inputs, protective equipment, land leasing etc.) resulting in 22,906 rural youth gaining access to employment (12,671 direct employment and 10,235 indirect / spill over jobs). **Targeting policy**. A new targeting policy was launched in 2023. The targeting policy integrates in youth in the operationalization of the targeting process and provides the necessary operational guidance and references for targeting youth.

Achievements against IFAD12 commitments and action plan KPIs

- 95. **COSOPs and project design**: 100 per cent of new COSOPs and CSN included rural youth as a priority target group. A target of 60 per cent was set for the share of youth sensitive projects across the IFAD12 portfolio. As of March 2024, 63 per cent has been achieved. Geographical breakdown of projects includes; LAC 3 (75 per cent), NEN 2 (100 per cent), WCA 6 (100 per cent), APR 2 (25 per cent), ESA 7 (64 per cent).
- 96. **Tracking youth employment in IFAD's portfolio**: In 2023, 28 projects are monitoring youth employment outcomes through Core Outcome Indicator 2.2.1 "Number of beneficiaries with new jobs/employment opportunities".

97. **Enhancing ECG (Youth) regional capacity.** Youth and green jobs officers were recruited in APR and NEN to strengthen technical backstopping to design and implementation of the youth-focussed project portfolio.

98. Evidence-based knowledge management and strategic communication:

- Guidance and reporting. Technical inputs were provided to enhance supervision template guidance in order to improve reporting on youth during supervision missions. SECAP Guidance Note 5 (Labour and Working conditions) was revised with additional guidance on decent work and child labour.
- Two knowledge products commissioned to share best practise and improve operations. These included: "IFAD11 Youth Stocktake", and "Piloting the Grassroot Approach to connect youth voices to action"
- Enhanced data on IFAD's youth programmes was made accessible through OPR and ECG dashboards.

99. Policy engagement, partnerships and support to resource mobilization

- Meaningful participation of IFAD youth beneficiaries and technical experts at several high-level global events. Including: UN Food System Stocktake (Italy, July 2023); AGRF (Tanzania, Sept 2023); GEF Assembly (Canada, Sept 2023), The Word Food Forum (Italy, October 2023) and COP28 (Dubai, December 2023).
- An "IFAD13 Youth Offer" was developed to drive bottom up demand for youth sensitive projects and promote better understanding on opportunities youth investments can provide.
- Madagascar, Malawi, Ivory Coast and Algeria, Regional Policy Dialogue, April 2023. Policy roundtable on youth employment for the government organised by IFAD and ILO.
- Agribusiness Hub, Donor Roundtable, United States. Roundtable organised by IFAD with private sector and philanthropic organisations.
- The youth team explored potential partnership opportunities with the International Land Coalition and donor governments on phase two of the Agribusiness Hubs.
- Official launch of the Colombian Rural Youth Alliance, April 2023. The event included a National Coordination and Networking Table, a space for institutional coordination and networking gathering relevant public and private actors focusing on rural youth in Colombia.

Example of partnerships and cooperation

- 100. **Integrating Grassroots Youth Alliances (GYA) into IFAD programmes and operations**. To increase rural youth engagement in development processes IFAD has promoted the establishment of Grassroots Youth Alliances (GYA) in four countries (Rwanda, Senegal, Morocco, Colombia) and plans to expand the initiative to an additional three countries by 2027. Capacity building support provided to youth networks and organizations active in the alliances has increased their participation in IFAD's programmes, and equipped them to advocate their priorities in global fora such as COP28 and in meetings of the IFAD's thirteenth replenishment consultation.
- 101. **Engagement with global youth organisations.** IFAD regularly consults with YPARD, YOUNGO, Global Youth Biodiversity Network, GenAfrica (AGRA) on strategic issues and operations. These groups were invited to consult on a joint initiative of IFAD and the United Nations Convention to Combat Desertification (UNCCD) "Link Between Remittances, Diaspora Investment for Climate Adaptation, and Ecosystem Restoration" and IFAD's Private Sector Strategy.

102. **Agribusiness Hub Model**: IFAD's "ecosystems-based approach" tackles youth unemployment with supply and demand-side interventions in food systems. By March 2024, the flagship youth programme supported 34,811 rural youth with training, placements, and resources, resulting in 22,906 gaining employment (12,671 directly and 10,235 indirectly). Due to its success, the agribusiness hubs model is being replicated in new IFAD project designs.

- 103. **Initiative for Sustainability, Stability and Security in Africa.** Launched in 2023, IFAD is working as co-implementors of the initiative in collaboration with UNCCD.
- 104. **Expanding engagement with strategic partners in the Decent Work for Equitable Food Systems Coalition.** Through the lens of the Coalition, IFAD has expanded partnerships with the ILO to enhance operational performance on decent work issues. IFAD has partnered with the ILO in the youth team's flagship programme, Integrated Youth Agribusiness Hubs, in four African countries.

Highlights

- 105. **CSO engagement in IFAD13 replenishment**. Youth representatives from the GYA, alongside farmers organisations and Indigenous Peoples shared their priorities, experiences and made recommendations to further strengthen their partnership with IFAD.
- 106. **Agribusiness Hubs scaled into PoLG.** The incubation model adopted by the IFAD's youth agribusiness hubs builds an ecosystem that provides business development support, employment services, market access, technology transfer, financial services, vocational and technical skills that are backstopped through coaching, mentorship and networking. In 2023, elements of the agribusiness hubs were replicated into new project designs.
- 107. **RCTP Montenegro:** The project uses a participatory approach to the development of gender and youth plans to ensure inclusive community development in municipalities and the allocation of funds from the agricultural budget towards priority activities.

Challenges

- 108. **Regional disparities are emerging in the uptake of youth-sensitive programming**. While country demand for youth-sensitive projects remains strong especially in NEN and WCA regions, APR exhibits a decline in youth-sensitive projects in IFAD12, which is in part explained by the region's pace of structural transformation and urbanization.
- 109. **Integration of Youth with other Social Inclusion themes:** Within projects that combine multiple mainstreaming themes, youth tends to take second place, with less attention to articulation of how project activities related to the other mainstreaming themes are tailored to youth.
- 110. **Implementing partners**: PMUs and implementing partners are less familiar with youth as a mainstreaming theme, and in some cases, it is not fully captured in project implementation modalities.
- 111. **Integration of youth groups.** Overall, there is a lack of dedicated financial resources to comprehensively consult with youth groups during project design. Full engagement with youth groups in rural areas is critical in designing youth-sensitive projects.

Key lessons

What is working?

112. **Youth mainstreaming.** Systems and processes to ensure youth integration have been built into operations and capacity building to a much greater extent.

- Knowledge on youth targeting and activities, alongside data on progress on youth integration in IFAD's PoLG is easily accessible.
- 113. **Integration of youth groups.** Rural youth alliances from the grassroots approach are participating in IFAD's operations and non-lending activities. For example, Entente Communautaire des jeunes du Sénégal (ECOJES) participated in a supervision mission of a youth-sensitive project in Senegal. This opportunity allowed rural youth to share their concerns and provide recommendations in addressing them in line with IFAD's mandate.

What is not working?

114. **Measuring youth-sensitivity.** There is insufficient reporting on youth-sensitivity in IFAD projects, largely because supervision reporting templates do not have a specific section to report on youth. Moreover, it is widely believed that the "core outcome indicator 2.2.1 Jobs created" (mandated in IFAD12) requires capacity building to be consistently implemented across youth-sensitive projects. In addition to the challenge of collecting job related information, the IFAD 12 indicator "Beneficiaries with new jobs/employment opportunities" excludes temporary/seasonal jobs, which are an important component in some projects.

Actions required to enhance/improve performance

- 115. **Monitoring youth integration progress.** ECG will proactively track the pipeline of new projects and provide technical support to integrate youth-sensitivity as appropriate, based on country demands.
- 116. Guidance on youth employment interventions will be developed for design and implementation teams to access and put into use. The guidance will, among other things, offer an in-depth understanding of appropriate approaches and interventions that better respond to the heterogeneity of youth. It will also ensure all available guidance is easily accessible within a repository for staff members.
- 117. **Improving youth sensitivity in project design**: To further improve youth sensitivity in design consideration will be given to: a) value-chain assessments to understand segments with job creation potential in on and off-farm sectors best suited for IFAD target groups; b) labour market assessments to identify demands for labour in the agribusiness sector and the conditions needed for IFAD target group uptake; c) skills gaps analysis and capacity assessments of training providers and facilities/platforms in collaboration with the private sector in order to match IFAD target groups with labour market opportunities; d) a dedicated youth specialist to be included in the design team and a robust TORs to be attached with the Project Implementation Manual for employing a Social Inclusion team member in the Project Management Unit (PMU) who will have adequate capacity to manage the youth sensitivity in the project.

IFAD13 outlook

- 118. **The GYA will be expanded to three additional countries in IFAD13.** The GYAs will continue to be engaged in consultations and policy advocacy at country, regional and international levels. Resources and engagement frameworks will be enhanced to ensure GYAs are put on a durable footing.
- 119. In IFAD13 the development of youth-sensitive projects will continue to be reinforced through the dynamic and differentiated "ecosystems-based approach" promoted by IFAD's flagship agribusiness hubs programme. Towards this, the integration of the agribusiness hubs model within new youth-sensitive projects will be further supported; learning from the first phase will be harvested and disseminated within IFAD and with key stakeholders; and development of a second phase of the programme is underway and cofinancing opportunities will be actively explored.

E. INDIGENOUS PEOPLES

International context

- 120. Globally, Indigenous Peoples face significant challenges that stem from a history of discrimination, dispossession of their lands, and marginalization. Representing about 6 per cent of the global population, they account for nearly 19 per cent of the extreme poor, with life expectancies up to 20 years lower than non-Indigenous populations. Their unique cultures, languages, and knowledge systems, particularly in relation to environmental stewardship and sustainable practices, are under threat due to inadequate recognition and protection of their lands and resources. The COVID-19 pandemic has exacerbated these vulnerabilities, highlighting the urgent need for inclusive and equitable efforts that address the specific needs and rights of Indigenous Peoples' communities.
- 121. In response, IFAD considers Indigenous Peoples as a priority target group and is committed to empower them by supporting their right to self-determination. IFAD's approach includes fostering systematic dialogue and partnership through the Indigenous Peoples' Forum at IFAD (IPFI), financing grassroots projects through the Indigenous Peoples Assistance Facility (IPAF), engaging in policy dialogue, and ensuring the Free, Prior and Informed Consent (FPIC) in project design and implementation, including through the participation of Indigenous experts. By fostering collaboration, valuing cultural diversity, and tailoring interventions, IFAD aims to improve development effectiveness in engaging with Indigenous Peoples.

Strategic orientation

In alignment with the updated Policy on Engagement with Indigenous Peoples and with SECAP, FPIC is mandated before initiating any activities in territories home to Indigenous Peoples. The SECAP guidance note, which includes a specific standard on Indigenous Peoples and outlines FPIC requirements, is in the process of being updated to better support project design teams. Furthermore, IFAD has regularly engaged in consultations with Indigenous Peoples and other civil society constituencies (youth and farmers' organisations) during the replenishment period, which resulted into commitments to consult with Indigenous Peoples in the development of relevant IFAD strategies and operational policies and to continue to support the IPFI, which has increased attention at country level. In 2023, IFAD continued to hire Indigenous experts in project design and implementation (Bolivia, Ethiopia and Kenya) through a pilot approach funded by the Swedish International Development Cooperation Agency (Sida) supplementary funds. The Synthesis of Deliberations and the regional action plans agreed upon during the sixth IPFI global meeting serve as key strategic orientation elements.

Example of partnerships and cooperation

123. In 2023, IFAD continued to strengthen its engagement with Indigenous Peoples through various initiatives. The IPFI, whose sixth global meeting took place in February 2023, continued to provide policy oversight and strategic direction. A notable development involved the pilot identification of focal points for Indigenous Peoples' issues at country-level, for an enhanced engagement at the national level. IFAD intensified efforts to mobilize climate finance, particularly through a new partnership agreement of USD 2.9 million provided by the Norwegian Agency for Development Cooperation (Norad) to implement the "Amplifying Voices: Institutional strengthening of Indigenous Peoples' Organizations to the IPAF in Africa" project. Additionally, IFAD continued its strategic partnership with Slow Food to empower Indigenous youth and

women, recognizing their pivotal roles in sustainable food systems. IFAD actively contributed to the Global Task Force for the UN Decade of Indigenous Languages in 2023. Recognizing the importance of Indigenous languages in preserving biodiversity and agriculture, IFAD supported the Decade's goals through advocacy and participation in related activities.

Achievements against IFAD12 commitments and action plan KPIs

- 124. **Ensure that at least 10 new projects include Indigenous Peoples as a priority target group**: IFAD's efforts to prioritize Indigenous Peoples in project design and implementation are evident. So far, 5 projects prioritising Indigenous Peoples have been approved by the EB, and, according to the pipeline, the IFAD12 target will be met by the end of 2024.
- Replenish the Indigenous Peoples Assistance Facility (IPAF) including 125. through mobilization of additional resources from other partners: In 2023, IFAD approved US\$2.5 million of regular grant resources to complement the contribution from Sida and mobilized additional US\$2.9 million from Norad. In addition, US\$ 400.000 have been mobilised from ASAP+ to pilot an approach to scale up IPAF grant with focus on climate adaptation. This collaborative approach highlights our commitment to leveraging partnerships and resources to enhance the impact of our initiatives aimed at empowering Indigenous Peoples. The 6th IPAF cycle (2023-2026), which announced its 53 awarded projects in November 2023, focuses on advancing Indigenous Peoples' conservation and sustainable management of biodiversity for adaptation and resilience to climate change. IPAF projects are implemented with the support of regional implementing partners working on the ground - Foro Internacional de Mujeres Indígenas (FIMI); Indigenous Peoples' International Centre for Policy Research and Education (Tebtebba); and Samburu Women Trust (SWT).

Highlights

- 126. In July 2023, the event "Innovating for Well-being: Exploring the latest indicators for Indigenous Peoples" was organized, inviting professionals and technical specialists from international organizations working with and for Indigenous Peoples. IFAD organized a panel to discuss the challenges associated with developing indicators and appropriate data collection processes to measure and monitor the progress of projects and programmes that target Indigenous Peoples. The panel showcased progress made in measuring impacts and identified areas for future collaboration among different stakeholders to attain shared objectives regarding indicators and monitoring.
- 127. **IFAD also contributed to developing indicators for the UN SWAP** through active participation in the Working Group II of the Inter-Agency Support Group on Indigenous Issues. IFAD reports on the UN SWAP every year through a questionnaire sent by the UNPFII. Information are resumed in the note issued by the Secretariat 'Indigenous Peoples and the 2030 Agenda for Sustainable Development and implementation of the system-wide action plan for ensuring a coherent approach to achieving the ends of the United Nations Declaration on the Rights of Indigenous Peoples' and the questionnaire is made available on the UNDESA website under each session of the UNPFII (see for example 2024).
- 128. The WG group on indicators has recently been set up as the IPs SWAP does not have an indicator system yet, and IFAD is participating in the WG to set this up (it is expected to be piloted in 2025 and implemented in 2026).
- 129. **IFAD** is a member of the Coalition on Indigenous Peoples' Food **Systems** and actively participates in its meetings hosted by FAO. The Coalition is fully aligned with IFAD's commitment to enhance its engagement with Indigenous Peoples. Design, implementation and evaluation of country strategic opportunities programmes (COSOPs) and projects continued to provide an opportunity for policy

- engagement at country level through the direct participation of Indigenous Peoples' representatives and organizations.
- 130. The IPFI (see above) remains the main instrument for policy engagement at global level.
- 131. IFAD was deeply engaged in the official proceedings and events held under the 22nd Session of the United Nations Permanent Forum on Indigenous Issues (UNPFII), in New York in April 2023. IFAD intervened in two plenary sessions, in the closed dialogue with the United Nations agencies, funds and programmes, organized an official UNPFII side-event and co-organized three others, and held its first UNHQ Exhibit that showcases one of IFAD's projects entitled, "BRAZIL - Cassava the root to reviving the Kiriri Peoples livelihoods" in partnership with the Kiriri Indigenous Peoples and the Government of Bahia³⁴. The IFAD exhibit provided an immersive experience into the day to day lives of one Kiriri Indigenous community through a 360° video using special VR headsets, photos taken in the village and information banners on how IFAD is supporting other Indigenous Peoples around the world through the IPAF. The IFAD side-event presented a solid case for accessing climate finance to support transformative climate actions, while sharing examples on the application of Indigenous Peoples values and knowledge systems in climate actions.

Challenges

- 132. **Decreasing and uncertain IFAD regular grant resources**, and limitations in IFAD Regular budget, represent a challenge for IPAF replenishment, as well as for the organisation of the process of the IPFI.
- 133. Limited human resources to provide support especially to PoW is also a challenge.
- 134. In addition, for workload and planning reasons, it is not easy to establish a solid mechanism of consultation with Indigenous Peoples at country level, which is a priority expressed by the IPFI.

Key lessons

- 135. The Fund is increasingly using FPIC as a tool for co-creating investments and country strategies through full and effective participation of Indigenous Peoples, including the hiring of Indigenous experts in project design and implementation. A publication was released in 2023 on Free, Prior and Informed Consent: Applying the principle to on-the-ground action, with lessons from the Indigenous Peoples' Livelihoods and Climate Resilience Programme, supported by Sida. SECAP budget is often not sufficient to cover for this process. This publication shows pathways to increase participation, expand the space for Indigenous Peoples' knowledge and perspectives, and more effectively affirm the right to FPIC.
- 136. The next steps will be assessing how this process at design translates into implementation practice.

Actions required to enhance/improve performance

137. **Increased collaboration, communication and support to PMD** is ongoing to strengthen the country-level consultation process, while at the same time more regular meetings with the Steering Committee of the IPFI are organised.

IFAD13 outlook

138. While being on track for reaching the IFAD12 target on projects that include Indigenous Peoples as a priority target group, the learning from these design

^{34 &}lt;a href="https://www.youtube.com/watch?v=DAx-el3ecYl">https://www.youtube.com/watch?v=DAx-el3ecYl.

- experiences will start being consolidated in IFAD13, for which the same target is maintained. Additionally, there will be an emphasis on the implementation of the first projects that prioritize Indigenous Peoples approved during IFAD12 and the capacity of IFAD staff and PMUs.
- 139. Concerns exist on the IFAD13 commitments related to the Ensuring Inclusion commitments related to (i) the IPFI, (ii) country level engagement, and (iii) the IPAF (1.1 3,4,8) due to uncertainty and unpredictability of funds. The main actions taken against those challenges are: (i) resource mobilisation beyond IFAD grant resources (i.e. Sida, NORAD, ASAP, GEF, etc.); (ii) use of TPOs and consultants to support the desk work (a P3 position has been assigned to the desk recently and is in the process of being recruited); (iii) use the upcoming regional meetings that are part of the IPFI process to strengthen country level engagement wherever possible.

F. DISABILITY INCLUSION

International context

- 140. An estimated 1.3 billion people worldwide (16 per cent of the global population) experience a significant disability. Despite being such a large population group, Persons with Disabilities (PwD) continue to face severe challenges and discriminations, depriving them of fundamental human rights and life opportunities. As a result, PwD are disproportionately represented among the poorest segments of the population and are at heightened risks of food insecurity, health inequities, and exposure to violence. Those residing in rural areas confront even greater obstacles compared to their urban counterparts, with lower rates of school attendance, limited access to healthcare, social protection, skills development, and decent employment opportunities.
- 141. In response to this persistent inequality, IFAD identifies PwD as a key target group for its projects and programmes. IFAD recognizes that, when structural barriers are removed and equal opportunities are guaranteed, PwD can thrive as economic agents and contribute to the well-being of rural household and communities. In 2022, IFAD endorsed its Strategy on Disability Inclusion, which underlines how providing equal opportunities to PwD in development is not only their right but is also the most efficient way to combat poverty and leave no one behind. The Strategy adopts an integrated approach, aiming to enhance disability inclusion, advocate for the rights of PwD across IFAD's initiatives, and establish IFAD as an organization committed to fostering diversity and inclusivity.

Strategic orientation

142. **IFAD's work on disability inclusion is guided by its dedicated Strategy, approved in December 2022** and covering a 5-year implementation period. Globally, the Strategy is aligned with the Agenda 2030 for Sustainable Development, the United Nations Disability Inclusion Strategy and the Convention on the Rights of Persons with Disabilities. Internally, the Strategy is aligned and supported by the IFAD Targeting Policy and the Strategy on Diversity, Equity and Inclusion. The Strategy provides a solid foundation for promoting disability inclusion throughout all pillars of IFAD's work. It is articulated around four main action areas: (i) Leadership, strategic planning and management; (ii) Inclusiveness; (iii) Programming and (iv) Organizational Culture. The implementation of the Strategy is based on 3 overarching pillars: (i) the adoption of twin-track approach (combining a mainstreaming approach with targeted interventions; (ii) an intersectional approach; and (iii) a strong focus on partnerships.

Partnerships and cooperation

143. **IFAD's work on disability inclusion benefits from the collaboration with several partners with solid expertise in this area of work**. A fundamental collaboration has been established and maintained with the consortium responsible for the implementation of the IFAD-funded grant "Sparking Disability-inclusive Rural Transformation" (SPARK), which includes Light for the World, the International Labour Organisation and PROCASUR Cooperation. This collaboration goes beyond the implementation of the grant and facilitates other important functions, including advocacy, capacity development and policy engagement. To support the implementation of the Strategy, IFAD cooperates with other UN agencies, such as the World Food Programme and UNICEF, and actively participates in the Global Action on Disability (GLAD) Network.

Highlights

144. A range of capacity development and awareness-raising initiatives have been implemented to improve knowledge and internal capabilities. IFAD has developed a dedicated practitioners' guide on disability inclusive programming. The manual

provides guidance on how to integrate attention to disability along the different stages of the programme cycle. The activities implemented under the Sparking Disability-inclusive Rural Transformation (SPARK) are also contributing to building the fund's capacity in the area of disability inclusion. Learning routes have been implemented to share learning and good practices across countries and projects. A guidance on how to include persons with disabilities in value-chain development programmes has also been developed and field-tested. Most importantly the disability inclusion help desk, which is funded by the SPARK programme, has been lunched and is currently being piloted. The mechanism provides demand-driven support to projects that envisages to include persons with disabilities in its operations.

Key lessons

145. For such a new and challenging area of work, having a dedicated grant has proven essential. It enabled the allocation of resources to targeted interventions and facilitated the piloting, testing, and innovation of IFAD's approach to disability inclusion. The successful implementation of SPARK, particularly in Malawi and Mozambique, has led IFAD and the consortium to start exploring the opportunities to mobilize additional resources to consolidate and expand the work on disability inclusion in the Africa region.

Actions required to enhance/improve performance

- 146. With the Twelfth Replenishment cycle, IFAD set the commitment to advance the inclusion of PwD throughout its portfolio, including through enhanced efforts to collect, monitor, and report data on this target group. As of 2023, IFAD has met the IFAD12 commitment with 5 projects targeting PwD designed and approved by the Executive Board. The projects, currently being implemented in Ethiopia, Madagascar, Democratic Republic of Congo, Mali and Ecuador, mainstream disability inclusion in line with IFAD's requirements: they are based on a disability-sensitive situational analysis, showcase pathways for the socio-economic empowerment for PwD, and include outreach indicators that also disaggregate by disability status.
- 147. In 2023, the corporate work on disability inclusion has highly benefitted from the implementation of the IFAD-funded grant SPARK, which is currently ongoing in four target countries (Burkina Faso, Mozambique, Malawi, and India) and enhancing disability inclusion in 8 IFAD-supported projects. The overall goal of the initiative is to enable PwD (particularly women and youth with disabilities) to improve their livelihoods through enhanced access to formal and informal employment along selected agricultural and pastoral value chains. Through its systemic learning approach, in 2023 SPARK has continued to support the identification, development, and piloting of innovative tools, methodologies, and approaches to promote disability inclusion. These include: the training and certification of 81 Disability Inclusion Facilitators to provide awareness and adequate services at community level; the implementation of 8 Social Innovation and Technical AgriLabs; the testing of 14 prototypes of disability-inclusive tools and technologies coming out of either Social Innovation or AgriLabs.
- 148. The grant has significantly contributed to build awareness and capacities on disability inclusion at local level as well as internationally, through the organizations of Learning Routes, capacity development initiatives and the set-up of the first online Help Desk (available in English, French and Portuguese), which serves as remote support service and knowledge hub to a wide range of practitioners.
- 149. In terms of challenges, the limited human resources dedicated to this area of work at corporate level (1 Senior Specialist, who is also responsible for

Gender and Social Inclusion) represents a major constraint to the consolidation and scaling-up of the results achieved so far. Despite the presence of a network of disability focal points actively engaged in reporting against the UN Disability Inclusion Strategy, the absence of a dedicated budget to support the implementation of IFAD's Strategy hampers progress across all its operational areas.

IFAD13 outlook

- 150. Designing projects with Persons with Disabilities (PwD) as a primary target group has proven more challenging than initially anticipated. This challenge stems from an overarching lack of expertise and the constrained financial and human resources available to provide the necessary technical support. Although the target set for IFAD12 has been achieved, the insights gained from the five projects designed with disability inclusion in mind still require consolidation and translation into comprehensive guidance for IFAD staff, governments, and implementing partners. Therefore, it is recommended that the same target be maintained for IFAD13.
- 151. Given the ongoing need to enhance capacities and solidify best practices and lessons learned, exploring the potential for mobilizing resources and additional funds for dedicated interventions on disability inclusion is also advisable.

Evidence-based products developed in 2023 related to mainstreaming themes

Type of knowledge output	Title / Link
Briefs	ASAP Innovation Briefs: <u>Rwanda</u> , <u>Nicaragua</u> , <u>Cambodia</u> , <u>Bolivia</u> , <u>Kyrgyzstan</u> , <u>Tajikistan</u> , <u>Vietnam</u>
	Free, Prior and Informed Consent: Applying the principle to on-the-ground action
	Indigenous Peoples and the United Nations' Rome- based Agencies working together to achieve the Sustainable Development Goals
	Policy brief: Promoting youth engagement in Northern Montenegro
	Policy brief: <u>Women transforming rural areas in</u> <u>Northern Montenegro</u>
	Policy brief: Low carbon and resilient livestock development in Kyrgyzstan
	Updated Country Technical Note on Indigenous Peoples' Issues
	Outcomes and lessons learned from the Koronivia UNFCCC negotiations on agriculture and food security, and the way forward after COP 27
	Systèmes alimentaires en action, Burundi – un contexte socio-économique complexe
Reports	Climate Action Report 2022
	White Paper: An integrated investment framework for climate-adaptive and water-resilient food systems
	Climate Information Services
	Scaling gender and climate investment opportunities
	Youth and Jobs in The Era of Climate Change, Conflict and Crisis: An Evidence and Gap Map
	The IFAD-GEF Advantage III: An integrated approach for food systems, climate and nature
	2022 Year in Review: Joint Programme on Gender Transformative Approaches for Food Security and Nutrition
	Addressing overweight and obesity in LMICs in rural development and food systems: A country mapping
	Addressing overweight and obesity in LMICs in rural development and food systems: A comprehensive literature review
	IFAD Results Series Issue 4 "Building Employment Opportunities for Rural Youth Through Applied Agricultural Research"
	<u>Tajikistan: Protecting the environment, creating economic opportunity</u>
	Assessment of the performance of the fifth Indigenous Peoples Assistance Facility cycle: Summary

Type of knowledge output	Title / Link
Research series	IFAD Research Series No. 89: Incorporating the Impact of Climate and Weather Variables in Impact Assessments: An Application to an IFAD Climate Change Adaptation Project in Viet Nam
	IFAD Research Series No. 88: The Impact of Climate Change on Livestock Production in Mozambique
	IFAD Research Series 92: Climate Change Mitigation in the East and Southern Africa Region: An Economic Case for the Agriculture, Forestry and Land Use Sector
	<u>IFAD Research Series - Issue 91: Addressing</u> <u>overweight and obesity in LMICs in the realm of</u> <u>rural development and food systems</u>