Country Strategy and Programme Evaluation (CSPE) China

5 September 2023
Objectives

• To assess the results and performance of the IFAD strategy; understand the factors that contributed to the outcomes.

• To identify practices and lessons that could be shared beyond the China Programme.

• To generate findings and recommendations to inform the future partnership between IFAD and the Government of China.

Scope

• IFAD-supported projects and activities in China since 2014 (loans, grants, non-lending activities)

• Focus on country strategic and programme level
Desk review, portfolio data analysis (June 2022)

E-survey to stakeholders (July/August 2022)
- 70 responses, 46 per cent response rate
- Includes 12 provincial government, 6 central government

Interviews (remote) (August 2022)
- Implementing partners: 7 provinces and 6 counties
- Cooperating partners, consultants etc.

Wrap-up meeting hosted by MoF (September 2023)
- 7 provinces participated

Final CSPE workshop in Beijing (June 2023)
- Field visits, bilateral consultations
- Workshop hosted in collaboration with MoF
- 13 provinces participated
General Financing Trends

IFAD vs Domestic Financing
(Projects in chronological order)
IFAD’s support to China’s efforts on poverty reduction was relevant and has yielded positive results.

IFAD programme focussed on improving the position of the rural poor in value chains.

IFAD has missed the opportunity to align with China’s new environmental agenda, through dedicated climate smart agriculture activities.

IFAD has yet to position itself more clearly on key themes that will remain relevant in China: Environment, natural resource management; climate change adaptation and mitigation; South-South Cooperation.
ENDGOAL: REDUCE RURAL POVERTY AND ENABLE SMALLHOLDERS IN POOR PRIORITY AREAS TO BENEFIT FROM THE RURAL TRANSFORMATION PROCESS

Increase smallholders’ capacity and opportunities to access markets (SO1)

Agricultural productivity enhancement
Higher value crops production

1.A Inclusive and safe value chain development
1.B Inclusive cooperatives
1.C Inclusive financial services

Agribusiness development

Off-farm livelihoods
Inclusive private sector investment models

Strengthen environmental sustainability and climate resilience (SO2)

Climate-smart agriculture

2.A Sustainable land management at household and landscape level, and agrobiodiversity conservation
2.B Mainstreamed environmental and climate resilience
2.C Renewable energy & labour saving technologies.

COSOP achievements

Satisfactory achievements

Moderate achievements

Few achievements
The portfolio was set in a context of overall rapid progress in poverty reduction

Improved crop and livestock productivity, value addition and off-farm income

Community-level organisations contributed to human and social capital

Combined support of infrastructure, technical assistance and marketing highly effective

Infrastructure and micro-credit activities particularly benefitted women

Involvement of women’s federations led to enhanced focus on business-minded women
Increased country presence has made IFAD more visible among the UN agencies in China.

Demand for knowledge is high; space for policy engagement and influence is limited.

Academic and research institutions acted as beneficiaries, undertaking relevant policy-oriented activities.

SSTC resources and partnerships insufficient to raise IFAD’s profile on SSTC in China.

Lack of clarity on link between SSTC and IFAD-supported programme in China.
Conclusions

IFAD has been able to meet government’s interest in inclusive rural value chains and climate-smart infrastructure.

Scaling up of experiences would have required more strategic partnerships.

The current COSOP, issued in 2016 and extended in 2021, has not been agile enough to adapt to the changing policy framework and socio-economic context.

Given the country’s growing interest and role in international development, IFAD could have defined the strategic dimension of SSTC for the evolving partnership with China more clearly.

Progress on project pipeline has been slow; transition to Borrowed Resource Access Mechanism (BRAM) needs to be managed within the current practice of on-lending to counties.

China will remain an important partner; IFAD will have to redefine and step up its role for a longer-term partnership at eye-level.
Recommendations

**Recommendation 1**: In preparation for the 2025 COSOP, position the China programme for strategic support to inclusive agricultural value chains through different modalities (lending, non-lending, SSTC).

**Recommendation 2**: The 2025 COSOP should clearly establish IFAD’s comparative advantage on environmental sustainability and climate change resilience, with focus on marginal areas and smallholders.

**Recommendation 3**: The 2025 COSOP should clarify how IFAD will expand the pool of strategic partners, with focus on innovation, scaling up and knowledge sharing in clearly identified thematic areas.

**Recommendation 4**: In preparation for the 2025 COSOP, develop a strategic vision and clarify the role for IFAD in China on SSTC.

**Recommendation 5**: Facilitate China’s access to IFAD’s borrowed resources (BRAM).

**COSOP (2025) focus**: (i) effective and sustainable rural institutions; (ii) global public goods; (iii) innovations.