Document:
 EC 2018/103/W.P.6/Add.1

 Agenda
 7

 Date:
 11 October 2018

 Distribution:
 Public

 Original:
 English



IFAD Management's Response to the Evaluation Synthesis Report on IFAD's Support to Livelihoods Involving Aquatic Resources from Small-scale Fisheries, Small-scale Aquaculture and Coastal Zones

## Note to Evaluation Committee members Focal points:

Technical questions:

Dispatch of documentation:

Paul Winters Associate Vice-President Strategy and Knowledge Department

Chief Governing

Tel.: +39 06 5459 2189 e-mail: p.winters@ifad.org

Governing Bodies Tel.: +39 06 5459 2374 e-mail: gb@ifad.org

Deirdre McGrenra

Donal Brown Associate Vice-President Programme Management Department Tel.: +39 06 5459 2448

Paolo Silveri

Acting Director Sustainable Production, Markets and Institutions Division

Tel.: +39 06 5459 2409 e-mail: p.silveri@ifad.org

e-mail: d.brown@ifad.org

Evaluation Committee — 103<sup>rd</sup> Session Rome, 25 October 2018

For: Review

## IFAD Management's Response to the Evaluation Synthesis Report on IFAD's Support to Livelihoods Involving Aquatic Resources from Small-scale Fisheries, Small-scale Aquaculture and Coastal Zones

- Management welcomes Evaluation Synthesis Report (ESR) on IFAD's Support to Livelihoods Involving Aquatic Resources from Small-scale Fisheries, Small-scale Aquaculture and Coastal Zones and will find it useful for current and future operations. Management considers the report to be relatively balanced and is in broad agreement with the recommendations made by IOE. It is pleased to note that a number of actions initiated by IFAD are well aligned with the recommendations.
- While Management agrees with the recommendations, it believes that the ESR would have benefited from an analysis disaggregated between projects implemented pre- and post-2009, as there have been significant changes in the implementation landscape over time that have had an impact on IFAD's interventions. These include: (i) the absence of technical in-house knowledge on fisheries and aquaculture during past projects; (ii) the lack of direct IFAD supervision; and (iii) the relatively low attention previously given at project design to climate, environment and aquatic ecosystem issues. Therefore, Management believes that a disaggregated analysis would have further strengthened the conclusions and lessons emerging from the evaluation.
- 3. Furthermore, the broad scope of the evaluation in terms of both the period evaluated (over the 40 years) and the themes or subsectors covered (aquaculture, mariculture, freshwater fisheries, marine capture fisheries, coastal zone resources management), poses inherent challenges in drawing conclusions and comparisons across the range of project types (and the even greater range of different activities covered by them).

## Recommendations

- 4. Notwithstanding, Management welcomes the ESR's five recommendations and believes that they are relevant for enhancing IFAD's development work in fisheries, aquaculture and coastal zones. The recommendations mirror some of the actions and approaches already being implemented by Management.
- 5. Management's detailed responses to the recommendations are provided below.
- 6. Recommendation 1: Following the demands of its Member States, IFAD should maintain a sustained engagement in interventions of relevance to aquatic resources, to benefit both producers and consumers of aquatic products, because of the importance of these resources to the livelihoods of large numbers of IFAD's primary target population. However, this engagement requires a significant improvement in the quality of projects designed in these sectors, and in the technical support provided to project implementation teams during implementation.
- 7. Agreed: Management concurs with the need to enhance IFAD's engagement in aquatic-resource-related interventions and to utilize opportunities in the Member States to increase support to its primary target group, including women and youth in the value chain. In many Member States, fisheries is a key economic sector or the physical environment provides many opportunities for fisheries and aquaculture development; however, IFAD may not have prioritized these sectors. In particular, Management would like to see a greater focus on fisheries and aquaculture in the small island developing states, in most coastal states, and in those with sufficient inland water resources.

- 8. Management will continue improving the quality of project design and ensure closer technical implementation support to facilitate the achievement of high-quality outputs and outcomes. Fisheries and aquaculture also need to be better addressed at the design stage of country strategic opportunities programmes and treated as priority sectors for IFAD's engagement with Member States. This aspect could have been given more emphasis in the ESR. Furthermore, more effective information and communication systems are needed in Member States that may not be aware of IFAD's capacity to support the development of fisheries, aquaculture and coastal zones.
- 9. Recommendation 2: IFAD should develop more partnerships with those organizations that have specific technical expertise in the aquatic resources sector, to ensure that their technical knowledge can be efficiently harnessed to improve the quality of IFAD's portfolio in terms of design, implementation and supervision of its projects of relevance to aquatic resources. Resources from IFAD's grants portfolio could be usefully employed to this effect.
- 10. Agreed: Management concurs with the need for increased collaboration, especially with other United Nations technical agencies, CGIAR bodies, regional fisheries, bodies and organizations, and national fisheries and aquaculture research institutions. Considering the limited reach of IFAD's technical resources, there is a need to leverage the technical expertise and knowledge available in these institutions for IFAD's fisheries and aquaculture operations. Management would like to highlight that it agrees with the recommendation and that this issue is being given increasing attention in IFAD.
- 11. Management will focus on ensuring that such collaboration occurs predominantly in the IFAD Country Offices rather than at the global level to ensure that technical expertise, knowledge and other resources feed directly into project design, implementation support and supervision. IFAD's grants offer a good opportunity to strengthen strategic partnerships and enhance the flow of knowledge, innovations and technical expertise into loan projects. Management has prepared a strategic guidance note emphasizing stronger linkages between IFAD's grants and loan projects, and will ensure adherence with this guidance.
- 12. Recommendation 3: IFAD should preferably address aquatic resource management through projects focused mostly or fully focused on the aquatic sector/subsectors. This will enable the tackling in an appropriate manner and with the required specialized knowledge and expertise of all of the complexities and trade-offs attached to livelihoods that depend on aquatic resources, ranging from poverty reduction and sustainable management of the resources, to access to markets and value chain development.
- 13. Agreed: Management agrees with the positive intention of this recommendation as a way to improve the impact of interventions on aquatic resources. It was observed that aquatic resources activities tend to produce limited results in cases where they form only a component or subcomponent of a broader multi-sectoral project, likely because they are overshadowed by the other larger components. However, while Management agrees that interventions focused exclusively on aquatic resources may generate greater impact on the livelihoods of the beneficiaries, there is a risk that this would discourage country teams from engaging with governments on projects that have some aquatic resources activities that are relevant in the context and can have a positive impact. Aquatic resources interventions that exclude other types of activities could pose the risk of a decrease in resources devoted to this area. Furthermore, often many other subsectors are part of a livelihood strategy or have seasonal implications, meaning that each project needs to be designed to address the specific context and livelihood. Notwithstanding this, Management will support a fully focused aquatic resources project where there is a

- strong justification and demand. In fact, the proportion of such fully focused projects has increased in recent years.
- 14. Recommendation 4: IFAD's interventions on aquatic resources should better address and incorporate various social development issues, including gender equality, inclusion of youth, decent work aspects, and the rights and obligations of beneficiaries and other stakeholders, defined in legal terms all to ensure long-term sustainability of both incomes and resources.
- 15. Agreed: The broad diversity of aquatic-related resources and activities creates a wide range of income-generating opportunities. The sector is characterized by significant gender disaggregation: men (especially young men) are engaged mainly in production services while women dominate at the post-harvest fish trade level. A holistic programmatic approach involving investments in both production and post-harvest segments is therefore an appropriate way to promote gender equality and youth empowerment. Unfortunately, the sector faces many sociocultural and economic challenges, particularly in relation to access rights to resources, decent working conditions and long-term sustainability of both incomes and resources. There are also health-related issues: the HIV pandemic has had a major impact on many fishing communities. Given the relevance of these risks to IFAD's target groups, Management concurs with the need to integrate these issues into the design of operations involving aquatic resources.
- 16. Recommendation 5: IFAD's interventions on aquatic resources should more consistently address and incorporate the environmental sustainability of the resource base and the need to enhance resilience to climate change of those among its target population whose livelihoods depend on aquatic resources. In this respect, the recent and ongoing initiatives that introduced alternative livelihoods for fishing communities should be a source of lessons learned for the entire Fund.
- 17. Agreed: Management agrees that sustainable aquatic systems and resources should be the basis for sustainable incomes and livelihoods of dependent groups. Imminent global challenges threaten aquatic resources, including the effects of climate change, overexploitation of fisheries through various mechanisms, competition between aquaculture and agriculture for water and land, and weak natural resources management models. IFAD's resources have been used to support recovery from the impacts of extreme climatic events such as tsunamis and El Niño. Management will ensure continued adherence to the Social, Environmental and Climate Assessment Procedures of IFAD in the design of all IFAD operations and promote resilience-building to climate change for target populations whose livelihoods depend on aquatic resources. It will promote an ecosystem programme approach as a better way to achieve environmental sustainability. Consideration will also be given to incorporating sustainable and viable alternative livelihoods in aquatic-related operations, possibly in a broader "blue economy" context.