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**IFAD**  
**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**  
**Executive Board – Eighty-Fourth Session**  
Rome, 18-20 April 2005

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

1. When IFAD was first established, a deliberate choice was made in favour of outsourcing some of the services it would require. First of all, as a general rule, IFAD was required to use the services of competent international institutions for appraising the projects and programmes presented to it for financing.<sup>1</sup> It was also required to entrust the administration of loans, for the purpose of the disbursement of the proceeds of the loans and the supervision of the implementation of the project/programmes concerned,<sup>2</sup> to such international institutions.
2. In light of the above, IFAD does not have formal representation in its borrowing Member States. Links between those countries and headquarters are primarily maintained through missions by staff and consultants and by using the services of an array of cooperating institutions. Wherever a local presence has been felt necessary, arrangements have been made in the form of proxy field-presence links of both a temporary and permanent nature.
3. The directive that limited IFAD's involvement in implementation has not, however, gone unquestioned. Indeed, the Consultation on the Sixth Replenishment of IFAD's Resources recommended that IFAD should give further consideration the issue of enhancing its field presence and in-country capacity and submit a proposal on the process to the Executive Board<sup>3</sup>. The Seventy-Seventh Session of the Executive Board in December 2002 accordingly instructed IFAD to "proceed with the rapid country analyses of 15 countries with pertinent activities in the different regions, ..."<sup>4</sup> and suggested that an *ad hoc* working group of the Executive Board, comprising representatives of the three Lists, be established.

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<sup>1</sup> Agreement Establishing the International Fund for Agricultural Development, Article 7, Section 2(e).

<sup>2</sup> *Ibid.*, Section 2(g).

<sup>3</sup> Document REPL. VI/5/R.2.

<sup>4</sup> Document EB 2002/77/R.9/Rev.1.

4. These case studies identified a clear need by governments and in-country partners (including the donor community) for closer and more continuous in-country involvement by IFAD. The results also supported earlier findings that, while ongoing proxy field-presence instruments allowed IFAD to facilitate project implementation, they were not as a rule suited to catalytic action related to policy dialogue and partnership-building.<sup>5</sup>

5. In September 2003, the Executive Board (supported by the Ad Hoc Working Group of the Executive Board on Field Presence) authorized IFAD to draw up guidelines and criteria for selection of countries and instruments to enhance its in-country presence and to submit an implementation programme, with time-bound proposals for each of the 15 proposals. In December of the same year, the Executive Board approved the guidelines and criteria<sup>6</sup> for the selection of countries and instruments for the three-year Field Presence Pilot Programme (FPPP) and authorized IFAD to implement the programme on that basis, with an approved budget of USD 3 million.

6. The FPPP aims to help IFAD realize its vision and its strategic framework objectives by strengthening and integrating four interrelated dimensions: project implementation; policy dialogue; partnership-building; and knowledge management. While so doing, the FPPP deepens IFAD's engagement in terms of providing implementation support at the country level, while proposing additional dimensions for policy changes, 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.

7. With the approval of the three initiatives for Egypt, Ethiopia and Haiti and submission of document EB 2004/83/R.44 to the Board in December 2004, design work on all 15 initiatives has been completed. As reported earlier, the majority of the initiatives stipulate implementation support, policy dialogue, partnership-building and knowledge management as their principal thrusts. The emphasis placed on individual elements is quite different, however. The initiatives proposed for Egypt, Ethiopia, Nigeria, the United Republic of Tanzania-Malawi and Yemen treat influencing policy as their most important element. Other initiatives, such as that for the Sudan, aim at assisting governments to improve their capacity to guide reforms negotiated with various stakeholders. Similarly, the initiative for Viet Nam proposes to connect up the voices of the poor to national policies and programmes.

8. For other initiatives, notably those for Bolivia, China-Mongolia, Haiti, Honduras-Nicaragua and India, implementation support is of priority. For Senegal and Uganda, partnership-building is prioritized but due emphasis is placed on influencing policy. On the other hand, the initiative for the Democratic Republic of the Congo aims at tackling a specific issue: dealing with a post-conflict situation and reactivating the country portfolio. Overall, considerable emphasis has been placed on knowledge management but less so on effective linkages with existing networks, such as the regional hubs and communications networks.

9. As reported to the December 2004 session of the Board, of the 12 initiatives approved in September 2004, four – those for Bolivia, Honduras, India and the United Republic of Tanzania – were fully operational by late 2004; two others – for Haiti and Uganda – have since become operational. All together, therefore, six initiatives have become operational to date: three in the Latin America and the Caribbean region; two in Eastern and Southern Africa; and one in the Asia and the Pacific region.

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<sup>5</sup> Document EB 2003/79/R.3/Rev.1.

<sup>6</sup> Document EB 2003/80/R.4.

10. Each division will undertake three pilot initiatives. For Western and Central Africa these are in Kinshasa for the Republic of the Congo and the Democratic Republic of the Congo; Abuja for Nigeria; and Dakar for Senegal and the Gambia. The United Nations Development Programme (UNDP) is the partner for all three initiatives. While the basic contents of a memorandum of understanding have been agreed with UNDP for the initiatives in Abuja and Kinshasa, negotiations have just begun for the Dakar initiative.

11. Two initiatives are already operational in Eastern and Southern Africa: the United Republic of Tanzania-Malawi; and Uganda. With regard to Ethiopia, since negotiations have been completed on substantive matters this initiative is expected to become operational shortly.

12. In Asia and the Pacific, the India initiative is already operational. A work programme has been prepared for the China-Mongolia initiative and the recruitment process is under way. Negotiations have been held with UNDP in Hanoi with regard to the Viet Nam initiative.

13. With regard to the three initiatives covered by IFAD's Near East and North Africa Division, the Cairo-based one for Egypt is in the process of being cleared by UNDP. Negotiations have been completed with UNDP concerning the initiative for the Sudan, and the post of country-presence representative will be advertised shortly. The initiative for Yemen, however, has lagged behind and is still not operational.

14. All three initiatives for the Latin America and the Caribbean region – Bolivia, Haiti and Honduras-Nicaragua – are now operational. However, consideration should be given to the contractual status of the field-presence representatives.

15. Of the 14 initiatives for which partnership arrangements have been either finalized or are in the process of being finalized, eight are with UNDP; two with the respective governments; two with the World Food Programme (WFP); one with the Food and Agriculture Organization of the United Nations (FAO); and one with the German Agency for Technical Cooperation (GTZ). Of the eight initiatives with UNDP, that for the Sudan is actually housed in a government department. Since the majority of partnership arrangements are with the UNDP, a model draft cooperation agreement has been developed and circulated to the relevant units of IFAD.

16. A summary of the main thrusts of the FPPP initiatives and the current status of implementation are given in the attachment to this document.

17. As reported to the Eighty-Third Session of the Executive Board in December 2004, although the FPPP has progressed well in terms of design, setting up the initiatives has taken more time than expected, largely due to IFAD's desire to identify the most appropriate partners. Moreover, it has been found that the approved unit costs are not always adequate to meet the partners' costs. The emphasis on expediting implementation of the FPPP will be maintained and, as reported earlier, IFAD expects **all** initiatives to be in place by June 2005.

18. While it is still too early to draw any firm conclusions about the FPPP experience, a number of tentative lessons are emerging. Two-way communication between IFAD headquarters and country operations have improved, which has made it possible to share IFAD's experience with other stakeholders in a timely manner and speeded up the flow of information from countries to IFAD headquarters. In addition, the FPPP has enabled IFAD to more effectively demonstrate its willingness to cooperate with, and harmonize its operations with those of, other country-level actors in the donor community. It has also allowed country programme managers to delegate some activities to country level and thus generally enhance the implementation support provided to programmes and projects.

19. IFAD recognizes that further efforts will be required to develop closer working relationships with host agencies so that the needs of IFAD's field presence units receive adequate priority in terms of servicing. Similarly, while innovation and diversity are accorded high priority, some consistency with respect to service terms, status, etc., is desirable. Along with the deepening of their involvement, field-presence representatives report competing demands on their time. Given that the field-presence units are essentially small and are likely to remain so, there is a clear need to provide further guidance on prioritizing their activities and linking them up with a number of other processes. This implies that issues related to cooperation arrangements for supervision, direct supervision, field presence and implementation support are intricately linked and need to be addressed in a holistic, integrated and coherent manner.

**SUMMARY OF PROGRESS MADE UNDER THE  
FIELD PRESENCE PILOT PROGRAMME**  
(as at 28 February 2005)

Countries Covered	Based in	Partner Institution	Main Thrusts	Current Status
<b>A. Western and Central Africa</b>				
1. Democratic Republic of the Congo; Republic of the Congo	Kinshasa	UNDP	Post-conflict, portfolio reactivation, policy dialogue, representation, debt monitoring	Draft memorandum of understanding agreed with UNDP; being processed internally in IFAD
2. Nigeria	Abuja	UNDP	Policy dialogue and improved policy performance (Nigeria Economic Empowerment Development Strategy); regional research and development policies (International Institute of Tropical Agriculture); knowledge management; implementation support for supervision and monitoring	Draft memorandum of understanding agreed with UNDP; being processed internally in IFAD
3. Senegal; Gambia	Dakar	UNDP	Partnership-building, representation, implementation support: direct supervision (the Gambia); policy influence: decentralization, rural finance and microenterprises; policy hub and FIDAFRIQUE, knowledge management; farmer organizations (civil society)	Discussed with UNDP; awaiting its decision
<b>B. Eastern and Southern Africa</b>				
4. Ethiopia	Addis Ababa	UNDP	Improve coordination to ensure common approach for poverty reduction strategies; knowledge-sharing; implementation support; partnership-building. Focus themes: rural finance, marketing, small-scale irrigation	After review by legal counsel and country programme managers, draft now being revised
5. United Republic of Tanzania; Malawi	Dar-es-Salaam	FAO	Rural poverty strategies; promotion of link between IFAD's and national programmes	<b>Operational</b> (under provisional arrangement)
6. Uganda	Kampala	Ministry of Local Government / UNDP	Partnership-building, policy dialogue favouring the poor; aligning IFAD's programme with national programmes, including sector-wide approaches	<b>Operational</b>

## ATTACHMENT

Countries Covered	Based in	Partner Institution	Main Thrusts	Current Status
<b>C. Asia and the Pacific</b>				
7. China; Mongolia	Beijing	WFP	Implementation support, partnership-building, policy influence, knowledge management	Consultant preparing detailed work programme Recruitment under way
8. India	New Delhi	WFP	Implementation support, knowledge management, partnership-building, policy influence	<b>Operational</b>
9. Viet Nam	Hanoi	UN Interagency project/ UNDP	Policy influence, learning; partnership-building	Memorandum of understanding discussed with UNDP Identified consultant to be retained as expeditor
<b>D. Latin America and the Caribbean</b>				
10. Bolivia	La Paz	GTZ	Implementation, supervision, partnership-building, knowledge management	<b>Operational</b>
11. Haiti	Haiti	Economic and Social Assistance Fund, Ministry of Finance	Implementation and supervision support; policy dialogue; partnership-building, knowledge management	<b>Operational</b>
12. Honduras; Nicaragua	Honduras	UNDP	Mainly implementation support – supervision; poverty reduction strategy paper	<b>Operational</b>
<b>E. Near East, North Africa and Central Europe</b>				
13. Egypt	Cairo	UNDP	Policy dialogue – pro-poor orientation of institutions and policies; implementation support; partnership-building; harmonization; knowledge management	Discussions held with UNDP. Internal process expected to start soon
14. Sudan	Khartoum	Ministry of Agriculture, Ministry of Finance/ UNDP	Capacity-building – reforms negotiated with multiple stakeholders; knowledge management. Donor coordination – participation in central coordination unit for all IFAD projects	Discussions with UNDP on finalization. Internal process to start soon
15. Yemen	Sana'a	To be determined	Policy dialogue favouring the poor; knowledge management	Consultations under way

