

IOE



Investing in rural people

Independent Office of Evaluation

Evaluation
Committee

124th session



Sub-regional Evaluation on IFAD's Experience in the Dry Corridor of Central America

Key findings and recommendations

22 March 2024

The Dry Corridor of Central America



■ Dry Corridor of Central America

Definition as per FAO (Van der Zee et al., 2012-FAO), still widely used

Fuente: Basado en el Atlas centroamericano para la gestión sostenible del territorio

- ❑ Climatic variability of the Dry Corridor
- ❑ Migration and remittances
- ❑ Institutional fragility, limited fiscal decentralization
- ❑ Violence, illegal activities
- ❑ Important presence of international cooperation in the Dry Corridor but little coordination.
 - Specific strategy /programme for the Corridor: FAO and CABEI

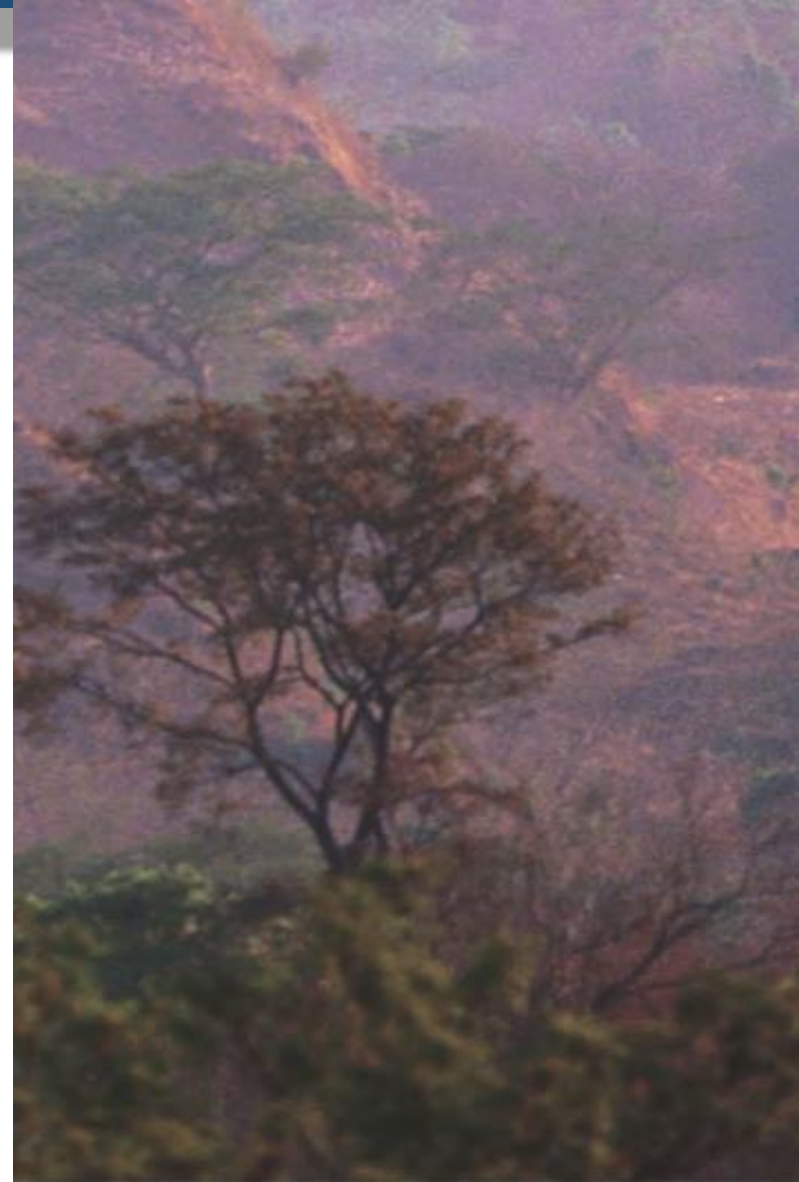
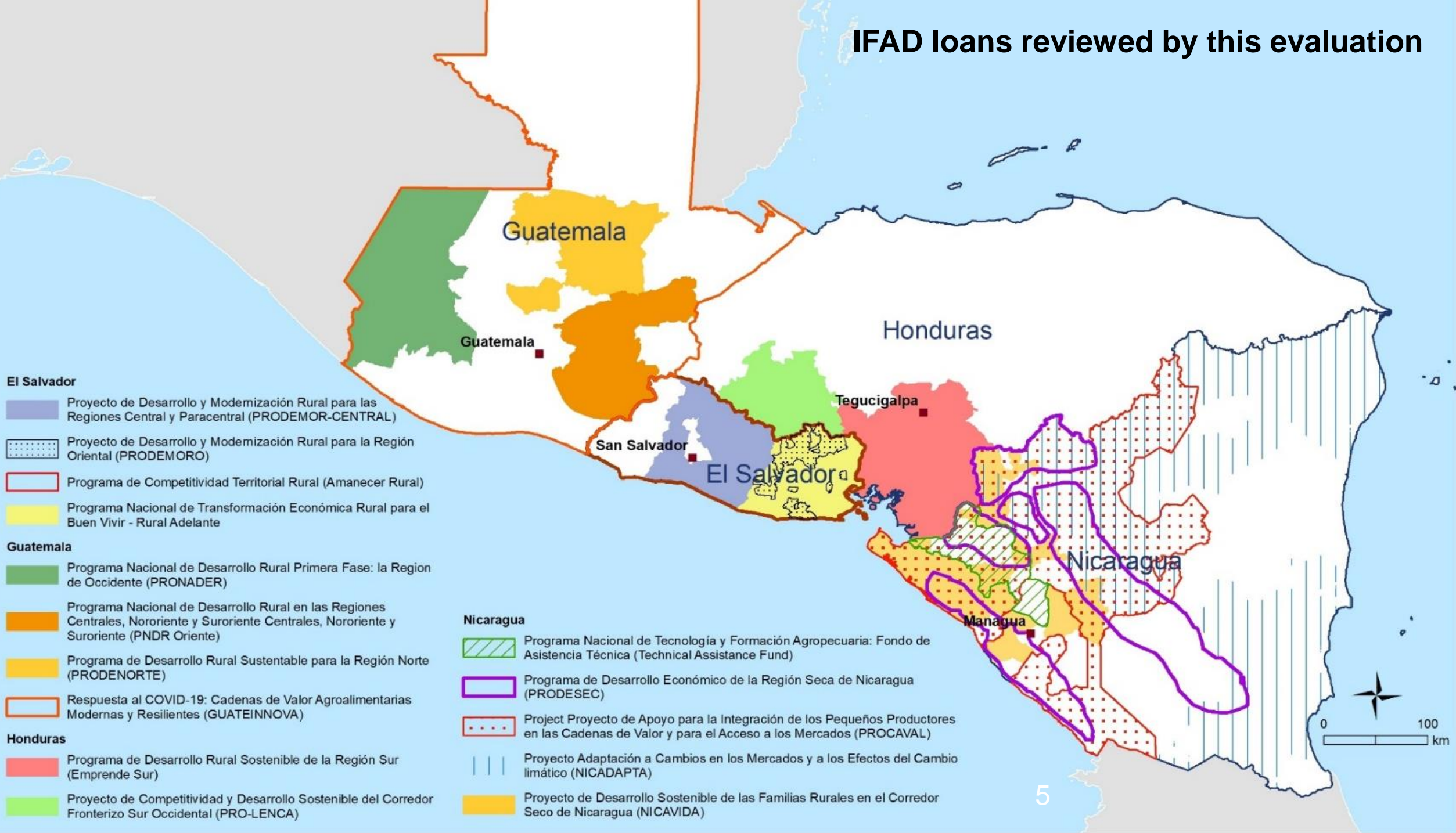


Photo Credit: JP Moreiras, CCAD 2012

- ❖ Evaluation time frame 2008-2023
- ❖ Subregional strategic scope, four countries: El Salvador, Guatemala, Honduras and Nicaragua
- ❖ Reconstructed theory of change
- ❖ COSOPs, 15 loans, 14 grants and other selected initiatives (e.g., *Remittance Facility*, *International Land Coalition*, *Indigenous People Assistance Facility*)
- ❖ Desk reviews
- ❖ Remote and hybrid interviews
- ❖ Missions to the four countries
- ❖ GIS data analysis (geo-referenced municipal statistics, satellite images)

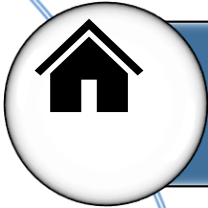


IFAD loans reviewed by this evaluation

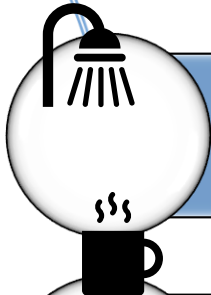


- ❑ No specific IFAD ‘strategic guidance’ for the Dry Corridor
- ❑ COSOPs and projects **increasingly reflect national NRM / CCA policies**. Socio-economic and institutional challenges in the Dry Corridor **acknowledged but not central**
- ❑ **Missing a ‘territorial approach’** integrating interventions and local institutions. Risk of dispersing ‘conventional’ activities
 - Emerging: municipal level plans (El Salvador – climate adaptation; Nicaragua - basic infrastructure)
- ❑ Supported **sub-regional policies** (through grants); limited **country** policy engagement
- ❑ **Knowledge management:**
 - Little capitalization of IFAD’s experiences in LAC (e.g., Bolivia, Brazil, Colombia, Peru)
 - Little synergy of grants and loans (e.g., family farming climate adaptation, youth, digital enterprise service, weather-indexed insurance) → constraining innovation

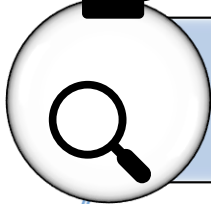
Outreach and Results



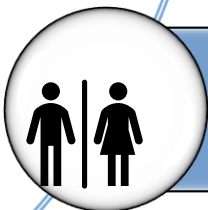
High coverage of municipalities in Dry Corridor (from 43% in Honduras to 100% in El Salvador) and significant average investment per direct end-user: (US\$ 410-940).



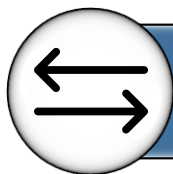
Small but effective investments in **basic infrastructure** (water tanks, potable water, feeder roads, bridges), reducing children's and women's drudgery and gastrointestinal disease



In 1/3 of projects attention to **value chain of products adapted to dry conditions** (e.g., coffee, cashew, honey, cattle) → scattered evidence on HH incomes but recorded cases of +10% to +74%; key factor was access to international markets (e.g. organic coffee / cacao)



Social and economic inclusion **more evident for women** but uneven for indigenous people, youth



Youth: migration but also structural changes and 'tertiarization' in rural areas still to be fully integrated in design

- ❑ **Grassroots associations** have improved organizational capacity. But proliferation of training activities without clear strategy and weak quality control of **service providers**
- ❑ **Wide range** of project sub-components on natural resource manage and climate adaptation:
 - Varietal selection for dry climate resistance
 - Crop / livestock management
 - Reforestation / agroforestry
 - Water harvesting / conservation, greenhouses
 - Agrometeorology
- ❑ **But fragmented**, small-size interventions

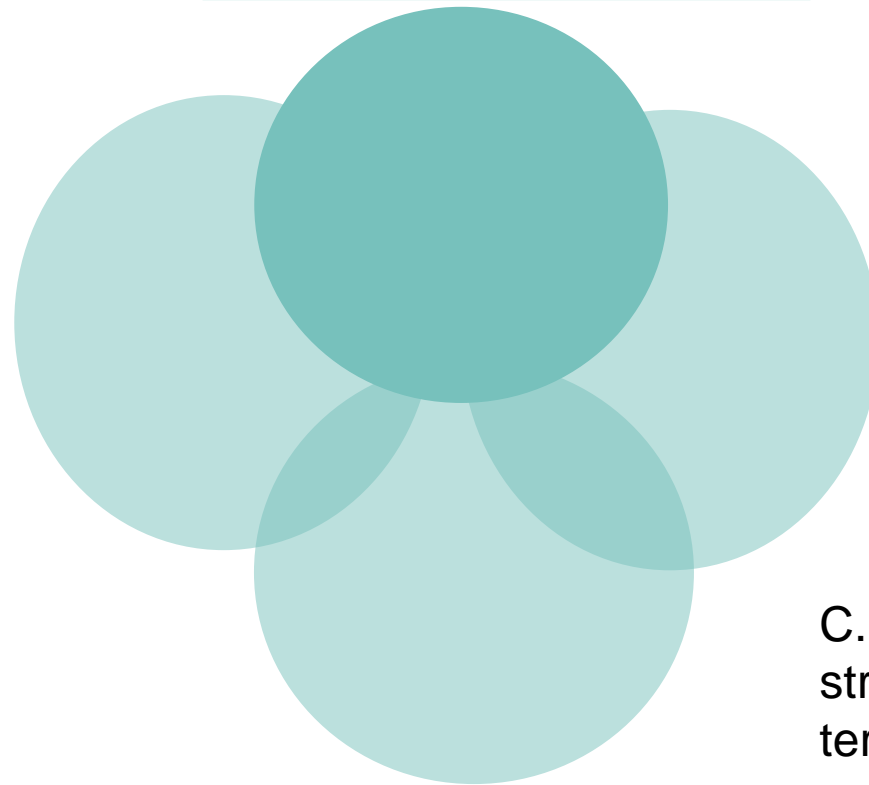


Conclusions

A. IFAD-funded operations achieved high coverage of municipalities in the Dry Corridor, with attention to local organizations and grassroots needs.

B. Some interventions supported socioeconomic transformation of rural areas of the Corridor (business development, strengthening of value chains)

D. High donor presence in Dry Corridor. IFAD and gov. need to demonstrate value added and specialization



C. Missing subregional strategic guidance and a territorial approach

1

Prepare strategic subregional guidelines (can be an 'internal' document), with specific attention to the Dry Corridor and its multiple challenges.

2

Promote integrative territorial development approaches putting at the centre multi-functional family farming and resilient territorial development, local governance

3

Sharpen the instruments for targeting project users, with attention to the territories

4

Support innovative approaches in the Dry Corridor by leveraging IFAD's experience in Central America and other subregions of LAC

5

Reaffirm IFAD's leadership in a subregion with high donor presence by supporting S-S cooperation and helping governments revisit and renew policy instruments