



Investing in rural people



Report to the Executive Board 2021

Operational Policy & Results Division
Lauren Phillips, Lead Advisor, Policy and Results

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Overview



SDGs



Portfolio
Quality



Mainstreaming



Value for
money



Government
Effectiveness

IFAD Portfolio

Key Messages

COVID-19 and the global pandemic have had a wide ranging impact on IFAD's business and results in 2020. Challenges in areas such as management and data collection.

Despite this, IFAD demonstrated **good adaptive capacity**, decreasing design time, and demonstrating demand for specifically tailored support through the RPSF.

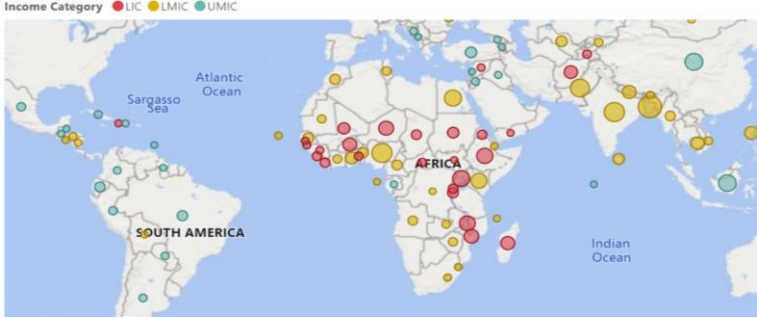
Many of IFAD11 **targets and commitments have been met or exceeded nonetheless**. This is especially true in Tier III, IFAD's operational and organizational performance.



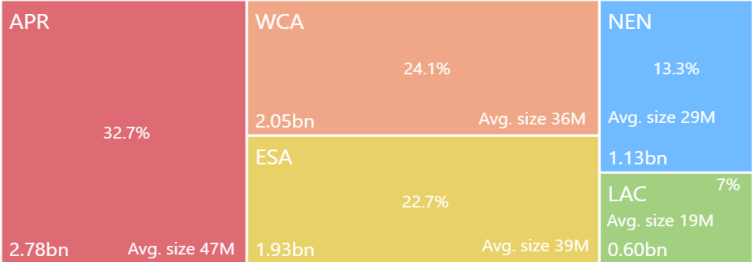
Areas of weakness identified during the 12th consultation of IFAD's replenishment show small improvements, but remain areas of concern vis-à-vis targets.

IFAD's active portfolio

Demographics



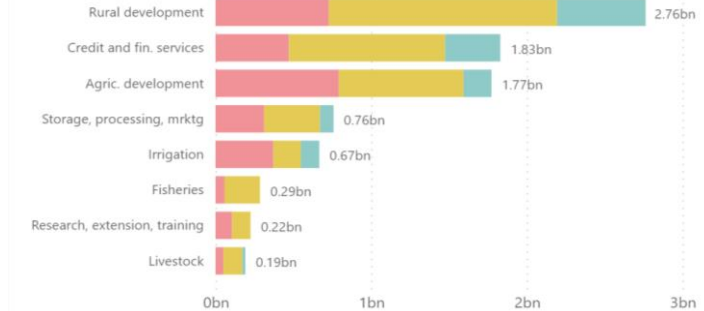
Active portfolio by region



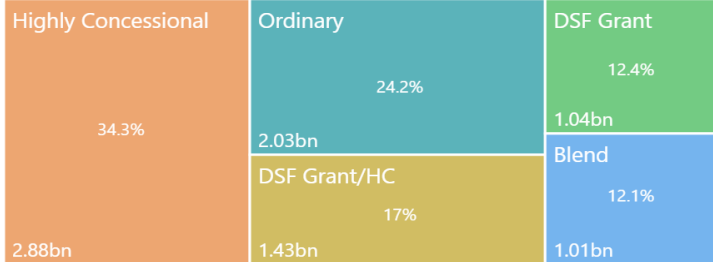
Financials



Active portfolio by sector



Active portfolio by Financing Terms



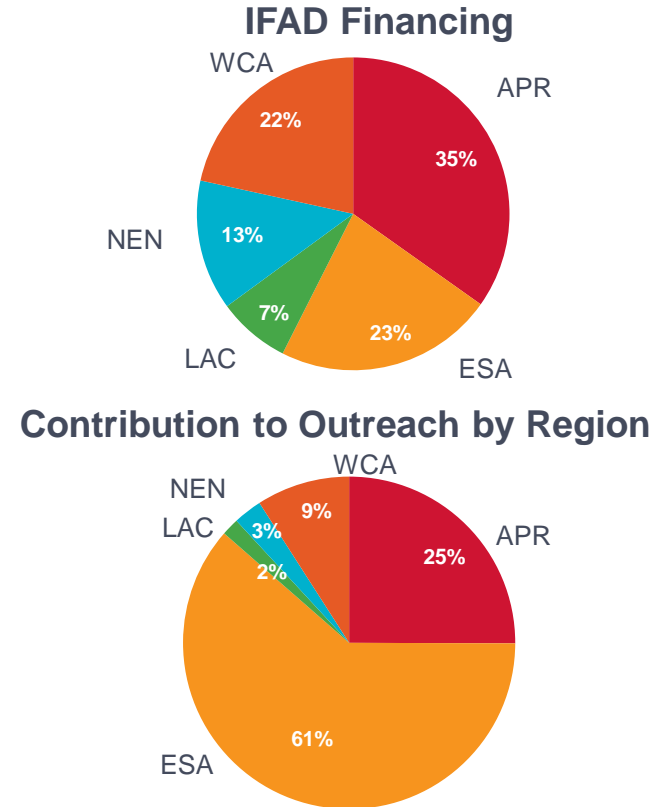
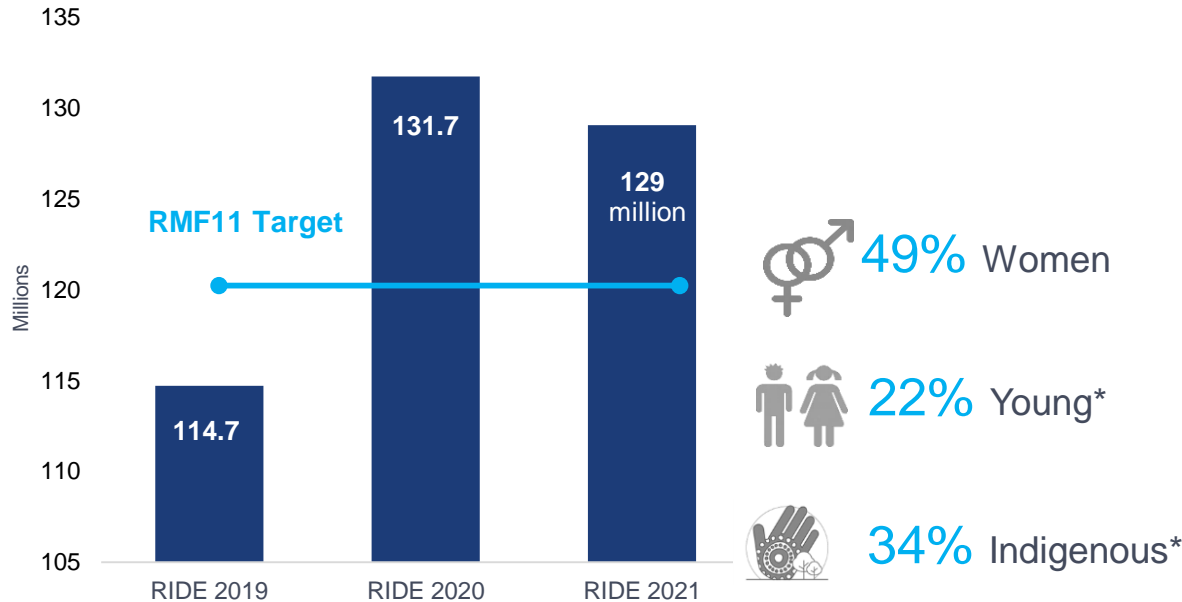
Outreach

IFAD's outreach, steadily above target

Overview

IFAD outreach

....Careful attention will be given to portfolio composition to maintain substantial impact



*Percentage computed out of those projects that reported on Young/Indigenous

Examples of COVID-19 related challenges...

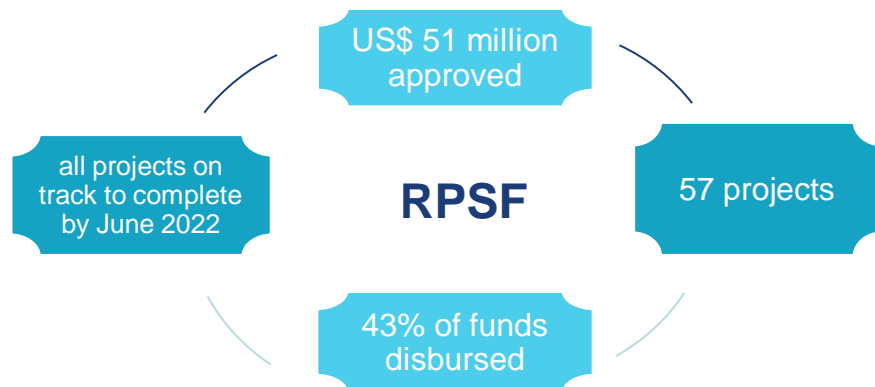
Remote design and supervision

Created challenge to get consistent level of information from all projects

- For example, only 1/3 of the projects eligible to conduct field surveys for outcome results managed to do so

Project extensions

Larger number than usual of extensions



...and solutions adopted by IFAD

- **Strong uptake of IFAD's Rural Poverty Stimulus Facility (RPSF)**
- **New guidance notes to help Project Delivery Teams** conduct remote design and supervision, reviews of procurement activities, ensure beneficiary feedback. Undertaken in line with World Bank and others

Contributions to SDGs

SDGs










<p>1 NO POVERTY</p>	<p>2 ZERO HUNGER</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>5 GENDER EQUALITY</p>	<p>6 CLEAN WATER AND SANITATION</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>10 REDUCED INEQUALITIES</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
<p>13 CLIMATE ACTION</p>	<p>14 LIFE BELOW WATER</p>	<p>15 LIFE ON LAND</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>	

IFAD's new SDG mapping methodology

SDGs

Example of SDG tracking: **Nutrition**

Core Indicator	SDG Goal		Specific SDG targets
1.1.8 IFAD Core Indicator 	2 ZERO HUNGER 	 2.1 Direct link	End hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round
Number of persons/households provided with targeted support to improve their nutrition	2 ZERO HUNGER 	 2.2 Indirect link	End all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and
	6 CLEAN WATER AND SANITATION 	 6.1 Indirect link	By 2030, achieve universal and equitable access to safe and affordable drinking water for all

Target 2.1 – End hunger, and ensure access to safe, nutritious food



1.75 million Household members provided with targeted support to improve their nutrition

Target 2.3 – Double productivity and incomes of smallholder farmers

2 ZERO HUNGER



23.3 million Persons accessing various financial services

2.3 million Persons in rural areas trained in financial literacy and /or use of financial products and services



1.5 million Supported rural producers that are members of a rural producers' organizations

2.2 million Persons trained in Crops

898K Persons trained in Livestock

105K Persons trained in Fishery

1.5K Persons trained in Forestry

560 500 Hectares of farmland under water-related infrastructure constructed/rehabilitated

Target 2.4 – Ensure sustainable food systems and resilient agricultural practices



8 100 Groups supported sustainably manage natural resources and climate-related risks

1.6 million Hectares of land brought under climate-resilient practices

Tier II contributions on other SDG targets

Overview

1

NO
POVERTY



Target 1.4



129 million Persons receiving services

72 959 persons whose ownership or user rights over natural resources have been registered in national cadasters and/or geographic information management systems

4

QUALITY
EDUCATION



Target 4.4



1.4 million Persons trained in Income-generating activities and business management

7

AFFORDABLE AND
CLEAN ENERGY



Target 7.1



148 132 Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions

8

DECENT WORK AND
ECONOMIC GROWTH



Target 8.2



532 521 Rural enterprises accessing business development services

9

INDUSTRY INNOVATION
AND INFRASTRUCTURE



Target 9.1



13 066 km Roads constructed, rehabilitated or upgraded

Tier III: Operational & organizational performance

Overview

Resource mobilization



- ✓ **1.07 billion in replenishment contributions.**, 89% of target
- ✓ **Cofinancing ratios exceeding targets,** Despite **COVID-19**

Co-financing	2018-2020	IFAD11 target
Overall	1.67	1.4
International	0.74	0.6
Domestic	0.93	0.8

+ increasing beneficiary contributions overall from 2017-2019 period

Resource utilisation



- ✓ **Adaptive management.** 94% COSOPS reviewed
- ✓ **Agility at design** 11 months average design time
- ✓ **Quality at design.** 96% of new projects rated 4+
- ✓ **Drop in actual problem projects.** Average better than most IFIs and declining from 2018 to 8%
- ✓ **Proactivity is on the rise.** Proactivity index 67%, up 50% from 2018.

Resource allocation



Core Resources	IFAD11	Target
LICs+LMICs / UMICs	90%-10%	90%-10%

- ✓ **Reallocations.** 0 through 2020
- ✓ **Targeting strategy.** **89%** are moderately satisfactory or better at Design, **92%** are moderately satisfactory or better during implementation

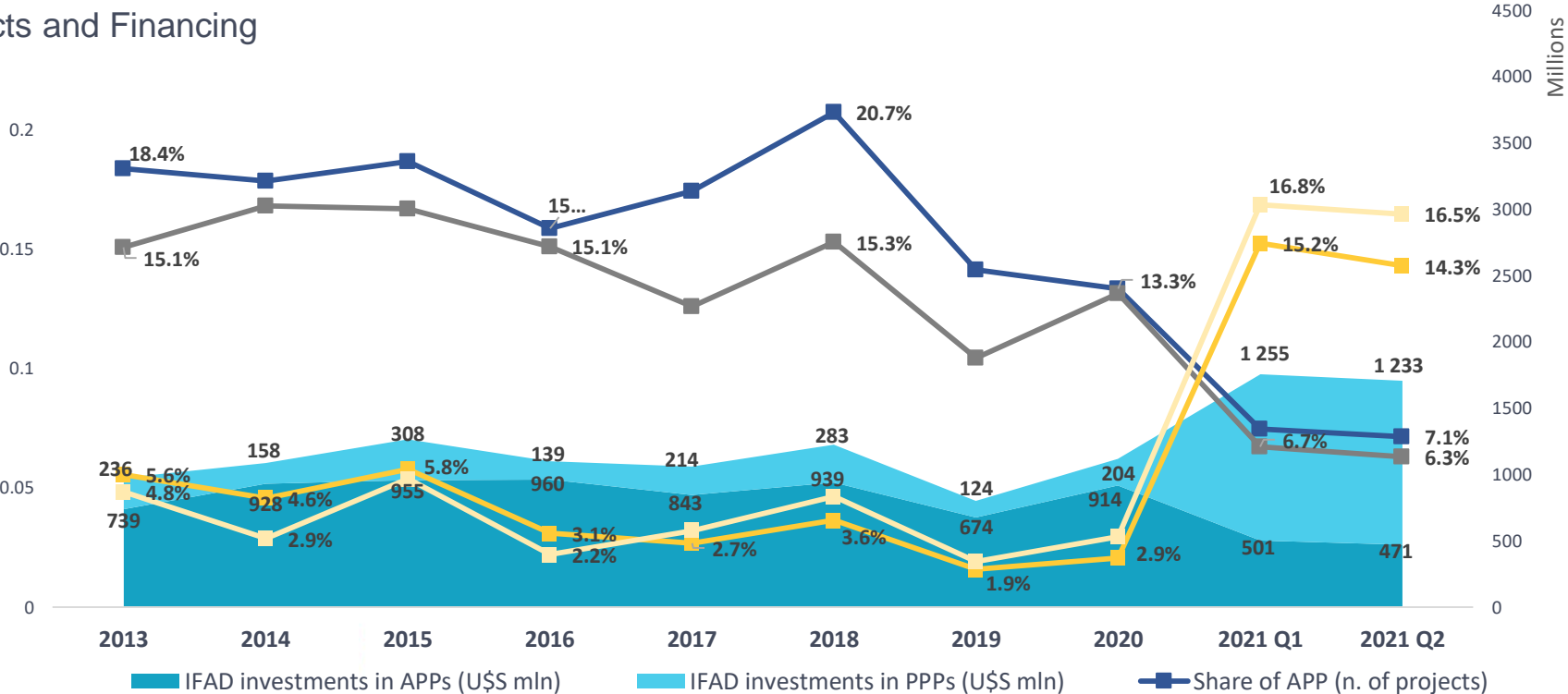
Resource transformation



- ✓ **Decentralization.** 33% of staff of field
- ✓ **Institutional Efficiency.** Administrative budget is 2.03% and surpassing target
- ✓ **New Tools.** ICP, ORMS, and online contract monitoring tool for project procurement
- ✓ **Workforce Diversity.** 34% women in P5+ positions
- ✓ **Transparency.** Improvement to 87% of ontime PCR submissions, despite COVID-19 challenges

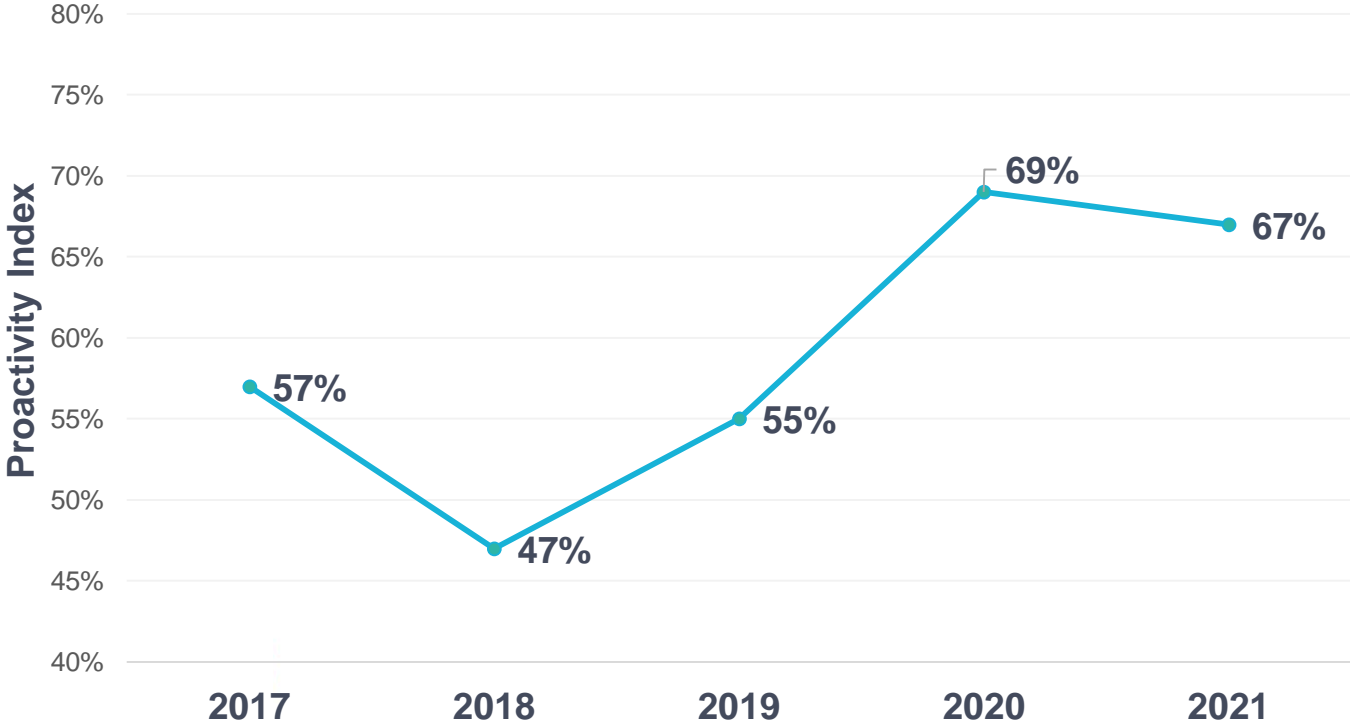
Steep decline in Actual Problem Projects

Share and Volume of Actual & Potential Problem Projects in IFAD's portfolio (Q1 21)
Projects and Financing



Driven by focus on proactivity

Proactivity index trends – increased since 2018



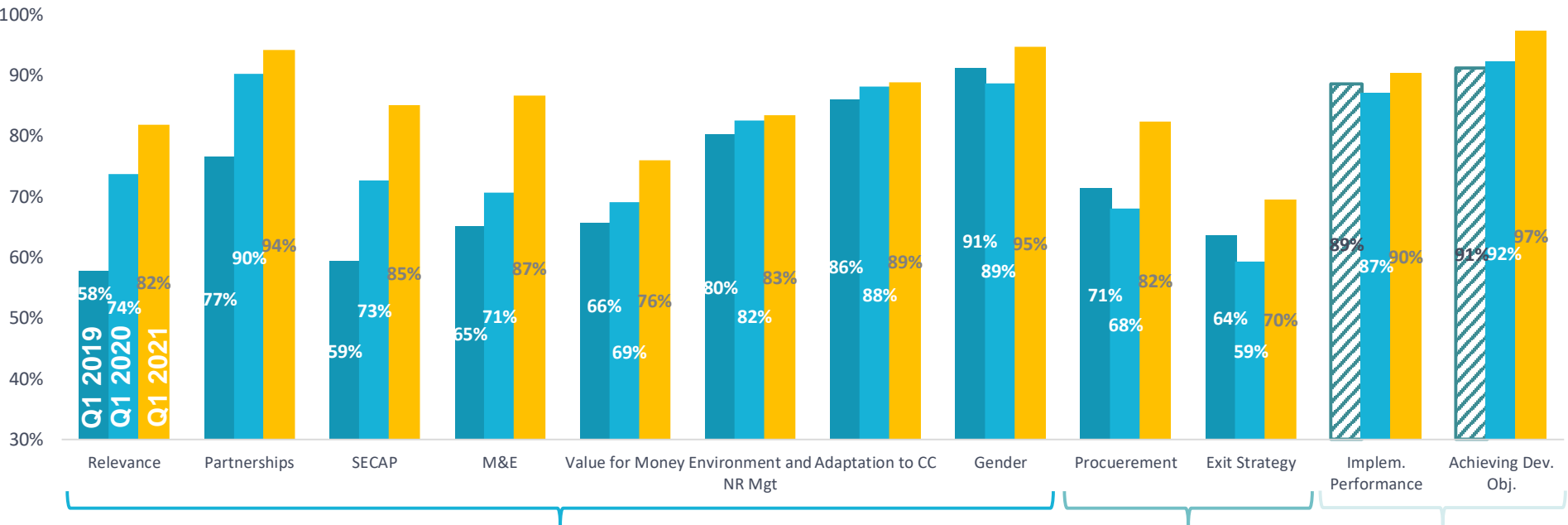
Performance improving in most areas

But still lagging against IFAD11 targets in many areas

Portfolio Quality

Selected Performance Indicators on IFAD's ongoing portfolio

% of projects rated moderately satisfactory or better (2019-2021)



Well performing areas in Q1 2020 continued improving in Q1 2021

Areas that required action were addressed and show steady improvement

Doing well on DO and IP, beyond COVID-related challenges

On track to meet targets by end IFAD11

Portfolio Quality

Exit strategy remains lowest

Estimated performance of scores at completion based on supervision scores

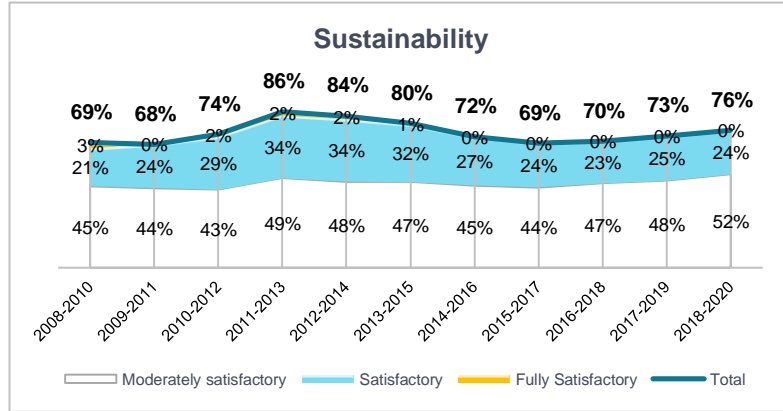
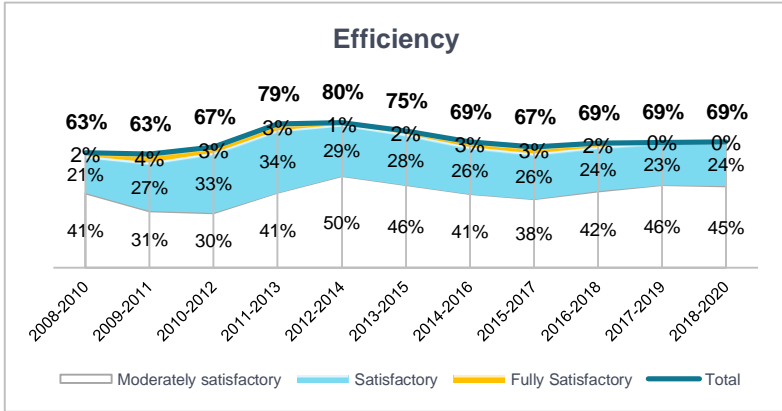
Using previous and latest PSR scores



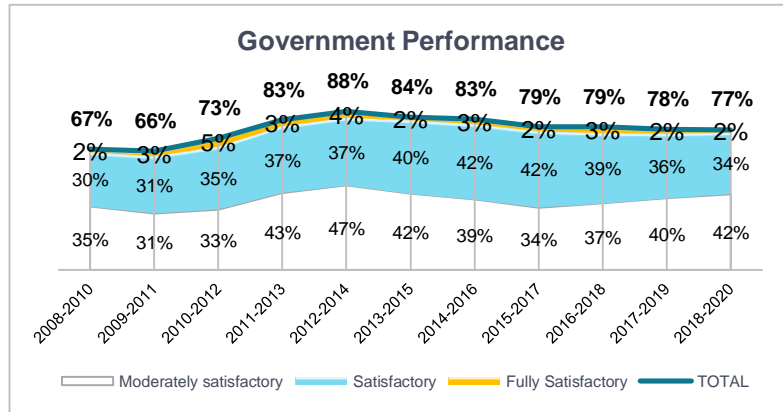
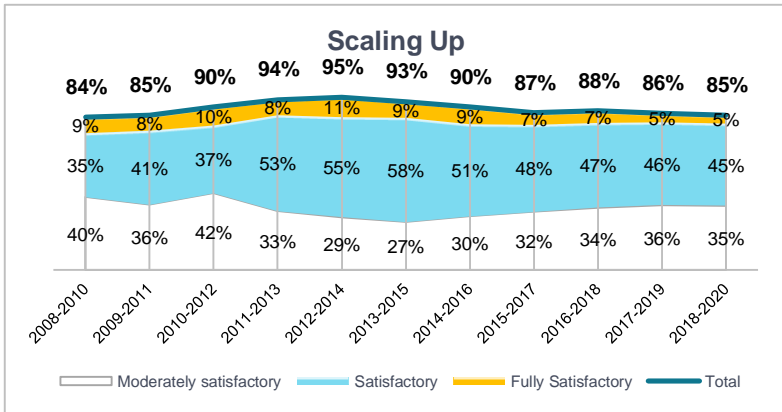
But maintain focus on challenging areas

10 year trends in most challenging areas broadly flat

Portfolio Quality



Sustainability is improving from 2015-2017 lows, but majority of scores in “satisfactory” category are 4



Other areas have levelled off at levels below targets. Efficiency remains particularly weak

Mainstreaming theme performance

Performance varying by theme

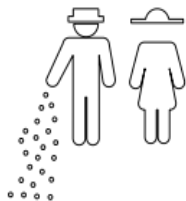
Mainstreaming

Performance on targeting strongest

Performance on nutrition weakest

Fragility weakens engagement

Quality of project target group engagement and feedback



Adaptation to Climate Change



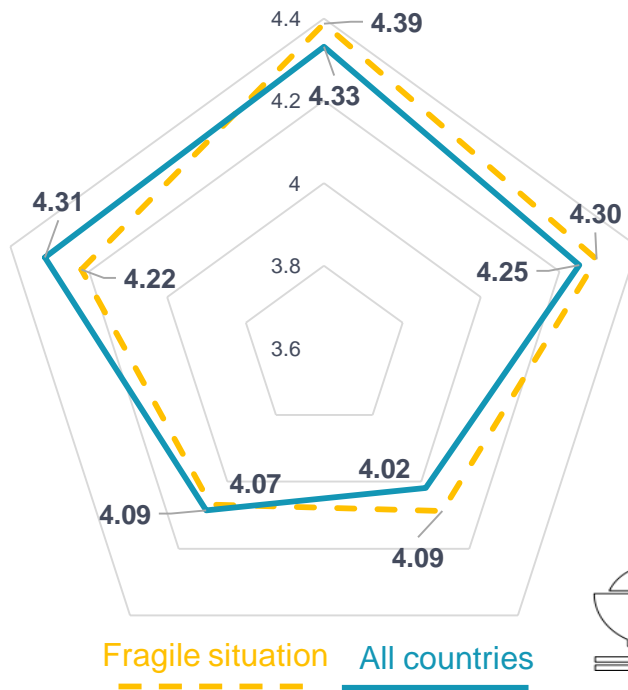
Targeting and Outreach



Gender equality and women's participation



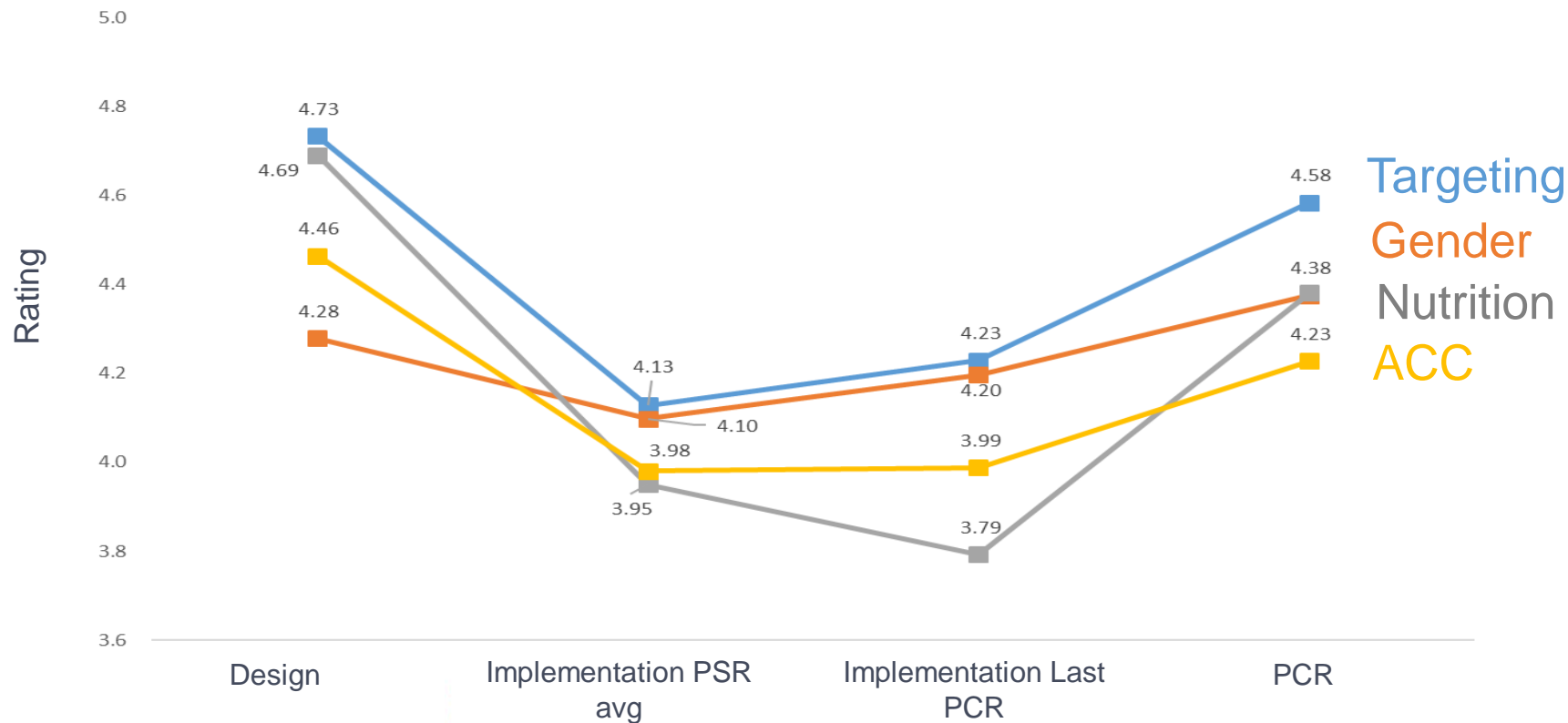
Nutrition



Mainstreaming theme performance

Performance varying over the project life cycle

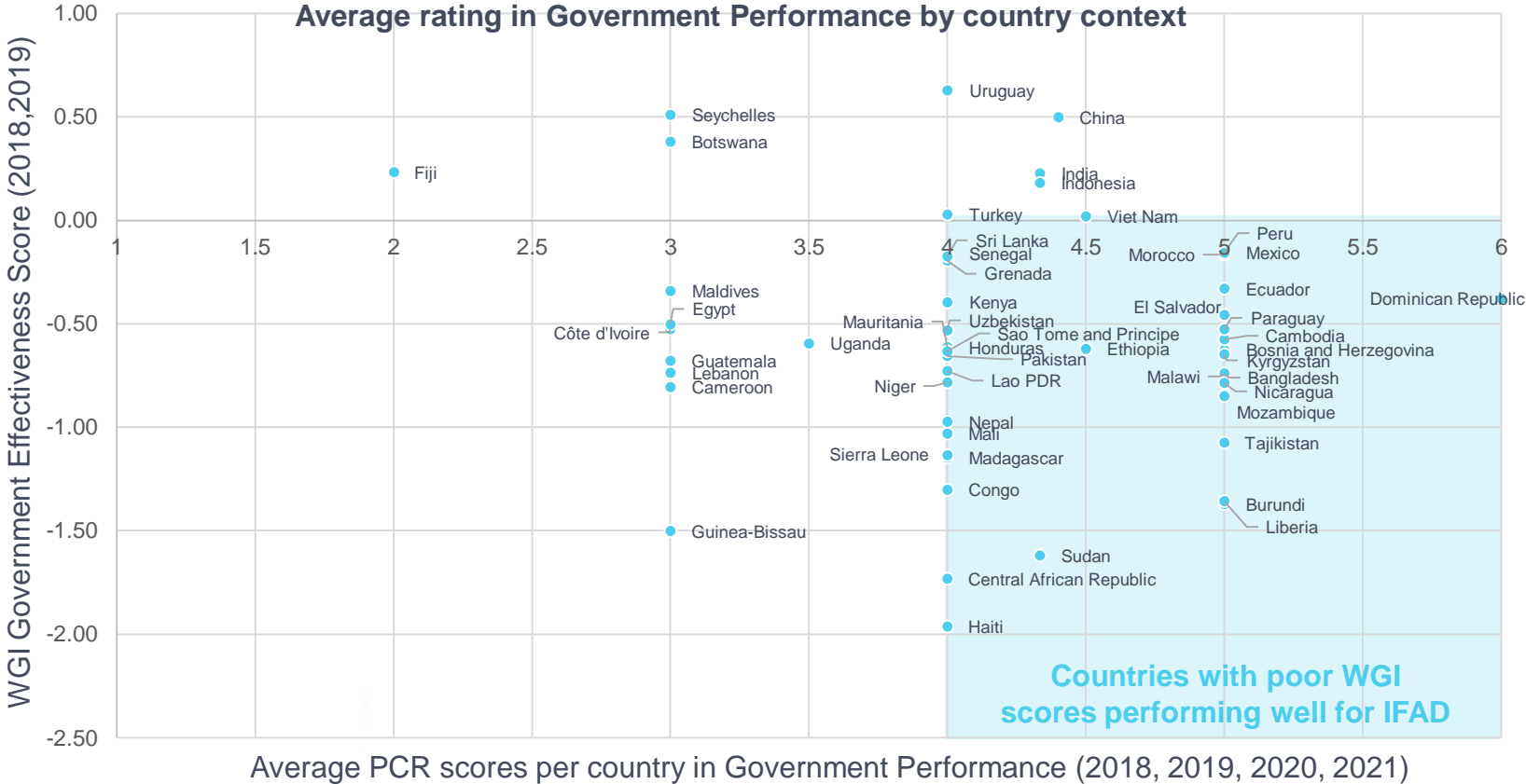
Mainstreaming



Government Performance

WBI indicators of gov per weakly correlated to IFAD government effectiveness scores

Government Performance



Government Performance

Qualitative Analysis on Gov. Effectiveness in PCR Ratings

Government
Performance

High scores in
Government
effectiveness if



Government has provided technical assistance to project implementation

Government funding has been forthcoming and timely

Low scores in
Government
effectiveness if



Govt funds have not been released on time

Non-competitive remunerations that led PD to manage multiple projects and high turnover

Slow ratifications and inefficiency by the implementing agency

Changes at political level

Sources: Common themes of PCRs from 2018, 2019, 2020 for poor performers (2 or 3) and strong performers (5 and 6s).

Going Forward...

Continue to build strong performance despite constraints and challenges, by **focusing on proactive decision making** and encouraging the use of **evidence for learning**

Tackling reoccurring challenges such as sustainability, efficiency, scaling-up, and M&E through new **tools and strategies, guidance for governments** and **use of grants** for increased engagements

Improving data use guided by an update of the DEF, through (i) **results focus at designs**, (ii) building **country approaches**, and (iii) working to ensure **ownership, alignment and transparency**





Thank you!



Annex I - Tier II: Development Results

Overview

2020 IFAD Project Outreach Results:

❖ Over 128 million people reached

❖ 49% female, 22% youth, and 34% indigenous

Strategic Objective 1




Increase rural people's productive capacities

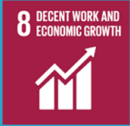



Strategic Objective 2



Increase poor rural people's benefit from market participation

Strategic Objective 3

Strengthen env. sustainability & climate resilience of people's economic activities

IFAD11 Target	Outputs	SDG Target
23 mil. people	23.4 million people with access to financial services	 2.3
70,000 ha	560,000 ha of farmland with water-related infrastructure constructed or rehabilitated	 2.3
50,000 people	73,000 people's ownership over natural resources registered in national cadasters and/or geographic information management systems	 1.4

IFAD11 Target	Outputs	SDG Target
100,000 rural enterprises	530,000 rural enterprises accessing business development services	 8.2
3.2 mil. people	3.7 million people trained in income-generating activities or business management	  4.4 & 2.3
1.2 mil. members	1.5 million members of rural producers' organizations supported	 2.3

IFAD11 Target	Outputs	SDG Target
1.5 mil. ha	1.7 million ha of land brought under climate resilient practices	 2.4
120,000 people	148,000 people with access to technologies that sequester carbon or reduce GHG emissions	 7.1

Annex II - Quality at entry

Percentage of projects rated moderately satisfactory of above at entry



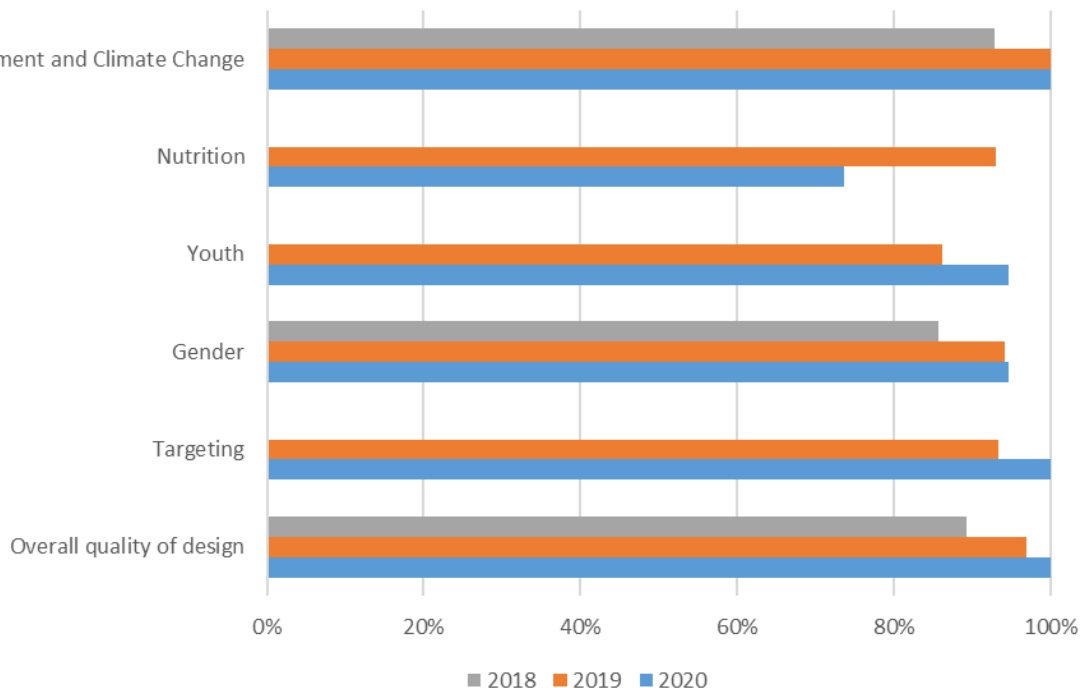
IFAD surpassing objective on overall quality of design at entry (90% target); improving over time



Doing well on many other themes, with all projects 4+ on environment and climate change, targeting and overall quality of design in 2020

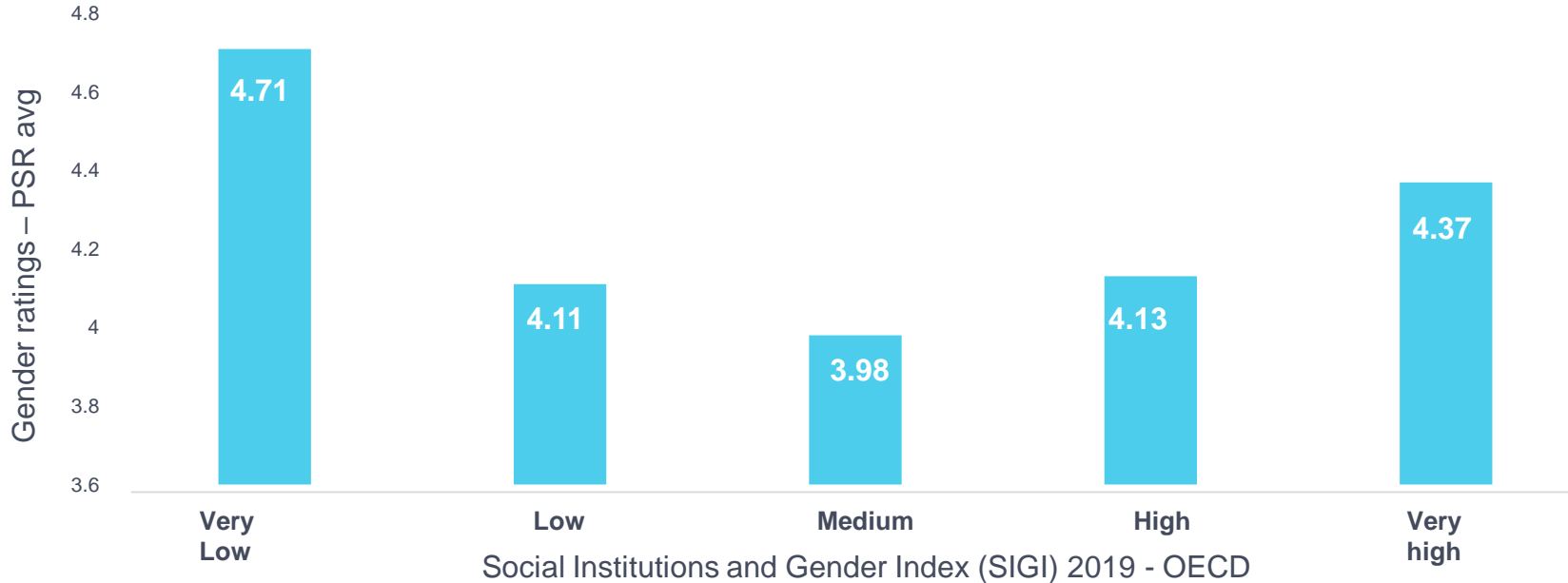


Areas for improvement include greater customization to country context, better institutional analysis at design, exit strategies



Annex III - Mainstreaming (Gender)

Gender performance on IFAD's projects vs Gender Inequality



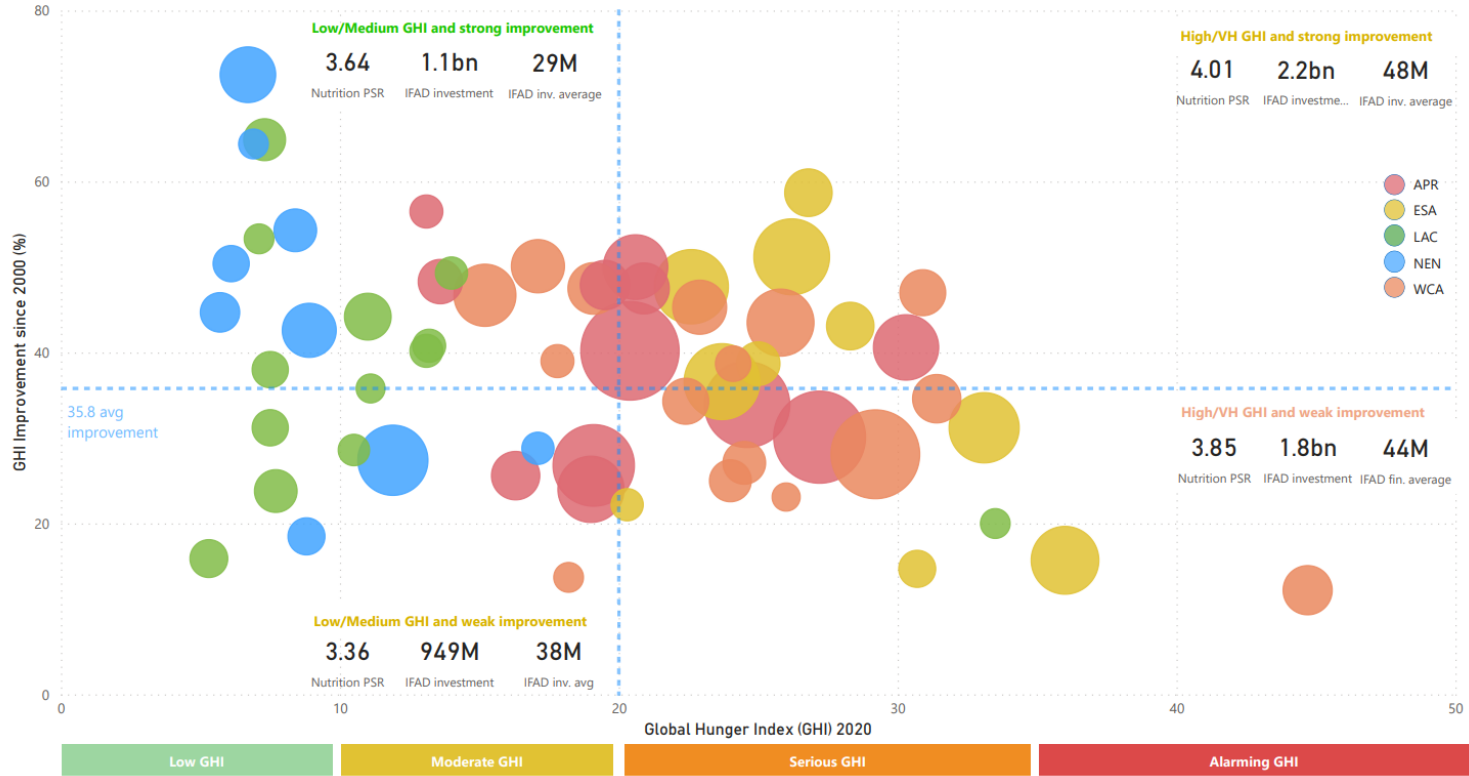
IFAD's performance is strong even in challenging contexts, where gender inequality is very high

The dip in the middle of the graph suggests that in moderately unequal countries, there may be less attention on gender issues

Annex III - Mainstreaming (Nutrition)

IFAD is investing heavily in countries where global hunger is high and persistent

IFAD' Investments by Global Hunger Index (GHI) score – Ongoing portfolio Q1 2021

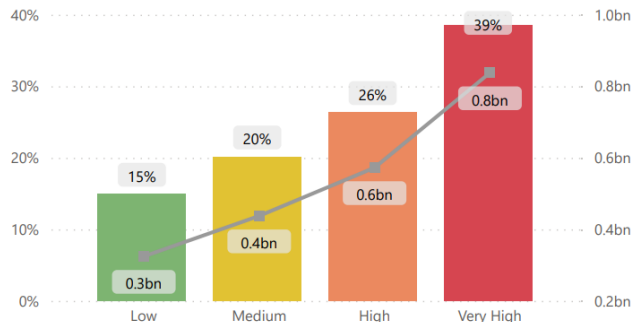


Annex III - Mainstreaming (Climate Change)

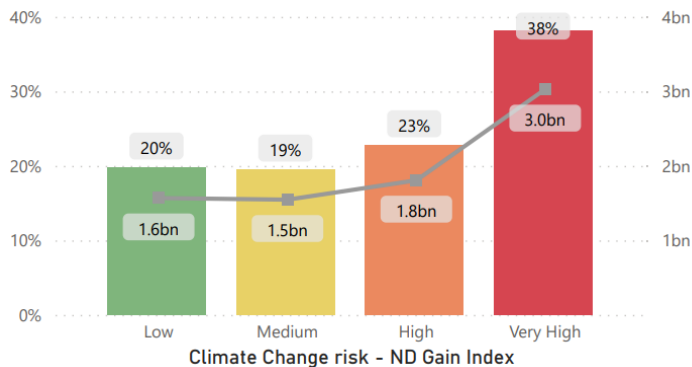
IFAD invests climate finance in countries with high climate risks

Mainstreaming

Approvals 2019-2021 by Climate Change risks



Ongoing portfolio by Climate Change risks



And performance is steady despite climate risks

Performance in Adaptation to Climate Change (PSR) by Climate Change risks (ND Gain Index)

