



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Sixty-Ninth Session
Rome, 3-4 May 2000

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED

TECHNICAL ASSISTANCE GRANT

FOR THE

**PROGRAMME TO PROMOTE IMPACT ORIENTATION DURING
PROJECT CYCLE MANAGEMENT**

TABLE OF CONTENTS

I.	BACKGROUND	1
II.	RATIONALE	1
III.	THE PROPOSED PROGRAMME	2
IV.	EXPECTED OUTPUTS/EXPECTED BENEFITS	3
V.	IMPLEMENTATION ARRANGEMENTS	3
VI.	INDICATIVE PROGRAMME COSTS AND FINANCING	4
VII.	RECOMMENDATION	4

**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD
TO THE EXECUTIVE BOARD ON A PROPOSED TECHNICAL ASSISTANCE GRANT
FOR THE
PROGRAMME TO PROMOTE IMPACT ORIENTATION DURING
PROJECT CYCLE MANAGEMENT**

I submit the following Report and Recommendation on a proposed technical assistance grant (TAG) to support the Programme to Promote Impact Orientation during Project Cycle Management, in the amount of USD 600 000 for a two-year period.

I. BACKGROUND

1. The evolution of the IFAD project cycle – from traditional, blueprint development projects to flexible programmes designed and implemented with beneficiary participation – presents new opportunities to meet the needs of beneficiaries as well as new challenges to designers and implementers, particularly in the determination and achievement of project objectives. By necessity, in order to be fully driven by beneficiary demands, the distinction between the traditional design and implementation stages of a project becomes blurred. Project ‘design’ continues throughout the implementation period, modified to meet the expressed needs of the beneficiaries. The two constants that remain throughout the cycle are the goal and purpose level objectives. As a response, IFAD project and programme designs are increasingly offering a menu of development opportunities, assembled within the framework of the development objectives, that meet the changing requirements and circumstances of the target group. During the design phase, less emphasis is being placed on the specific activities to be undertaken by projects, while increased emphasis is given to the approach to and capacity for realizing sustainable development.

2. Over the last few years, IFAD has developed operating mechanisms to support this new development paradigm. The flexible lending mechanism and projects directly supervised by IFAD are two such important innovations. The actualization of the new development paradigm and the realization of development objectives require the participation of a wide range of actors throughout the project management cycle, and a reorientation of the roles and responsibilities implicit in the cycle, as well as the processes that support project management.

II. RATIONALE

3. In recent years, impact assessment to demonstrate the effectiveness of IFAD-financed projects has become increasingly more important to IFAD and its donor community. During the discussions of the Consultation to Review the Adequacy of the Resources Available to IFAD, even more emphasis has been placed on impact achievement and its reporting. In particular, the Plan of Action 2000-2002 requests IFAD to “improve the role and processes related to impact assessment, and embark on a continuous, consistent monitoring of impact ‘on the ground’”. The Consultation also calls for IFAD to “re-examine current practices and develop a policy and programmes for improved performance, impact and sustainability assessment based on a participatory logframe approach”.

4. This TAG has been designed to establish objectives as the fundamental basis for the management of IFAD projects, and to make the realization of objectives the driving force behind relationships with all of IFAD’s implementing partners. Centring the different processes, which

together constitute the project management cycle, on the same objective(s) is bound to lead to better results. It will, however, require some reorientation of existing processes, as well as building awareness and sensitization among all the actors concerned, external partners (cofinanciers, non-governmental organizations and cooperating institutions), but most importantly in-country staff and decision-makers.

III. THE PROPOSED PROGRAMME

5. The objective of the proposed programme is that IFAD and its implementing partners pursue an impact-oriented approach throughout the design and implementation of IFAD-financed interventions. While recognizing that there are a number of instruments available to support management by objectives, under this programme IFAD will rely largely on the logical framework approach. Basic competencies in the logical framework are fairly widespread in IFAD (however, training efforts need to be sustained), and this approach has been successfully adopted in a limited number of IFAD projects. The logical framework, as both a dynamic process and product, provides a tested basis for this synergy in the different subprocesses of the project management cycle, as it centres every actor's attention on the agreed objectives and outputs and activities that will be undertaken to meet these objectives. The proposed programme will also build on similar initiatives taken by other agencies (e.g., Canadian International Development Agency, Department for International Development, German Agency for Technical Cooperation, United States Agency for International Development), and will provide a forum in which to share experience and expertise. The emphasis will be on utilizing the logical framework to support implementation, as a means of communication both in-country and between projects and IFAD.

6. An internal phase (funded from other resources) will be implemented to emphasize impact throughout internal processes. The TAG-funded phase of the programme, and parallel to internal efforts, will assist local authorities and staff of implementing partners to focus project implementation on objectives. Development objectives will be used as both the means and measure of accountability and form the basis for dialogue with stakeholders. Participatory approaches will have a fundamental role in the realization of policy objectives vis-à-vis impact achievement. Activities financed under this TAG are expected to build capacity at the field level and foster results-based decision-making in response to client (beneficiary) demands and accountability for project management from the perspective of the client.

7. The programme, implemented over a two-year period, is expected to yield benefits over the long-term. It will entail activities at different levels – global (department) and regional. Global activities, to be managed at the level of the Programme Management Department, will be geared towards establishing enabling processes within IFAD for objectives-based implementation, including support to training and coaching efforts, preparation of manuals and establishment of a learning system (ongoing programme evaluation). At the level of the divisions, resources will be available to help a limited number of strategically important projects to improve management through a participatory, logical framework approach. On this basis, the divisions could provide assistance to ongoing projects to organize country-level workshops or promote cross-visits between management teams to engender multiplier effects. Regional workshops will allow experience in one country to be more widely shared among countries within the region. The balance between these different activity levels will be decided upon by the regional divisions, thereby reflecting the specific needs of the regions and securing complementarity with activities already sponsored by the regional divisions. Regions could also opt for jointly organizing their activities to ensure broader cross-fertilization and economies of scale. The Technical Advisory Division will carry out a similar set of activities related to the agricultural research or other grants, and with its partner institutions that already have a large part of the required competencies.

IV. EXPECTED OUTPUTS/EXPECTED BENEFITS

8. It is anticipated that the benefits from this programme will extend to projects throughout the portfolio. Experience gained in objectives-based management and the application of logical framework techniques will improve the quality of future project design; at the same time, the implementation and supervision of ongoing projects will be driven by an agreed upon set of objectives. More concretely, it is expected that project management will shift from an output/activity orientation to one governed from the perspective of achieving project objectives. Most importantly, this approach will translate into sustainable development opportunities for the ultimate beneficiaries.

9. The programme is expected to yield two main outputs:

- a redefined cooperation between IFAD and its partners that places prominence on impact achievement, ongoing evaluation, monitoring and reporting; and
- a reoriented project cycle that focuses on objectives (logical framework approach).

V. IMPLEMENTATION ARRANGEMENTS

10. The divisions, who to a large extent will rely on the already existing cadre of local experts trained in participatory methods and the logical framework approach, will drive the programme. Because regional requirements may differ markedly in their specific needs, and in order to further promote ownership of this process, each unit involved in the programme will plan and administer its own share of the resources. The proposed divisional approach will enable each division to:

- secure regional specificity;
- cooperate with centres-of-excellence of their strategic choice;
- ensure cost-effectiveness and complementarity with related initiatives; and
- organize activities, taking into account the other corporate strategy objectives of the division.

11. The regional activities/initiatives will be supported at the central level by a team composed of representatives from each of the participating divisions. This team will together be responsible for developing a coherent and consistent framework for the programme. These global activities will include the establishment of a learning process and the elaboration of quality standards. Because of the Office of Evaluation and Studies' (OE) important role in supporting regional divisions vis-à-vis the development of cost-effective monitoring and evaluation systems at the project level, a representative from OE will be included as part of the 'management' team. The team will have the full support of senior management, itself unequivocally committed to the primacy of achieving development objectives.

12. The main tool for managing this process will be the logical framework elaborated by the team. During the two-year funding period, this framework will be revisited and outputs and activities modified as necessary. Specific monitoring indicators will be identified and the learning process established as part of the programme's logical framework. Activities under the programme will be closely coordinated with those of OE. Although the resources under this TAG will be managed by IFAD, funds provided under it will be used exclusively for activities undertaken in the field. Proposals put forward for financing under the grant will be monitored at the central level to ensure compliance with the established programme criteria.

VI. INDICATIVE PROGRAMME COSTS AND FINANCING

13. The following table indicates the estimated cost of the proposed programme. Project resources to finance, for example, the participation of staff in country or regional workshops will supplement the grant. The balance between project level activities, country level activities and regional activities must be considered as tentative. While some of the structural elements of the programme will be firmed-up in the further programme planning process, flexibility needs to be left to permit adjustments in the course of implementation.

**Estimated Programme Costs
(Amount in USD)**

	Project Activities	Country Activities	Regional Activities	Total
Western-Africa	60 000	20 000	30 000	110 000
Eastern-Africa	60 000	20 000	30 000	110 000
Asia	60 000	20 000	30 000	110 000
Latin-America	60 000	20 000	30 000	110 000
Near-East	60 000	20 000	30 000	110 000
PT ¹ (Ag. Res. TAGs)	50 000			50 000
Total	350 000	100 000	150 000	600 000

¹Technical Advisory Division

VII. RECOMMENDATION

14. I recommend that the Executive Board approve the proposed technical assistance grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance the Programme to Promote an Impact Orientation during Project Cycle Management, for two years, commencing in May 2000, shall make a grant not exceeding six hundred thousand United States dollars (USD 600 000) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Fawzi H. Al-Sultan
President