



2018 Annual Report on Results and Impact of IFAD Operations (ARRI)

Evaluation Committee

4 September 2018

Independent Office
of Evaluation

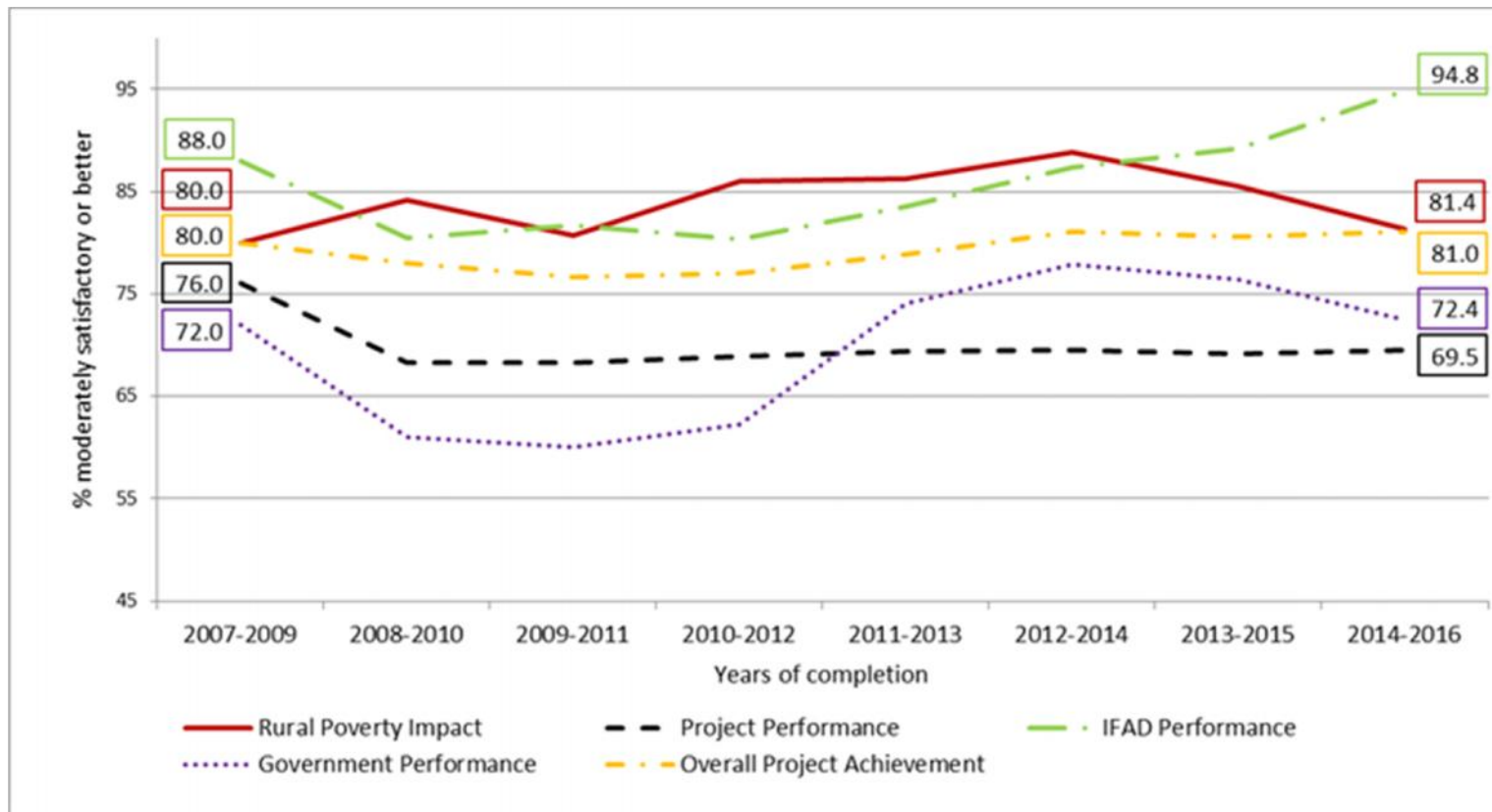


Investing in rural people

Overall mostly positive ratings, but **flat and deteriorating** performance in recent periods

Overview of main evaluation criteria

76 % of ratings moderately satisfactory or better



IFAD project performance better than **other regional IFIs**, but lower than **World Bank** globally and in NEN

External benchmarking with agricultural portfolio of other IFIs

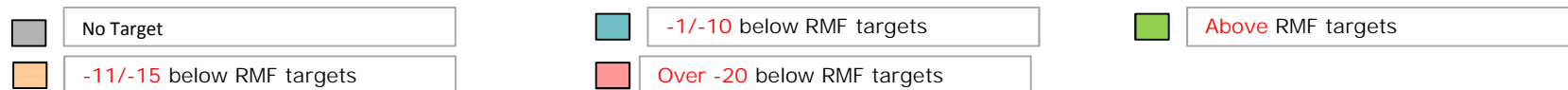
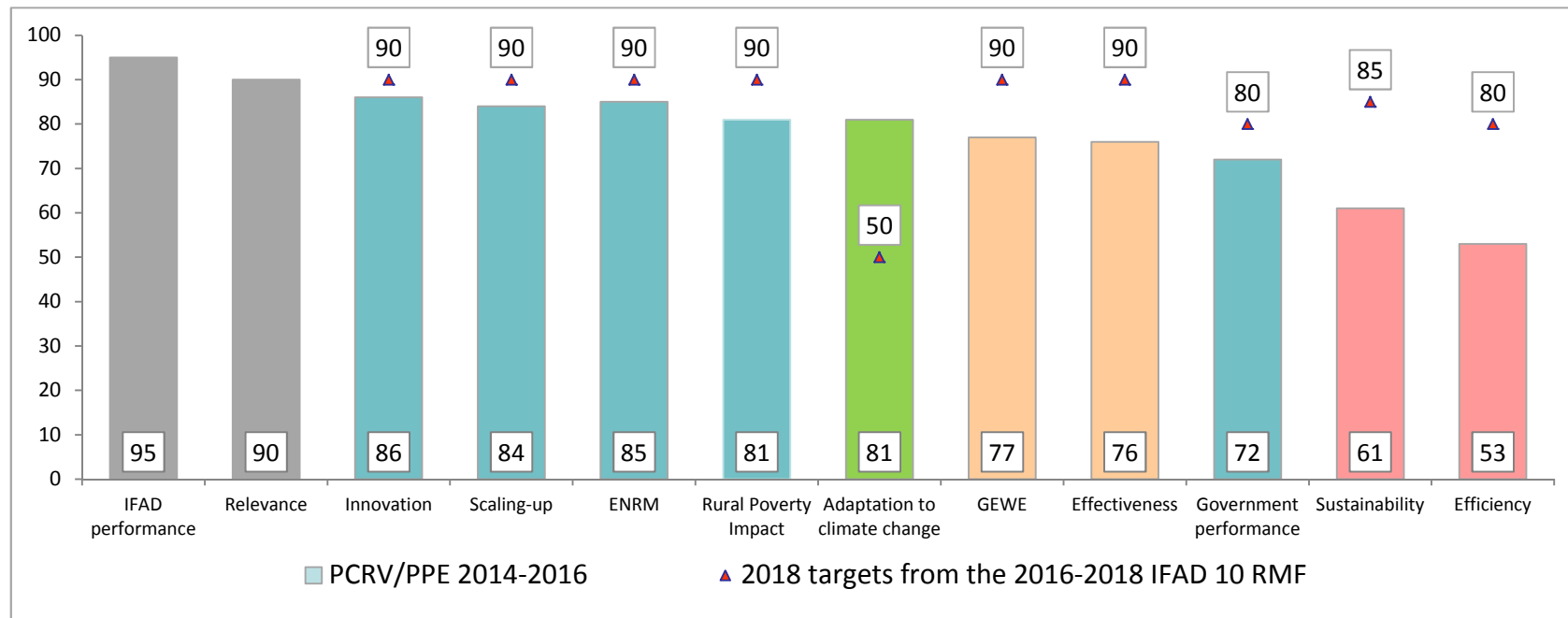
Percentage of project with positive performance ratings (2002-2016)

Global	IFAD	World Bank
	71	74
Africa	IFAD Africa	AfDB
	70	48
Asia & Pacific	IFAD Asia	AsDB
	86	62
Latin America & Caribbean	IFAD LAC	World Bank
	77	77
Near East/North Africa/ Europe	IFAD NEN	World Bank
	70	79

Majority of criteria are below IFAD10 RMF targets

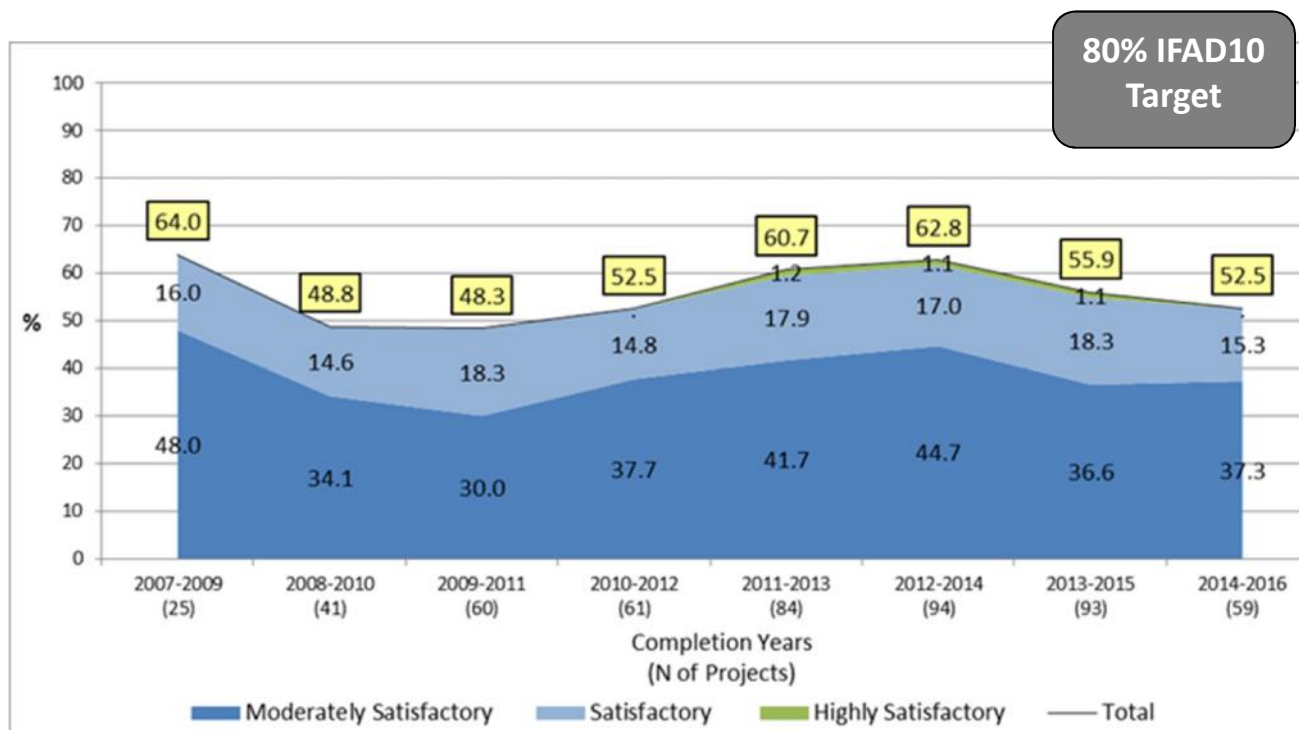
Evaluation criteria assessment (2014-2016)

% projects rated moderately satisfactory or better



Efficiency remains the lowest performing criterion and has declined further

Efficiency: 53% of projects MS+ (PCR/V/PPE data series)



Key Facilitating Factors

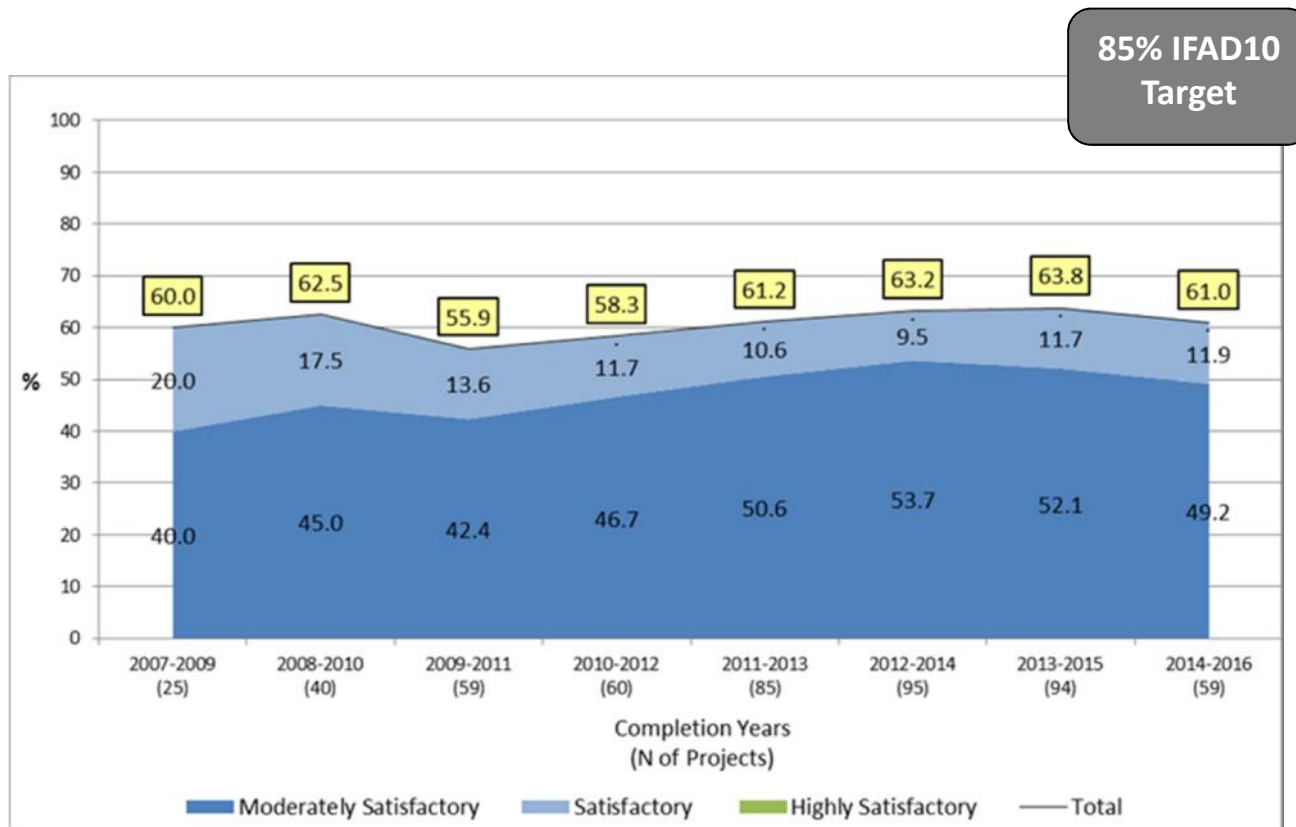
- **Low project management costs**
- Limited **staff turnover**
- Good **partnership** arrangements and good integration with **governments**

Key Constraining Factors

- Delay in **start-up, implementation**
- **Long procurement** processes
- **High turnover** of staff in project management units

The trend in **sustainability of benefits** is flat and recently declined to 61%

Sustainability of benefits: 61% of projects MS+ (PCR/PPE data series)



Key Facilitating Factors

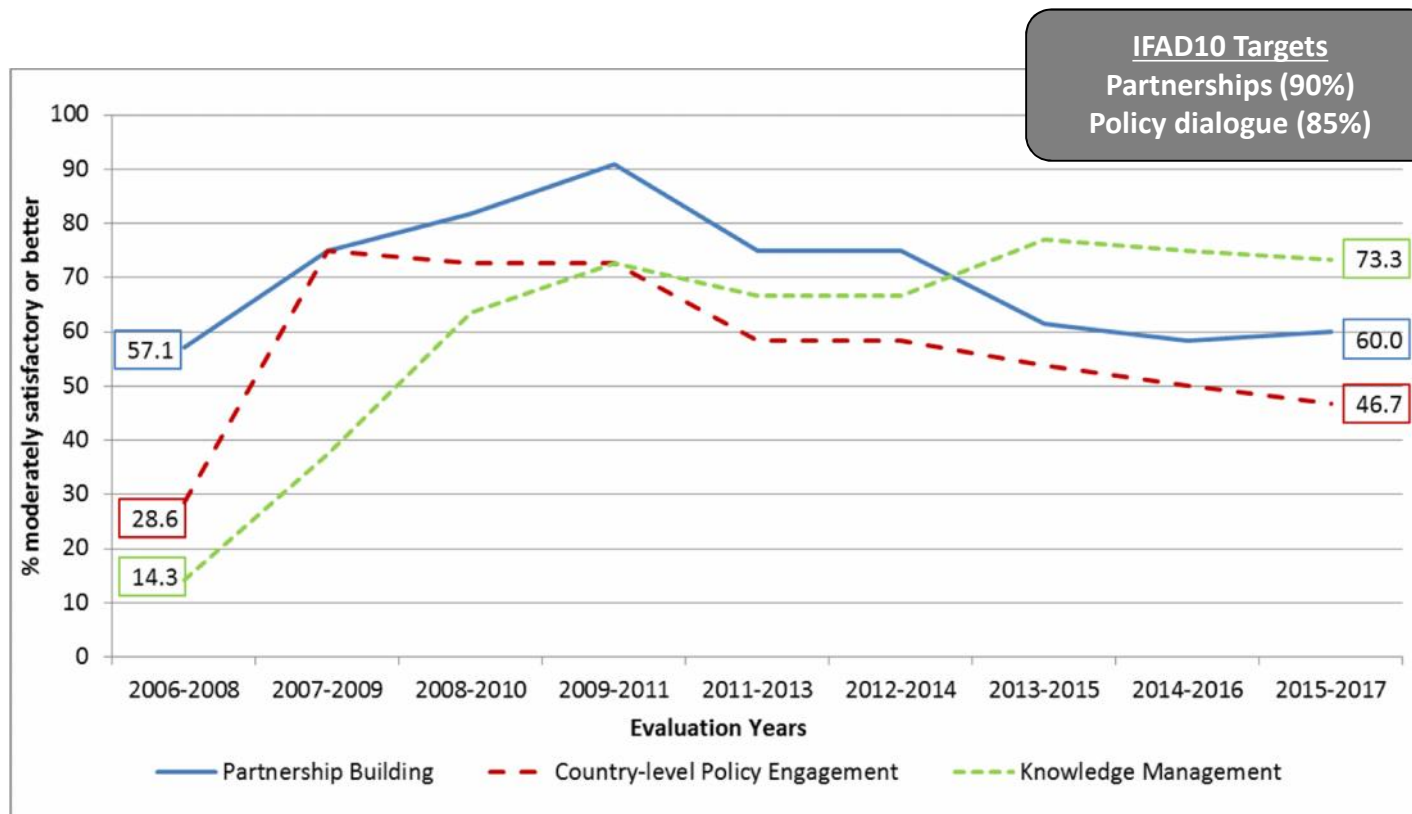
- Valid **exit strategy**
- Investing in **community infrastructure**
- **Training** processes and exchange of expertise

Key Constraining Factors

- Absence of a **long-term plan** for sustainability (exit strategy)
- Strategies with limited **market-orientation**
- **Late disbursements** delaying implementation

Limited progress in **non-lending activities**, except Knowledge Management

Performance of non-lending activities: 69% of ratings MS+ (CSPE database)



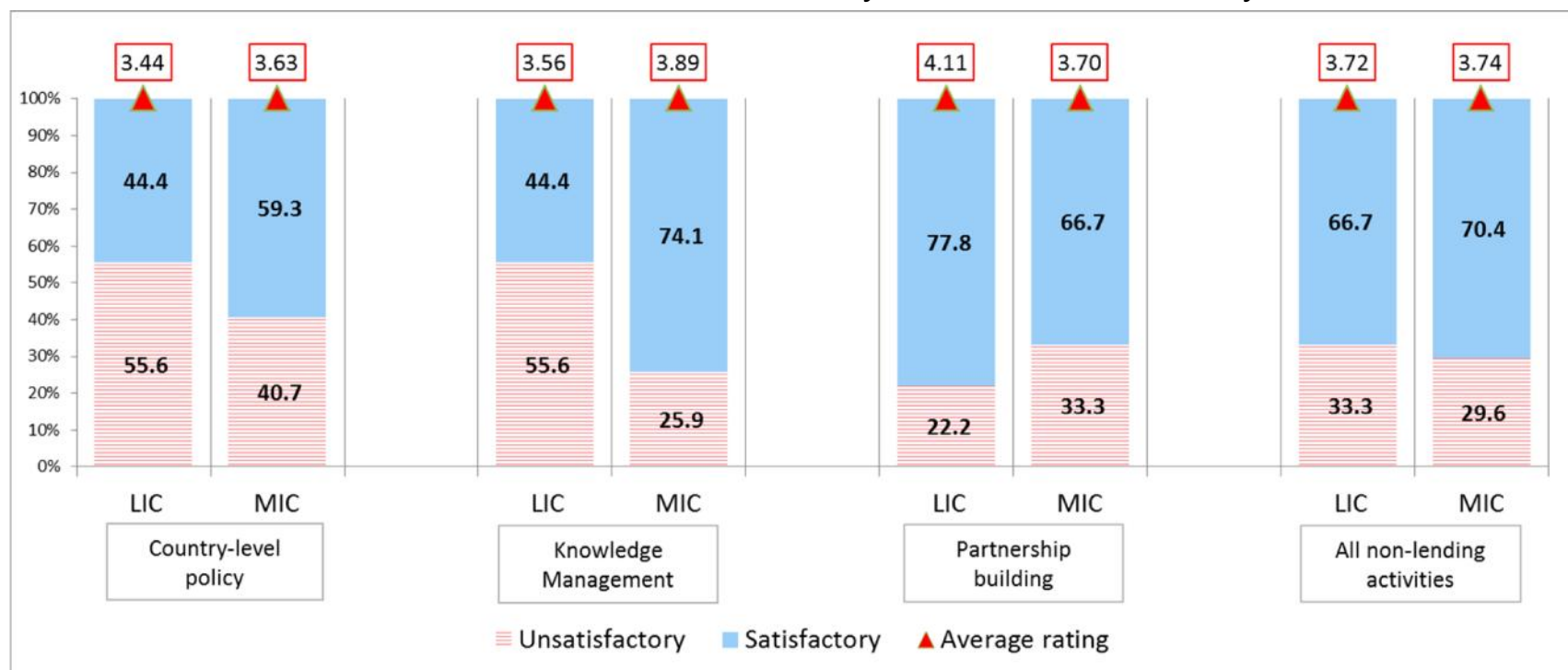
Key Facilitating Factors

- Building **strong knowledge management** platforms within country programmes.
- Specific budget for **country-level policy engagement** to integrate into country programmes.
- More focus on to the quality and mix of **partnerships**.

Country-level policy engagement and knowledge management performance better in Middle Income Countries

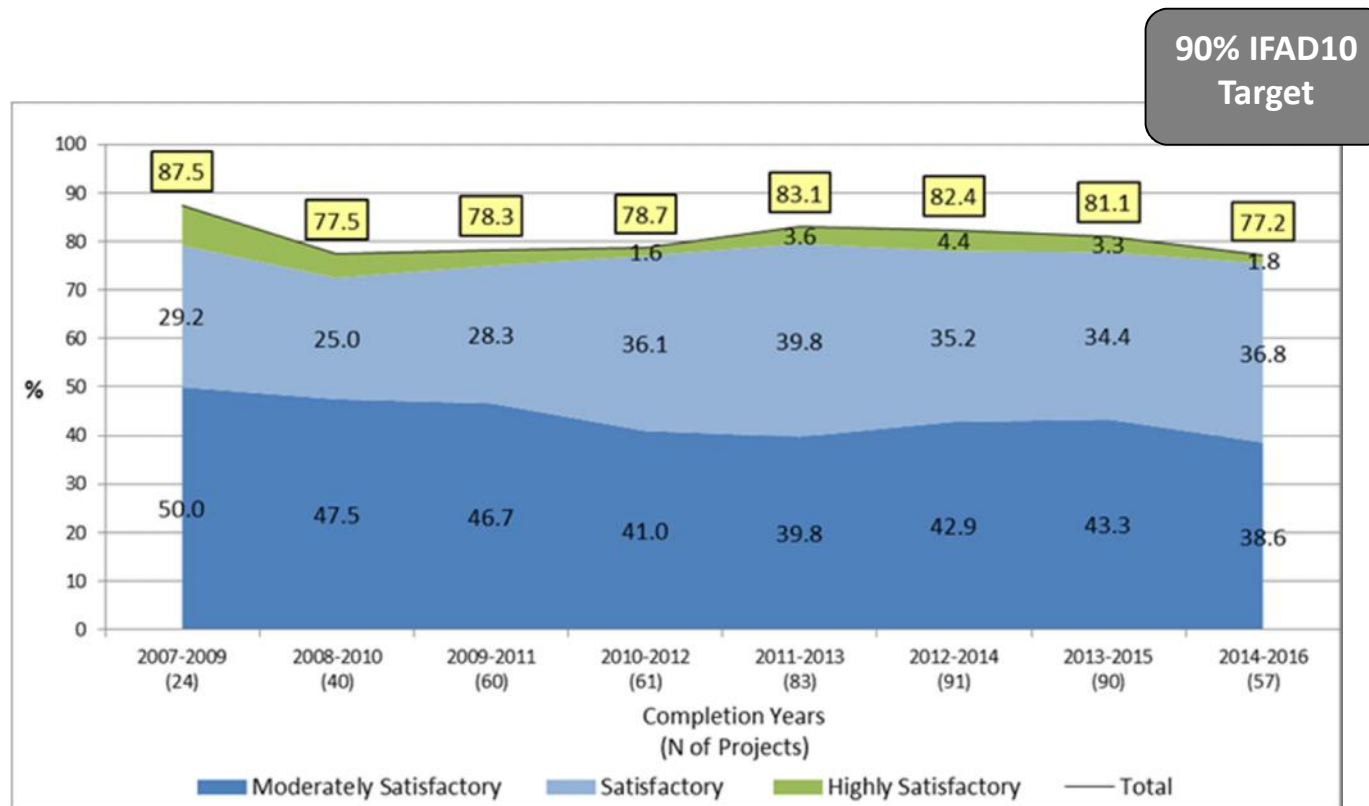
Performance of non-lending activities in Lower Income Countries (LICs) and Middle Income Countries (MICs)

% of CSPEs rated satisfactory versus unsatisfactory



Recent decline in **gender equality and women's empowerment** indicates the need to focus on targeting to "leave no one behind"

Gender equality and women's empowerment: 77.2% of projects MS+ (PCR/PPE data series)



90% IFAD10 Target

Key Facilitating Factors

- Gender-sensitive **project design**
- Awareness **campaigns and trainings** on gender equality, women's rights and domestic violence
- Promotion of **women's leadership** in groups and management positions

Key Constraining Factors

- Non-alignment with **project's operational strategy** on gender
- Absence of a specific project issue in the **design phase and of outcome data.**
- Low women's participation in project staff **capacity building**

Strong targeting plays a central role in **reaching extremely poor** and food-insecure people in rural areas

Five Main Findings

1. Although IFAD has a perceived advantage as an organization that focuses on poor rural people, there is a ***lack of agreement within the Fund on the target group and strategies needed***.
2. Effective targeting requires ***robust poverty analysis*** and ***well-informed targeting strategies*** to meet the needs of poor rural people.
3. Robust data, monitoring, and **supervision and implementation support (SIS)** are crucial for good poverty targeting in design and implementation and require strong investment in systems and capacity development.
4. Reaching the poorest and the "last mile" is ***costly but essential***, particularly given IFAD's mandate and international commitments.
5. Government ***commitment and partnerships*** are important for reaching the poorest of the poor.

2018 ARRI Recommendations

1. **Conduct a systemic review of IFAD project-cycle processes and examine the resources committed to each.**
2. **Revise IFAD's Targeting policy and related guidelines.**
3. **Develop appropriate targeting strategies based on robust and differentiated poverty and context analysis that are flexibly implemented.**
4. **Establish strong M&E systems and tap into local knowledge through country-level partnerships to capture differentiated poverty data.**
5. **Ensure sustainability of rural poverty impacts with exit strategies that are inclusive of targeted beneficiaries and sufficient project duration.**

2019 ARRI learning theme: Quality-at-entry of project designs would complement the recommended systemic review of project-cycle processes and provide a baseline for the recent changes to the design process.