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**IFAD**

**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**

**Executive Board – Eighty-Third Session**

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## **PROGRESS REPORT ON THE IFAD FIELD PRESENCE PILOT PROGRAMME**

1. Unlike most other development agencies and international financial institutions, IFAD does not have formal representation in its borrowing Member States. Links between these countries and headquarters are maintained through missions by staff and consultants, cooperating institutions and, in more recent years, through various field presence ‘proxies’. This situation was mainly conditioned by IFAD’s mandate, which directed it to entrust other agencies with implementation activities to a large extent.
2. The directive limiting IFAD’s involvement in implementation, however, has been under discussion in the Governing Bodies. For example, the consultations on both the Fifth and Sixth Replenishments of IFAD’s resources raised issues related to the lack of permanent presence in the field. In fact, since the mid-1990s, some proxy arrangements have been made on a selective basis.
3. Given this background, a proposal to enhance IFAD’s field presence by strengthening in-country capacity was submitted to the Seventy-Seventh Session of the Executive Board (December 2002), which decided to undertake a rapid analysis of 15 countries with pertinent activities in different regions (document EB 2002/77/R.9/Rev. 1). These case studies showed a clear need by governments and in-country partners (including the donor community) for closer and more continuous in-country involvement by IFAD. In September 2003, the Executive Board (supported by the Ad Hoc Working Group of the Executive Board on Field Presence) authorized IFAD to submit an implementation programme for an enhanced field presence. Subsequently, the Field Presence Pilot Programme (FPPP) was approved by the Executive Board in December 2003. The FPPP comprises 15 initiatives, is to be implemented over three years and has a budget of USD 3 million.

4. The FPPP aims to help IFAD to realize its vision and its strategic framework objectives by strengthening and integrating four interrelated elements: project implementation, policy dialogue, partnership-building and knowledge management. The FPPP deepens IFAD's engagement in terms of providing implementation support at the country level. It proposes additional dimensions for policy change and partnership-building with national and other donor partners, and for documenting and synthesizing knowledge gained during programme implementation. The flexible design of the FPPP allows for a variety of arrangements.

5. The programme was based originally on management's recognition of a need for enhanced IFAD engagement at the local and national level. This belief has since been endorsed by IFAD's independent Office of Evaluation, which, in its Annual Report on Results and Impact of IFAD's Operations (document EB 2004/82/R.6), remarked that for IFAD to enhance its catalytic impact, it "will require an increase in the level of in-country staff and resources".

6. In IFAD's implementation of the FPPP, there will be a deliberate move away from the free-standing 'embassy' model of representation. Active efforts will focus on building a 'virtual extended IFAD' comprising all actors involved in its assistance programme within the framework of an increasingly closely coordinated and harmonized United Nations field presence. Modern information and communication technology makes such a model technically feasible and financially cost-effective. In addition, such a model will enhance local ownership – an element crucial for bringing about changes *organically* in national policies pertaining to rural development and poverty reduction. IFAD realizes that strong local leadership is necessary to make this model a success and the FPPP is expected to generate valuable lessons and robust models that IFAD could eventually adopt.

7. In line with the Executive Board's decision (document EB 2003/80/R.4), eight initiative briefs were prepared: the Democratic Republic of the Congo and the Republic of The Congo; Honduras and Nicaragua; India; the People's Republic of China, the Democratic Republic of Korea and Mongolia; Senegal; The Sudan; the United Republic of Tanzania and Malawi; Yemen – and were submitted for information to the Eightieth Session of the Executive Board in December 2003 (document EB 2003/80/INF.7). Initiative briefs for Bolivia and Uganda were subsequently submitted in April 2004 (document EB 2004/81/INF.4) and for Nigeria and Viet Nam in September 2004 (document EB 2004/82/INF.8). The remaining three initiative briefs (for Egypt, Ethiopia and Haiti) have been finalized and will be submitted for information at the Eighty-Third Session of the Executive Board.

8. Of the ten initiatives finalized up to April 2004, four (Bolivia, Honduras, India, and the United Republic of Tanzania) have become fully operational. The operations in Bolivia and Honduras are being undertaken directly by IFAD at this initial stage. The Honduras initiative, also serving Nicaragua, will eventually be housed in the country office of the United Nations Development Programme (UNDP) in Honduras. The World Food Programme in Delhi will provide an office for the FPPP initiative in India, while the initiative in the United Republic of Tanzania will be housed in the offices of the Food and Agriculture Organization of the United Nations (FAO) in Dar-es-Salaam. This latter initiative also covers Malawi.

9. Three other FPPP initiatives (The Congo/the Democratic Republic of the Congo, Nigeria and Senegal) are at an advanced stage of negotiation and are expected to become operational by the end of 2004 or early in 2005. The initiative serving both the Democratic Republic of the Congo and the Republic of the Congo will be hosted by UNDP in Kinshasa. The Senegal initiative, which will also serve The Gambia, will be based in the United Nations Office for Project Services in Dakar. The Nigeria initiative will be administered in collaboration with UNDP in Abuja and FAO.

10. Discussions are being held with UNDP for offices in China and Uganda and IFAD is exploring various alternatives for The Sudan, Viet Nam and Yemen. Proposals for institutional arrangements for Egypt, Ethiopia and Haiti<sup>1</sup> are being tabled at the Eighty-Third Session of the Executive Board.

11. In terms of expected outputs, while all FPPP initiatives involve implementation support, policy dialogue, partnership-building and knowledge management, the emphasis placed on each element varies depending on the country situation. For example, the initiative in The Congo prioritizes post-conflict support and, in particular, stresses portfolio activation and policy dialogue. The FPPP initiative in The Sudan aims to assist the Government in improving its capacity to steer reforms negotiated with various stakeholders. The primary objective of the Viet Nam initiative is to give the poor a voice in national policies and programmes. In Egypt, Ethiopia, Nigeria and the United Republic of Tanzania, influencing policy through improving coordination and encouraging commonality in poverty reduction approaches is the dominant thrust.

12. The initiatives for Senegal and Uganda give priority to partnership-building and policy dialogue, while in Bolivia, China, Haiti, Honduras and India, implementation support is the main focus. Across the board, knowledge management is being emphasized and effective linkages with existing networks, such as regional hubs and communications networks, have received particular attention.

13. Overall, the FPPP has progressed well in terms of needs identification and assessment, and the development of proposals. Setting up the various initiatives was somewhat more time-consuming than expected, largely because of IFAD's desire to find the right partners. Field recruitments and related administration activities have also required time. However, *most* initiatives will be in place by early next year and *all* will be operational by the middle of 2005.

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<sup>1</sup> Office arrangements for the Haiti initiative are pending final decision.