



Report on IFAD's Development Effectiveness

2024

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*Tanzania - Reversing Land Degradation trends and increasing Food Security
in degraded ecosystems of semi-arid areas of Tanzania (LDFS) – July 2023*

Key messages

- On track
- Off track

The 2024 RIDE presents IFAD's performance in 2023 as a **preliminary indication of progress** in the IFAD12 period



● Areas of strong performance

- High **quality of design** and focus on mainstreaming themes
- Performance at completion on **climate change adaptation, ENRM, IFAD and Government**
- **Disbursement ratio**
- **Cofinancing ratio**
- **Proactivity** in portfolio management

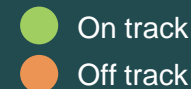
● Areas of weaker performance (with corrective action in course)

- **Overall implementation progress** of ongoing portfolio
- Performance at completion on **efficiency, sustainability, scaling and gender**
- Projects designed to **build adaptive capacity**
- **Average time to fill vacancies**
- **Timeliness** of project completion reports

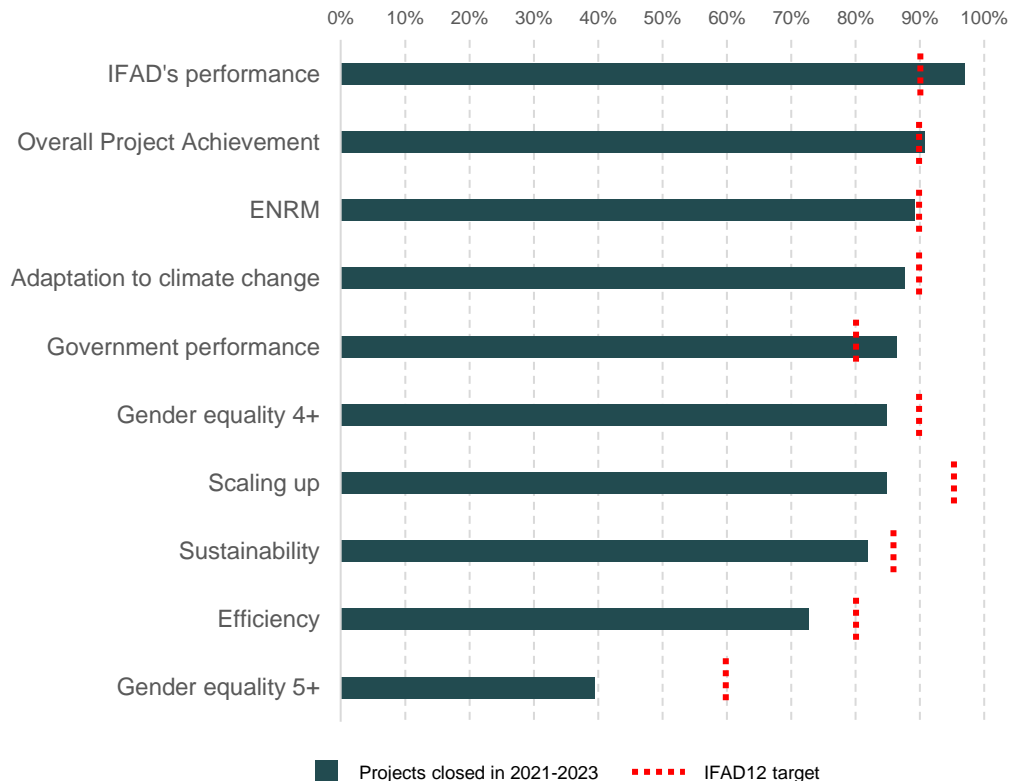


As IFAD increasingly engages in countries with fragile situations, reaching targets related to outreach, outcomes and development results - which are not entirely under IFAD's control - has become harder

Project-level development outcomes at completion



Projects with moderately satisfactory ratings at completion



Completed projects surpassed targets for **Government performance** and **IFAD performance**....

...and remained on track with **overall project achievement**, **ENRM** and **adaptation to climate change**.

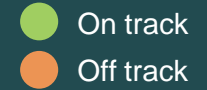
Completed projects missed targets on **gender**, **sustainability**, **scaling** and **efficiency** – but corrective action is ongoing



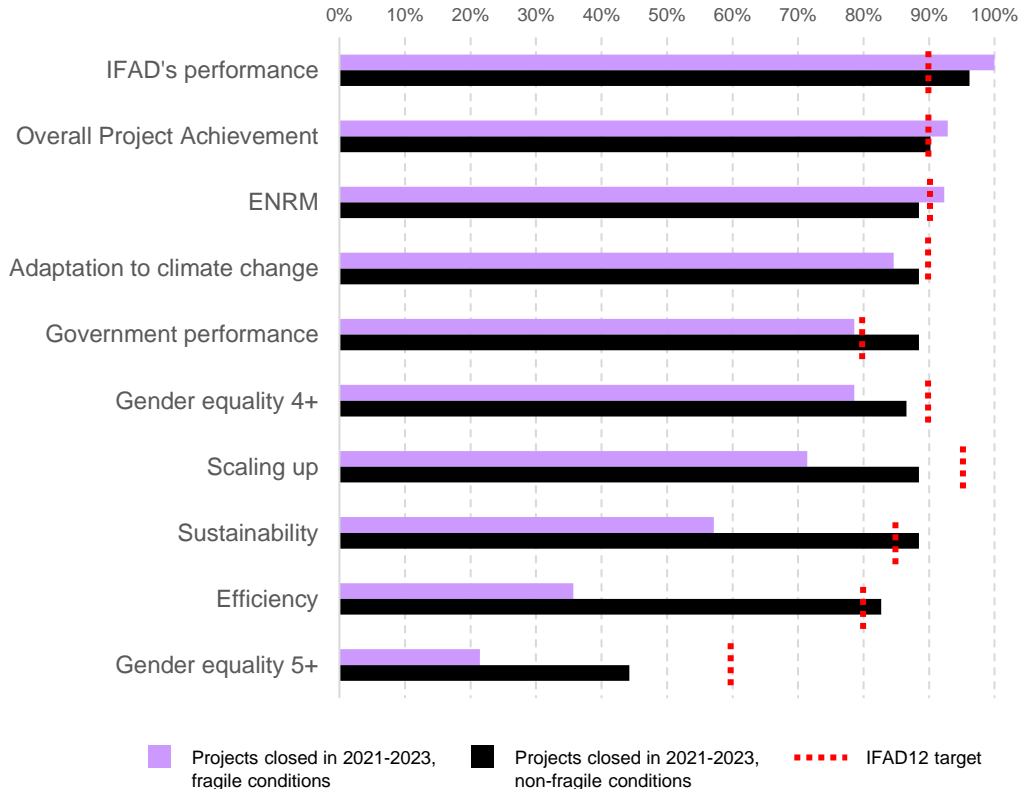
Corrective action in progress:

- Stronger requirements on exit strategies + stronger pre-completion processes and handover mechanisms
- Updated operational framework for scaling
- Building PMU capacity through dedicated grants
- Start up toolbox + more realistic project duration
- OPEN system + financial management reforms + support to PMUs in aligning AWPB with procurement plan and logical framework
- More gender transformative projects + updated gender action plan under IFAD13 + inclusion of gender expertise at pivotal points of project cycle **but** government buy-in needed

Project-level development outcomes at completion: countries with fragile situations



Projects with moderately satisfactory ratings at completion, fragile and non-fragile situations



● **IFAD's performance, ENRM and overall project achievement** performed better in fragile contexts, reflecting additional implementation support and effort by IFAD

● **All other criteria** scored lower in fragile contexts, with the biggest gap observed in efficiency, **as expected according to IFAD business model**



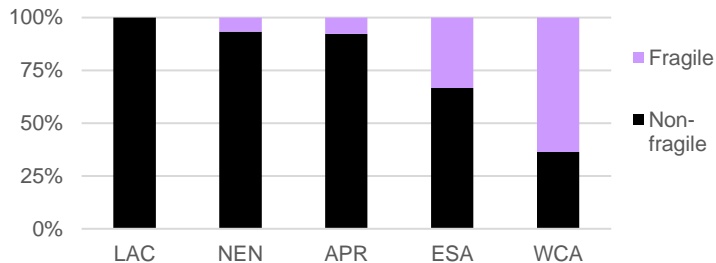
Corrective action in progress:

- Four principles of engagement in fragile contexts:
 - build long-term resilience
 - focus on prevention
 - do no harm
 - stay engaged during crises and emergencies
- New fragility unit under IFAD13 will provide support to operational delivery, policy and coordination, developing tools to improve the fragility-sensitive skills of staff and cultivating strategic partnerships.
- Country teams will need to balance design simplicity with the need to include mainstreaming themes

Project-level development outcomes at completion: regional breakdown

Overall ratings are affected by WCA and ESA, which host 12 out of the 14 of projects classified in countries with fragile situation in the sample...

Projects in fragile and non-fragile situations, by region, 2021-2023 sample

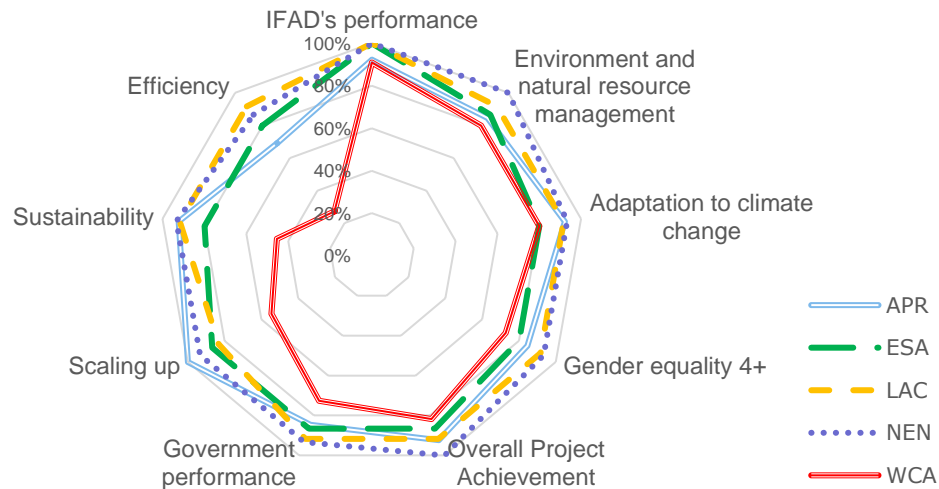


...yet the impact of fragility drivers is wider than we see in the official classification, affecting other regions.



IFAD's 2023 AI-powered analysis revealed that **83% of IFAD's portfolio consists of projects in situations of fragility**, based on a composite definition of fragility conditions as described in project design reports.

Outside WCA, targets were mostly met or on track with the exception of the aspirational target on gender 5+.



Additional considerations:

- **WCA** project teams revamped quality assurance, reducing disconnect with IOE but also driving down ratings
- **APR** project sample shows improved performance after years of lower ratings
- **LAC and NEN** project samples show good performance on most criteria

Outreach, outcomes and outputs

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



8130 km roads constructed

4 QUALITY
EDUCATION



3.7 million people trained in income-generating activities

1 NO
POVERTY



95.6 million people receiving project services

50,860 people with increased secure land access

8 DECENT WORK AND
ECONOMIC GROWTH



723,900 rural enterprises accessing business development services

194,710 jobs created

2 ZERO
HUNGER



57% women with minimum dietary diversity

3.3 million households supported on nutrition

10.8 million people accessing financial services

2.2 million ha. land brought under climate-resilient management

13,040 groups supported

1.8 million rural producers were members of rural producers' organizations

425,780 ha. of farmland under water-related infrastructure

2.4 million people trained in production practices

13 CLIMATE
ACTION



952,810 households adopting environmentally sustainable and climate-resilient technologies and practices

27.3 million tons of carbon dioxide equivalent sequestered/GHG emissions reduced

Transformational country programmes

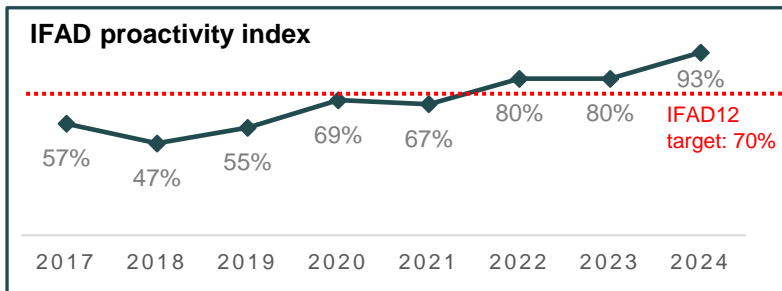
- On track
- Off track

Design quality

- 100% quality of project design
- 100% quality of grant-funded projects at design
- 100% appropriateness of targeting approaches

Portfolio management

- 16.7 disbursement ratio (above 15% target)
- 93% proactivity (above 70% target)



- 72% implementation progress (below 85% target **but** also affected by out-of-date disbursement benchmarks)



IFAD is updating its benchmarks to measure disbursement performance more accurately

Mainstreaming themes

- 53% projects are gender transformative at design (above 35% target)
- 37% PoLG is climate finance **but** projected to reach 50% by end of IFAD12 (on track to reach 40% target)
- 78% projects build adaptive capacity (below 90% target) **but** projected to reach 84% by end of IFAD12



Projects financed with supplementary funds also build adaptive capacity but are not counted

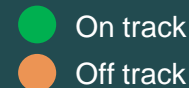
Country performance

- Strong performance in KM, relevance, effectiveness and partnership building
- Weaker performance on country-level policy engagement **but** with action ongoing

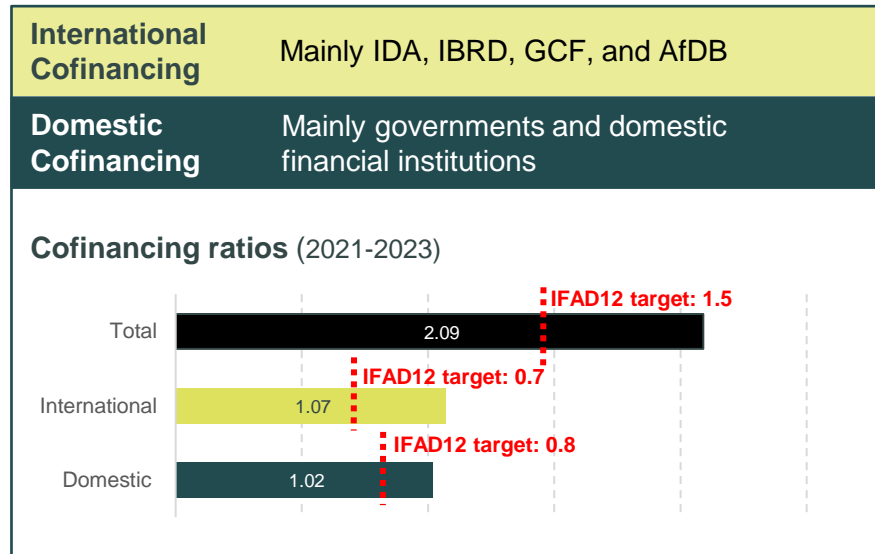


- 100% IFAD COSOPs include opportunities for SSTC
- Strengthened guidance on CLPE
- Increased leverage on decentralization
- Micro-grants re-introduced to enhance responsiveness

Transformational financial framework



● Co-financing performed above targets...



...yet IFAD remained conservative in raising IFAD13 targets given the global context affecting international cofinancing, and domestic cofinancing may decline as resources are increasingly allocated to fragile contexts

● Non-sovereign operations had a high leverage effect

9 NSOs financed under IFAD's Private Sector Financing Program

Leverage effect of 6
(surpassing target of 5)

US\$33.35 million IFAD financing expected to **mobilize additional** US\$256.0 million

830,500 direct project **beneficiaries**

Way forward



Private sector engagement is an IFAD13 priority area, to bolster enhanced rural livelihoods

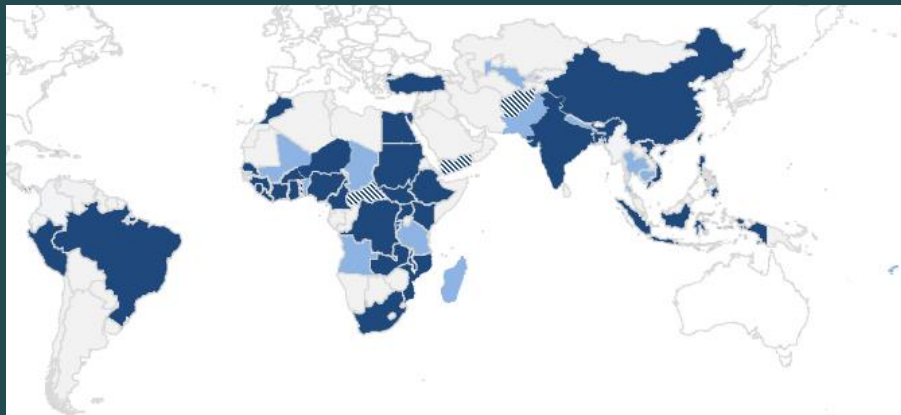
Transformational institutional change



Decentralization is key to deliver tailored solutions, implementation support, and greater **country-level policy engagement**

● **81%** ICO workforce considers IFAD staff and field offices adequately empowered (above 80% target)

● **46.7%** staff positions decentralized *surpassing 45% target*
44 ICOs operational *projected to grow to 47 by 2025*



D2.0 recalibration plan to fine-tune decentralization is ongoing

- Increase in **budget allocations** to country programme delivery
- Enhanced **communication plan** with staff and the Executive Board
- Intensified efforts on **staff well being** and **training**
- Promotion of **workplace culture initiatives**

Additional highlights on institutional performance:

- **44.9%** women in leadership position (above 40% target)
- Average time to fill vacant positions is **113 days** (missing the 90-day target) ***but*** improving as of late 2024
- **Efficiency ratios** partially off target ***but*** on track to improve with higher PoLG approval by end of 2024
- **71% PCR submitted on time** missing 85% target ***but*** on track to improve given country team proactivity

The way forward

1. **Apply lessons learned** from IFAD12, the 2023 MOPAN assessment, and independent evaluations in the **IFAD13 business model**.
 - working in fragile contexts
 - engaging private sector actors
 - fostering climate change adaptation
2. Use available grant resources to implement a coherent, demand-based **capacity building plan for PMU staff**
3. **Develop a center of expertise in IFAD through a dedicated fragility unit**, to enhance diagnostic and responsive tools, while increasing implementation support
4. Ensure all projects are linked to **country level policy objectives**
5. **Adopt a multiphase adaptive programme approach** to enhance **efficiency** and **sustainability** of benefits.
6. Intensify technical support on **mainstreaming themes** at design and during implementation
7. Enhance **portfolio management** by consolidating portfolios and reducing the number of operations

