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Investing in rural people

## Report on IFAD's Development Effectiveness

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Investing in rural people

## Report on IFAD's Development Effectiveness

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Executive Board — 113<sup>th</sup> Session  
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For: **Review**

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## Abbreviations and acronyms

|          |  |
|----------|--|
| APR      | Asia and the Pacific Division  |
| ASAP     | Adaptation for Smallholder Agriculture Programme                           |
| BOD      | Budget and Organizational Development Unit                                 |
| CALIP    | Climate Adaptation and Livelihood Protection Project                       |
| CCAFS    | Climate Change, Agriculture and Food Security                              |
| CFS      | Committee on World Food Security   |
| CGIAR    | Consultative Group of International Agricultural Research                  |
| COM      | Communications Division  |
| COSOP    | country strategic opportunities programme                                  |
| CPM      | country programme manager  |
| CPO      | country programme officer  |
| CPMT     | country programme management team  |
| CSSG     | Corporate Services Support Group   |
| DSF      | Debt Sustainability Framework  |
| ECD      | Environment and Climate Division   |
| EFA      | economic and financial analysis  |
| ETH      | Ethics Office  |
| FAO      | Food and Agriculture Organization of the United Nations                    |
| GEF      | Global Environment Facility  |
| GIS      | Geographic Information Systems   |
| HRD      | Human Resources Division   |
| IFPRI    | International Food Policy Research Institute                               |
| KfW      | KfW Development Bank   |
| IEE      | Independent External Evaluation of IFAD                                    |
| IFAD9    | Ninth Replenishment of IFAD's Resources                                    |
| IOE      | Independent Office of Evaluation of IFAD                                   |
| IPoA     | Istanbul Programme of Action   |
| IWD      | International Women's day  |
| LDC      | least developed countries  |
| MDG      | Millennium Development Goal  |
| M&E      | monitoring and evaluation  |
| MOPAN    | Multilateral Organisation Performance Assessment Network                   |
| ODA      | official development assistance  |
| OECD     | Organisation of Economic Co-operation and Development                      |
| PoLG     | programme of loans and grants  |
| PCR      | project completion report  |
| PMD      | Programme Management Department  |
| PRM      | Partnership and Resource Mobilization Office                               |
| PTA      | Policy and Technical Advisory Division                                     |
| QA       | quality assurance  |
| QE       | quality enhancement  |
| RBA      | United Nations Rome-based Agencies   |
| RB-COSOP | results-based country strategic opportunities paper                        |
| RIDE     | Report on IFAD's Development Effectiveness                                 |
| RIMS     | Results and Impact Management System                                       |
| RMF      | Results Measurement Framework  |
| SECAP    | Environmental and Climate Assessment Process                               |
| SIDS     | small island developing states   |
| SKD      | Strategy and Knowledge Department  |
| SSD      | Statistics and Studies Division  |
| UN-SWAP  | UN System-wide Action Plan on Gender Equality and the Empowerment of Women |
| WCA      | West and Central Africa Division   |
| WEAI     | Women's Empowerment in Agriculture Index                                   |
| WFP      | World Food Programme   |

## Summary and conclusions

1. This is the second Report on IFAD's Development Effectiveness (RIDE) in the Ninth Replenishment of IFAD's Resources (IFAD9) period (2013-2015). The RIDE's main purpose is to report on performance against indicators contained in the IFAD9 Results Measurement Framework (RMF) and the implementation of IFAD9 commitments.<sup>1</sup> In line with Executive Board requests to streamline performance reporting, the RIDE also reviews implementation progress relative to the IFAD Policy on Gender Equality and Women's Empowerment, the Adaptation for Smallholder Agriculture Programme (ASAP), the quality assurance of IFAD's projects and programmes, and the Istanbul Programme of Action for Least Developed Countries.
2. Significant commitments were undertaken for the IFAD9 period to strengthen and more clearly demonstrate the Fund's impact, especially in reducing poverty. Substantial progress has been made towards conducting the agreed 30 impact evaluations by 2015, and in enhancing the impact assessment component of IFAD's self-evaluation system. The in-depth understanding gained of the impact of IFAD-supported interventions on poor rural peoples' livelihoods will be invaluable to ensuring that IFAD is fit for purpose in the post-2015 era, where the *eradication* of poverty, hunger and malnutrition will be central goals, and knowledge of effective approaches to sustainable agriculture and rural development that benefit the poorest people will be critical to their achievement.
3. Drawing on established measures of outcome and impact achievement in the RMF, this year's RIDE shows that on the whole performance of IFAD-supported programmes is at its highest ever, and some 2015 targets have already been met. Notably, this is the case for indicators of rural poverty impact, sustainability, gender equality, replication and scaling up, environment and natural resource management, and efficiency. These results are very encouraging, given that improvements in these areas are essential to spurring vibrant and inclusive social and economic development in rural areas.
4. Although the 2015 target for project efficiency was surpassed this year, performance in this area needs to improve. Efforts in this direction are already under way, underpinned by implementation of the IFAD Consolidated Action Plan to Enhance Operational and Institutional Efficiency,<sup>2</sup> endorsed by the Executive Board in September 2013. Performance of projects in fragile states continues to be relatively weaker across-the-board, reconfirming the need for special attention to projects in these countries, which IFAD is pursuing, inter alia, through a programme with the Food and Agriculture Organization of the United Nations (FAO) that focuses on addressing implementation issues in poorly performing projects in such countries and contexts.
5. Total beneficiary outreach for projects under implementation in 2013 rose to about 98.6 million, from 78.7 million in 2012 (an increase of 25 per cent), exceeding the 2015 target of 90 million. The male:female ratio of beneficiaries is stable at 52:48, reflecting a high share of women beneficiaries. Similar to last year, rural finance projects – which are critical in fostering financial inclusion and strengthening beneficiaries' investment capacity – continue to have the highest outreach and share of women beneficiaries. Significant increases were also recorded for marketing- and microenterprise-related indicators, arising from the increased focus on linking smallholders to markets through value chain projects.

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<sup>1</sup> The IFAD9 Commitment Matrix and Results Measurement Framework 2013-2015 are presented in annexes I and II respectively of the Report of the Consultation on the Ninth Replenishment of IFAD's Resources (GC 35/L.4), approved at the thirty-fifth session of the Governing Council in February 2012.

<sup>2</sup> Document EB 2013/109/R.12.

6. IFAD's performance as a partner at the country level improved (generally corroborated by client survey results), reflecting the impact of reforms such as direct supervision and decentralization introduced in recent years, which are helping IFAD engage in partnership-building and policy dialogue activities at national level more systematically. The overall quality of project design continues to be strong; ratings for projects in fragile states and all other dimensions assessed have improved; 2015 targets for monitoring and evaluation (M&E) and scaling up have been exceeded. This year's results with respect to portfolio management are somewhat mixed. Time from project approval to first disbursement is stable, while performance relative to disbursement and withdrawal application processing time has slid from last year, largely due to the transition to the new Loans and Grants System (Flexcube) in October 2013, which gave rise to temporary delays. Remedial actions are being taken and improved performance is expected next year. On the other hand, project time overrun has been reduced to well below the 2015 target, reflecting IFAD Management's more rigorous approach to project extensions. Project M&E-related indicators also show good progress, especially with regard to the conduct of baseline surveys; improvements in this area owe a lot to the impetus generated by the major focus on impact evaluation in IFAD9.
7. Pledges towards IFAD9 stand at a record high in absolute terms (US\$1.42 billion) and relative to the target of US\$1.5 billion (95 per cent). These figures include pledges of US\$353 million for the ASAP, making it the largest global climate change adaptation programme for smallholder farmers. The cofinancing ratio stands at 1.22, down from last year, but by and large in line with long-term trends. Recognizing the value of cofinancing, particularly its contribution to scaling up, resource mobilization efforts have been significantly stepped up; however, meeting the 2015 target will be challenging. While not representing cofinancing per se, the recent approval by the Executive Board of the framework agreement with KfW Development Bank is an important advance in IFAD's resource mobilization efforts.
8. A number of important human resources initiatives were implemented this year; the reward and recognition framework (an IFAD9 commitment) is the most notable one; akin to a pay-for-performance system, it represents an innovative model within the United Nations system. The share of planned positions in IFAD country offices continues to rise reflecting IFAD's push for decentralization. Recent efforts to enhance geographic and gender balance are bearing fruit: women make up 33 per cent of the Senior Management team (half of the Associate Vice-Presidents are now women); and half of the Senior Management team are from List B or C Member States. In line with IFAD9 commitments, efforts have been made to achieve cost-savings in various areas, and new efficiency indicators for key business processes were developed to facilitate the identification of future opportunities for streamlining. While results for some efficiency indicators are by and large unchanged from last year (in part due to upfront expenditures related to the Consolidated Action Plan), the ratio of IFAD's administrative budget to the planned programme of loans and grants for 2015 shows notable improvement.

# Report on IFAD's Development Effectiveness

## I. Introduction

1. The Report on IFAD's Development Effectiveness (RIDE) is the principal mechanism for communicating the Fund's performance on the Results Measurement Framework (RMF) 2013-2015 and the Commitment Matrix of the Ninth Replenishment of IFAD's Resources (IFAD9) to its governing bodies. Progress towards meeting RMF targets is reported in sections II-VI below, and the status of IFAD9 commitments is summarized in annex I. In line with Executive Board requests to streamline performance reporting, the following four reports are included as annexes II-V respectively: Annual Report on IFAD Policy on Gender Equality and Women's Empowerment; Implementation of the Istanbul Programme of Action for Least Developed Countries; Annual Report on Quality Assurance of IFAD's Projects and Programmes; and Progress Report on the Adaptation for Smallholder Agriculture Programme.<sup>3</sup>
2. The RMF is organized in five levels. Each level assesses a different dimension of performance:
  - **Level 1** tracks global progress in meeting the first Millennium Development Goal (MDG 1) targets for reducing poverty and hunger, together with official development assistance (ODA) to, and public investment and productivity in, the agriculture sector (annexes I and II);
  - **Level 2 indicators**, discussed in section III, address the performance of IFAD-supported projects at completion. These are considered relatively strong indicators of impact on poverty and food insecurity. Responsibility for results achieved is shared by client governments, other partners accountable for project implementation and IFAD. These assessments are based on project completion reports (PCRs) prepared by client governments, to which ratings are assigned through an internal IFAD review process. Since 2011, PCR ratings have been validated by the Independent Office of Evaluation of IFAD (IOE). The difference between IFAD and IOE ratings (also known as the "disconnect") is relatively small, especially for the critical measure of "rural poverty impact";
  - **Level 3 indicators**, discussed in section IV, measure the number of beneficiaries reached and the outputs delivered through active projects. Responsibility for performance in this area is shared with client governments and other implementing partners, and is reported directly by the projects through IFAD's Results and Impact Management System (RIMS). Since outputs vary according to the type of project, most indicators are tracked rather than targeted. A key exception is the number of people reached; and
  - **Level 4 and 5 indicators**, discussed in sections V and VI, involve variables that are more under the control of IFAD itself and more directly express its management performance. They are about what IFAD does to maximize programme outcomes and impact and raise its value for money, in terms not only of results but also of cost, timeliness and use of human resources. Several indicators are reported by external parties or at arm's length, for example by the Quality Assurance Group for project quality at entry, and through client surveys for country programme performance.

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<sup>3</sup> Principal authors of the annexes are: Jin Chung Kim, Partnership Officer, PRM (annex I); Clare Bishop-Sambrook, Lead Technical Specialist (Gender and Social Inclusion), PTA (annex II); Constanza Di Nucci, Researcher, SSD (annex III); Kristofer Hamel, Programme Officer, QAG (annex IV); and Gernot Laganda, Officer-in-Charge, ECD (annex V).

## II. Global trends in poverty, hunger and agriculture

3. Table 1 gives an account of global progress against level 1 indicators in the RMF 2013-2015. With China leading the way, the first Millennium Development Goal (MDG1) target of halving the proportion of extremely poor people was reached five years ahead of the 2015 deadline. Despite overall progress, an unacceptably high number of people (an estimated 1.2 billion) still experience extreme income poverty, and in a number of countries the average incomes of the poor have been stagnant for decades. The majority of extreme poor (three out of four) live in rural areas and earn a living from agriculture; they inhabit some of the most marginal landscapes and are disproportionately vulnerable to the adverse effects of climate change. The highest poverty rates are found in small, fragile and conflict-affected countries, where improving peoples' lives is extremely difficult. Although the poverty ratio in sub-Saharan Africa has improved recently, it is the only region where the number of extremely poor people has increased steadily, from 290 million in 1990 to 414 million in 2010.

Table 1

**Level 1 RMF 2013-2015: Global trends in poverty, hunger and agriculture**

| <i>Indicators</i>   | <i>Baseline<br/>(year)</i> | <i>Results<br/>(year)</i> | <i>Target<br/>(year)</i> |
|---|----------------------------|---------------------------|--------------------------|
| <b>1.1 Global poverty and nutrition outcomes</b>  |                            |                           |                          |
| 1.1.1 MDG 1: Population living on less than US\$1.25 a day <sup>a</sup>   | 46.7%<br>(1990)            | 22%<br>(2010)             | 23.4%<br>(2015)          |
| 1.1.2 MDG 1: Prevalence of undernourishment in population <sup>b</sup>  | 23.6%<br>(1990-92)         | 13.5%<br>(2012-14)        | 11.6%<br>(2015)          |
| 1.1.3 MDG 1: Children under 5 who are underweight <sup>a</sup>  | 25%<br>(1990)              | 15%<br>(2012)             | Tracked                  |
| <b>1.2 Global agricultural development and investment outcomes</b>  |                            |                           |                          |
| 1.2.1 Crop production index (2004-2006 = 100) <sup>c</sup>  | 105.1<br>(2007)            | 118.2<br>(2012)           | Tracked                  |
| 1.2.2 Agricultural value added (annual percentage growth) <sup>c</sup>  | 3.3<br>(2007)              | 4.0<br>(2013)             | Tracked                  |
| 1.2.3 Level of official development assistance to agriculture <sup>d</sup>  | US\$5.5bn<br>(2006)        | US\$11.5bn<br>(2012)      | Tracked                  |
| 1.2.4 Proportion of countries complying with the Maputo Declaration commitment of 10 per cent of total public expenditure on agriculture <sup>e</sup> | 19%<br>(2005)              | 24%<br>(2003-10)          | Tracked                  |

<sup>a</sup> United Nations, The Millennium Development Goals Report 2014.

<sup>b</sup> Food and Agriculture Organization of the United Nations, The State of Food Insecurity in the World 2014.

<sup>c</sup> World Bank, World Development Indicators. Crop production index reported for the world. Agricultural value added reported for low- and middle-income countries.

<sup>d</sup> Organisation for Economic Co-operation and Development, StatExtracts (ODA commitments in US\$ constant 2012 prices; for the agriculture, forestry, fishing sector; by bilateral and multilateral donors).

<sup>e</sup> Regional Statistical Analysis and Knowledge Support System

[http://www.resakss.org/sites/default/files/pdfs/ReSAKSS\\_AgExp\\_2013\\_website.pdf](http://www.resakss.org/sites/default/files/pdfs/ReSAKSS_AgExp_2013_website.pdf).

4. Substantial progress has been made in reducing the prevalence of hunger in developing countries to 13.5 per cent in 2012-2014 (equivalent to 791 million people), compared to 23.6 per cent in the early 1990s. Sixty-three developing countries have already reached the MDG target of halving the prevalence of undernourishment. Progress across regions remains uneven: sub-Saharan Africa has the highest prevalence of any region in the world. In 2012, an estimated 99 million children under 5 years of age in the world were underweight. This represented 15 per cent of all children under 5. Since 1990, Eastern Asia has experienced the largest relative decrease, followed by Caucasus and Central Asia, Latin America and the Caribbean and Western Asia. The highest prevalence is found in Southern Asia, while this region has also experienced the largest absolute decrease since 1990. Sub-Saharan Africa is the only region where the number of undernourished children increased, from 27 million in 1990 to 32 million in 2012.



5. Agricultural growth in low- and middle-income countries has been steady over the last few years with an annual growth of 4 per cent in agricultural value added. The crop production index for these countries stands at 125 compared to a worldwide figure of 118. According to the OECD-FAO Agricultural Outlook 2014-2023, developing countries will remain the epicentre of most agricultural production growth, accounting for more than 75 per cent of additional agricultural output over the next decade. Expected growth rates are also promising for crop production, yet lower than those projected for livestock and biofuel production.
6. Following several years of decline, in recent years official development assistance (ODA) to agriculture increased steadily and significantly in absolute terms (from US\$5.5 billion in 2006 to US\$11.5 billion in 2012), as well as in share of total sector allocable ODA (from 6 per cent to 8.2 per cent over the same period). Since 2003, when the Maputo Declaration on Agriculture and Food Security in Africa was adopted, public agriculture expenditure in Africa as a whole has increased, but at a slower pace than the growth in total expenditures. By 2010, 13 out of 54 African countries (24 per cent) had surpassed the target of allocating 10 per cent of national budgets to the agricultural sector.

### **III. IFAD's contribution to development outcomes and impact**

7. Table 2 summarizes progress against level 2 indicators in the RMF 2013-2015. Data are presented according to project completion date, and grouped into three-year cohorts, providing a firmer basis for assessing performance and trends.<sup>4</sup> The number of projects per cohort is as follows: 2005-2007 (58), 2008-2010 (66), 2011-2013 (59), equivalent to a total 183 projects. Importantly, all were designed or approved prior to the introduction of key business model reforms launched in 2006 following the 2005 Independent External Evaluation of IFAD (IEE).
8. Overall, results for projects completed in 2011-2013 (column D) stand at their highest ever, and in many cases 2015 targets (column E) have almost, or already been reached. These results represent improvements ranging from about 33 per cent to more than 100 per cent over the 2005 IEE.
9. Targets for gender equality and sustainability of benefits have been exceeded. Success factors included: a gender mainstreamed approach during project implementation, in terms of both activities and operational aspects. The sustainability indicator shows the largest improvement, more than 100 per cent compared to the 2005 IEE rating. Combined with the consistently strong performance on rural poverty impact, and improving performance on environment and natural resource management, the data suggest that IFAD-supported projects are meaningfully contributing to inclusive and sustainable (in all its three dimensions) development.
10. Improvements relative to rural poverty impact and environment and natural resource management have been highlighted in recent Annual Reports on Results and Impact of IFAD Operations (ARRIs). Among the rural poverty impact sub-indicators, agricultural and food security improved most evidently, and institutions and policies is the domain with the strongest rating. Access to markets is the lowest-ranked domain, principally because it did not feature as a prominent aspect of designs until relatively recently.
11. Performance with respect to replication and scaling up has strengthened considerably. This improved performance can be partially attributed to the fact that IFAD projects often adopt features that are innovative at the local level (rural

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<sup>4</sup> Presenting data according to the year in which projects were completed ensures alignment with practice in the ARRI. In past years, data in the RIDE were presented according to the year project completion reports were received. Thus, data in this RIDE are not exactly comparable to data in last year's report.

finance, agricultural technologies, etc.), and the more recent focus on scaling up to encourage partners, and national or local government to mainstream project approaches into other programmes.

12. Government performance in general is one of the relatively weak areas. Some constraints that hamper project performance include: delays in hiring project staff or releasing counterpart funds; and underperforming project management, in particular vis-à-vis weak monitoring and evaluation and financial management.

Table 2

**Level 2 RMF 2013-2015: IFAD's contribution to development outcomes and impact**

| <i>Indicators</i>   | <i>A. IEE<br/>2005</i> | <i>B. Results<br/>2005-2007</i> | <i>C. Results<br/>2008-2010</i> | <i>D. Results<br/>2011-2013</i> | <i>E. Target<br/>2015</i> |
|---|------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------|
| <b>2.1. Outcome indicators (percentage of projects rated moderately satisfactory or better) at completion</b>           |                        |                                 |                                 |                                 |                           |
| 2.1.1 Relevance   | 100                    | 97                              | 95                              | 98                              | 100                       |
| 2.1.2 Effectiveness   | 67                     | 87                              | 80                              | 88                              | 90                        |
| 2.1.3 Efficiency  | 45                     | 70                              | 66                              | 76                              | 75                        |
| 2.1.4 Rural poverty impact  | 55                     | 84                              | 85                              | 88                              | 90                        |
| <i>Household income and assets</i>  |                        | 89                              | 88                              | 90                              |                           |
| <i>Agriculture and food security</i>  |                        | 78                              | 81                              | 91                              |                           |
| <i>Human empowerment and social capital</i>   |                        | 82                              | 89                              | 89                              |                           |
| <i>Institutions and policies</i>  |                        | 86                              | 81                              | 92                              |                           |
| <i>Markets</i>  |                        | 62                              | 80                              | 77                              |                           |
| 2.1.5 Gender equality   |                        | 79                              | 91                              | 93                              | 90                        |
| 2.1.6 Sustainability of benefits  | 40                     | 75                              | 71                              | 81                              | 75                        |
| 2.1.7 Innovation and learning   | 55                     | 79                              | 83                              | 86                              | 90                        |
| 2.1.8 Replication and scaling up  | 55                     | 72                              | 85                              | 91                              | 90                        |
| 2.1.9 Environment and natural resource management   | -                      | 79                              | 89                              | 86                              | 90                        |
| 2.1.10 Adaptation of smallholders to climate change <sup>b</sup>  | -                      | -                               | -                               | -                               |                           |
| 2.1.11 Government performance   | -                      | 79                              | 70                              | 78                              | 80                        |
| <b>2.2. Impact indicators<sup>a</sup></b>   |                        |                                 |                                 |                                 |                           |
| 2.2.1 Household asset ownership index   | -                      |                                 |                                 |                                 | Tracked                   |
| 2.2.2 Level of child malnutrition (3 sub-indicators – acute, chronic and underweight), disaggregated for girls and boys | -                      |                                 |                                 |                                 | Tracked                   |
| 2.2.3 Length of hungry season   | -                      |                                 |                                 |                                 | Tracked                   |
| <b>2.3. People moved out of poverty<sup>a</sup></b>   |                        |                                 |                                 |                                 |                           |
| 2.3.1 People moved out of poverty   | -                      |                                 |                                 |                                 | 80 million                |

<sup>a</sup> The indicators will be reported in 2015.

<sup>b</sup> Analysis will exclude results from ASAP-supported projects (since projects completed in the IFAD9 period, which form the basis for the results reported, precede establishment of the ASAP).

13. Over the last few years, greater emphasis has been placed on efficiency of operations. Key factors associated with low efficiency ratings include: delays in entry into force and first disbursement, high resource costs for project management and cumbersome procurement procedures. IFAD cannot address these in isolation, but needs active and willing partner governments to overcome bottlenecks to efficiency. Although the RMF target was surpassed this year, performance in this area needs to improve. Efforts in this direction are under way and are underpinned by the IFAD Consolidated Action Plan to Enhance Operational and Institutional Efficiency,<sup>5</sup> which emphasizes ensuring more realistic project

<sup>5</sup> Document EB 2013/109/R.12.

designs, clearer institutional arrangements, timely deployment and high-quality project management teams.

14. As noted in previous RIDEs and ARRIs, IFAD-supported projects are largely aimed at the poorest people in remote and disadvantaged regions (often characterized by very limited local-level institutional capacities and resources). This makes operations challenging and costly; and achievement of effectiveness, sustainability and efficiency objectives simultaneously is undeniably complex in such contexts. Furthermore, a large share of IFAD-funded operations are located in fragile states. In 2013, IFAD developed a consolidated list of fragile countries using data from partner institutions. With respect to the list of 48 countries considered fragile in 2013, five have been added and four have been removed, bringing the total to 49 in 2014 (see annex VI). About one third of projects assessed were in countries considered fragile, thus this aspect weighs quite heavily on reported performance.
15. Projects in fragile states underperform compared to ones in non-fragile states in all areas. It is generally recognized that most fragile states are characterized by weak institutions. This is reflected in indicators related to efficiency and institutions and policies, which are the weakest overall, and significantly affect overall performance of projects in fragile states. Overly complex project design, weak implementing institutions, a volatile context and security-related issues in fragile states (but also fragile areas within non-fragile states) present challenges to fulfilment of project supervision and implementation functions and undermine the sustainability of project benefits.
16. Ratings of moderately satisfactory or better performance relative to policies and institutions for projects in fragile states are deteriorating, and the differential with non-fragile states is widening. This reconfirms the need for special attention to strengthening governance and institutional capacity within projects in fragile states. Towards this, IFAD launched a grant programme late last year with FAO mainly targeting projects in fragile states; the programme became effective in 2014 and will constitute an important mechanism to build capacities and strengthen project performance in fragile states, and provide lessons for the design of future projects in such situations.

#### **IV. IFAD's contribution to country programme and project outputs**

17. Table 3 presents results for level 3 indicators of the RMF 2013-2015. These indicators are a subset of a larger suite of indicators used in the Results and Impact Management System (RIMS). Results presented draw on data from the 259 projects that were active in 2013. Total beneficiary outreach stood at 98.6 million people, an increase of 25 per cent over 2012, surpassing the target of 90 million for 2015.
18. The total financial commitment of the active portfolio in 2013 was US\$12.0 billion, of which IFAD's share was US\$5.4 billion, or 45 per cent of the total; domestic cofinanciers including financial institutions and governments accounted for 32 per cent (US\$3.6 billion), and international cofinanciers for 23 per cent (US\$2.8 billion). The six projects with the highest outreach were rural finance projects, in Bangladesh, Ethiopia, Ghana, India, Nigeria, and Uganda. Together these projects provide services to 34.4 million people. The inclusion this year of phase II of the Rural Finance Programme in Ethiopia recorded the largest outreach; this project impacted the indicators related to rural finance significantly.
19. As new projects enter and completed ones exit the portfolio of active projects, the sector composition of outputs changes. Evolution in the type of projects financed by IFAD is resulting in a more diverse range of outputs being delivered, which is leading to year-to-year variations in RMF output indicators. Examples of indicators outside the RMF showing growth in 2013 compared to 2012 include: people trained

in natural resource management (NRM) (increased by some 24 per cent), people in NRM groups (up by about 11 per cent), processing facilities constructed/rehabilitated (up by 64 per cent) and market facilities constructed/rehabilitated (up by 75 per cent). Increases in the latter two indicators and those on marketing and microenterprises in table 3 are the result of the rising share of value chain projects in the portfolio, while the increases in the indicators related to NRM indicate greater attention to environment and climate issues.

20. The strong performance of policies and institutions indicators, along with the continuing high overall share of women beneficiaries, reflect the successful implementation of IFAD's policies and approaches to gender mainstreaming, targeting and inclusive development.

Table 3

**Level 3 RMF 2013-2015: IFAD's contribution to country programme and project outputs**

| <i>Indicators</i>  | <i>Baseline value</i> <sup>*</sup>        | <i>Results 2013</i> |
|--|---|---------------------|
| <b><i>Natural resource management</i></b>  |   |                     |
| 3.1 Common-property-resource land under improved management practices (hectares) | 5.5 million                               | 4.1 million         |
| 3.2 Area under constructed/rehabilitated irrigation schemes (hectares)           | 373 thousand                              | 277 thousand        |
| <b><i>Agricultural technologies</i></b>  |   |                     |
| 3.3 People trained in crop production practices/technologies                     | 4.51 million                              | 3.48 million        |
| Male:female ratio  | 65:35                                     | 51:49               |
| 3.4 People trained in livestock production practices/technologies                | 1.2 million                               | 2.91 million        |
| Male:female ratio (percentage)   | 44:56                                     | 57:43               |
| <b><i>Rural financial services</i></b>   |   |                     |
| 3.5 Voluntary savers (cumulative)  | 7.86 million                              | 19.06 million       |
| Male: female ratio   | 47:53                                     | 28:72               |
| 3.6 Active borrowers   | 2.70 million                              | 6.23 million        |
| Male: female ratio   | 43:57                                     | 41:59               |
| 3.7 Value of savings mobilized (cumulative)                                      | US\$495 million                           | US\$1.43 billion    |
| 3.8 Value of gross loan portfolio  | US\$338 million                           | US\$2.04 billion    |
| <b><i>Marketing</i></b>  |   |                     |
| 3.9 Roads constructed/rehabilitated (kilometres)                                 | 17.6 thousand                             | 20.12 thousand      |
| 3.10 Marketing groups formed/strengthened  | 13.2 thousand                             | 35.17 thousand      |
| <b><i>Microenterprises</i></b>   |   |                     |
| 3.11 People trained in business and entrepreneurship                             | 716 thousand                              | 1.21 million        |
| Male:female ratio (percentage)   | 39:61                                     | 24:76               |
| 3.12 Enterprises accessing facilitated non-financial services                    | 57 thousand                               | 87.81 thousand      |
| <b><i>Policies and institutions</i></b>  |   |                     |
| 3.13 People trained in community management topics                               | 2.13 million                              | 1.83 million        |
| Male:female ratio (percentage)   | 33:67                                     | 24:76               |
| 3.14 Village/community action plans prepared                                     | 28 thousand                               | 42.65 thousand      |
| 3.15 People receiving services from IFAD-supported projects (number)             | 59.1 million<br>(target 2015: 90 million) | 98.64 million       |
| <b><i>Male: female ratio (percentage)</i></b>                                    | <b>52:48</b>                              | <b>52:48</b>        |

Source: Office records.

\* All baseline values are as at 2010, except for people receiving services, which refers to 2011.

## **V. Operational effectiveness of country programmes and projects**

21. Progress against level 4 indicators in the RMF 2013-2015 is presented in multiple tables (4-8) reflecting the different streams of work they embody.

22. **County programme management.** Table 4 summarizes progress against country programme-related indicators. All quality-at-entry ratings for results-based country strategic opportunities programme (RB-COSOP) were moderately satisfactory or better. Results from the 2014 client survey (38 countries were surveyed in 2014) are across the board better than the results of the 2013 client survey (which involved a different group of countries), surpassing all 2015 targets. To reduce inter-year variability and produce more robust results, the results reported next year will include country responses from both the 2014 and the 2015 client surveys, thus covering some 70 countries.

Table 4  
Level 4 RMF 2013-2015: Country programme management

| <i>Indicators</i>  | <i>Baseline year</i> | <i>Baseline value</i> | <i>Results 2014</i> | <i>Target 2015</i> |
|--|----------------------|-----------------------|---------------------|--------------------|
| <b>4.1 Country programme quality at entry</b>  |                      |                       |                     |                    |
| 4.1.1 Percentage of RB-COSOPs rated 4 or better  | 2010                 | 100                   | 100                 | 100                |
| <b>4.2 Percentage of country programmes rated 4 or better during implementation for:</b>                     |                      |                       |                     |                    |
| 4.2.1 Contribution to increased incomes, improved food security, and empowerment of poor rural women and men | 2011                 | 78                    | 97                  | 90                 |
| 4.2.2 Adherence to the aid effectiveness agenda  | 2011                 | 93                    | 100                 | 100                |
| 4.2.3 Engagement in national policy dialogue   | 2011                 | 55                    | 95                  | 70                 |
| 4.2.4 Partnership-building*  | 2013                 | 88                    | 97                  | 90                 |

\* This indicator is new and was measured for the first time in 2013. The baseline value is equivalent to the 2013 actual value, and the target has been set on that basis.

23. **Project quality at entry.** Table 5 summarizes progress against project quality-at-entry indicators (a full account of IFAD's quality-at-entry performance is provided in annex IV). The overall quality of project design continues to be strong. Ratings for projects in fragile states and all other dimensions assessed have improved from last year, and 2015 targets for monitoring and evaluation and scaling up have been exceeded. Comparison of the gender results to the baseline and target does not reflect actual trends in performance. The baseline and target were recorded and set prior to the introduction of the more rigorous assessment system currently used to rate this indicator.

Table 5  
Project quality-at-entry RMF indicators

| <i>Indicators</i>   | <i>Baseline year</i> | <i>Baseline value</i> | <i>Results 2013-2014</i> | <i>Target 2015</i> |
|---|----------------------|-----------------------|--------------------------|--------------------|
| <b>4.3 Percentage of projects rated 4 or better at entry/average rating</b> |                      |                       |                          |                    |
| 4.3.1 Overall average   | 2010/2011            | 79                    | 91                       | 85                 |
| 4.3.2 Overall average for projects in fragile states only                   | 2010/2011            | n/a                   | 83                       | 80                 |
| 4.3.3 Gender  | 2010/2011            | 86                    | 81                       | 90                 |
| 4.3.4 Monitoring and evaluation   | 2010/2011            | 70                    | 88                       | 80                 |
| 4.3.5 Scaling up  | 2010/2011            | 72                    | 83                       | 80                 |

Source: Quality assurance.

24. **Portfolio management.** Table 6 summarizes progress against portfolio management indicators. Overall, results are mixed. While latest performance relative to disbursement and withdrawal application processing remains comparable to the baseline, it slid from last year, largely due to the transition to the new Loans and Grants System (Flexcube) in October 2013, which gave rise to

temporary delays. Time from project approval to first disbursement is unchanged from the baseline, due to six projects that suffered protracted delays (about two years on average) before entry into force. These indicators are expected to improve next year.

25. On the other hand, project time overrun has been reduced to well below the 2015 target, reflecting IFAD Management's more rigorous approach to project extensions. Consistent with strong at-completion results on gender (section III), performance on gender equality and women's empowerment in implementation continues to be high and is virtually on target. A strong trend is also evident for the indicator on IFAD's performance as a partner, reflecting the impact of reforms such as direct supervision and decentralization in recent years. Projects at risk remain stable at 17 per cent of the total portfolio,<sup>6</sup> while proactivity has improved.

Table 6

**Level 4 RMF 2013-2015: Portfolio management**

| <i>Indicators</i>   | <i>Baseline year</i> | <i>Baseline value</i> | <i>Results 2014</i> | <i>Target 2015</i> |
|---|----------------------|-----------------------|---------------------|--------------------|
| <b>4.4 Portfolio management</b>   |                      |                       |                     |                    |
| 4.4.1 Time from project approval to first disbursement (months)   | 2010/2011            | 17                    | 17                  | 14                 |
| 4.4.2 Proactivity index   | 2010/2011            | 50                    | 56                  | 75                 |
| 4.4.3 Projects at risk  | 2010/2011            | 18                    | 17                  | Tracked            |
| 4.4.4 Project time overrun (percentage)   | 2010/2011            | 22                    | 12                  | 18                 |
| 4.4.5 Time for withdrawal application processing (days)   | 2009/2010            | 28                    | 29                  | 20                 |
| 4.4.6 Percentage disbursement ratio – overall portfolio   | mid-2011             | 15.7                  | 15.8                | 18                 |
| 4.4.7 Percentage disbursement ratio – for countries in fragile situations <sup>a</sup>  | mid-2011             | 15                    | 15.3                | 17                 |
| 4.4.8 Percentage of projects for which gender focus in implementation is rated moderately satisfactory or better              | mid-2011             | 88                    | 89                  | 90                 |
| 4.4.9 Percentage of projects for which IFAD performance is rated moderately satisfactory or better at completion <sup>b</sup> | 2012/2013            | 73                    | 96                  | 80                 |

<sup>a</sup> This figure represents disbursements in IFAD's list of fragile states.

<sup>b</sup> Baseline figures were increased from 71 per cent in line with IOE's new methodology for reporting performance, which is now based on completion cohorts.

26. **Project monitoring and evaluation.** Table 7 summarizes progress against project M&E indicators. These indicators were introduced in the RMF 2013-2015 to help address persistent underperformance of project M&E systems, which are critical to effective project management and achievement of results. The results reported below show that good progress has been made on all indicators, especially with respect to fulfilment of requirements for undertaking baseline surveys. These positive results owe a lot to the impetus generated by the major focus on impact evaluation in IFAD9. In this regard, to date, an Impact Evaluation Sourcebook has been prepared; work on 26 ex post impact evaluations (using quasi-experimental methods) is well under way; and research designs are being developed to evaluate the impact of a further five projects using randomized control trial methods. In addition, IFAD has been strengthening its project self-assessment system – the Results and Impact Management System (RIMS) (see annex I).

<sup>6</sup> At the end of the review period, i.e. 30 June 2014, IFAD's investment portfolio (with 267 active projects) contained 46 projects considered as "actual problem" projects and 16 projects considered as "potential problem" projects.

Table 7

**Level 4 RMF 2013-2015: Project monitoring and evaluation**

| <i>Indicators</i>   | <i>Baseline year</i> | <i>Baseline value</i> | <i>Results 2014</i> | <i>Target 2015</i> |
|---|----------------------|-----------------------|---------------------|--------------------|
| <b>4.5 Project monitoring and evaluation</b>  |                      |                       |                     |                    |
| 4.5.1 Percentage of projects with RIMS or equivalent baseline surveys (cumulative percentage) | mid-2011             | 23                    | 69                  | 40                 |
| 4.5.2 Percentage of projects submitting RIMS impact survey                                    | mid-2011             | 70                    | 75                  | 95                 |
| 4.5.3 Project completion report quality (percentage rated 4 or better)                        | 2010-2011            | 80                    | 100                 | 90                 |

27. **Cofinancing.** Table 8 presents the cofinancing ratio, which stands at 1.22, down from last year, but in line with long-term trends. Recognizing the value of cofinancing, particularly its contribution to scaling up, resource mobilization efforts have been significantly stepped up. However, meeting the 2015 target will be challenging as it will be difficult to repeat the exceptional volume of domestic resources mobilized in 2010/2011.

Table 8

**Level 4 RMF 2013-2015: Cofinancing**

| <i>Indicator</i>        | <i>Baseline year</i> | <i>Baseline value</i> | <i>Results 2014</i> | <i>Target 2015</i> |
|-------------------------|----------------------|-----------------------|---------------------|--------------------|
| 4.6.1 Cofinancing ratio | 2008-2010            | 1.34                  | 1.22                | 1.6                |

## VI. Institutional effectiveness and efficiency

28. Table 9 presents results for level 5 indicators of the RMF 2013-2015, covering performance relative to replenishment, human resources (HR) management, risk management and administrative efficiency. To date, donors have pledged US\$1.42 billion, equivalent to 95 per cent of the IFAD9 target of US\$1.5 billion, the highest pledge rate in IFAD's history. These figures include pledges of US\$353 million for the Adaptation for Smallholder Agriculture Programme (ASAP), making it the largest global climate change adaptation programme for smallholder farmers.
29. Guided by the results of the 2012 global staff survey, IFAD has undertaken a significant number of HR initiatives, including enhancing opportunities for career growth and rotation, implementation of a new policy on indefinite appointments, and implementation of a reward and recognition framework (which is akin to a pay-for-performance system, and represents an innovative model within the United Nations system). The average time to finalize recruitments for the Professional category stands at 109 days, a 25 per cent reduction from the RMF 2012 baseline and very close to the RMF target of 100 days. Although results for geographic and gender balance indicators are unchanged from last year, recent efforts in this area are bearing fruit: women make up 33 per cent of the Senior Management team (half of the Associate Vice-Presidents are now women); and half of the Senior Management team are from List B or C Member States.
30. Indicating increased attention to risk management, the number of overdue high-priority audit recommendations has fallen from 21 (the RMF baseline) to an historical low of "zero".

Table 9

**Level 5 RMF 2013-2015: Institutional effectiveness and efficiency**

| <i>Indicator</i>   | <i>RMF baseline</i> | <i>Results 2014</i> | <i>Target 2015</i> |
|--|---------------------|---------------------|--------------------|
| <b>5.1 Improved resource mobilization and management</b>   |                     |                     |                    |
| 5.1.1 Percentage achieved of IFAD9 replenishment target  | NA                  | 95                  | 100                |
| <b>5.2 Improved human resource management</b>  |                     |                     |                    |
| 5.2.1 Staff engagement index: percentage of staff positively engaged in IFAD objectives  | 70                  | 75                  | 75                 |
| 5.2.2 Percentage of workforce from Lists B and C Member States   | 40                  | 40                  | Tracked            |
| 5.2.3 Percentage of women in P-5 posts and above   | 28                  | 29                  | 35                 |
| 5.2.4 Time to fill professional vacancies (days)   | 144                 | 109                 | 100                |
| <b>5.3 Improved risk management</b>  |                     |                     |                    |
| 5.3.1 Number of actions overdue on high-priority internal audit recommendations  | 21                  | 0                   | 15                 |
| <b>5.4 Improved administrative efficiency</b>  |                     |                     |                    |
| 5.4.1 Ratio of administrative budget to the planned PoLG   | 14.1                | 12.5                | Tracked            |
| 5.4.2 Share of budget allocations to: (baseline 2011)  |                     |                     |                    |
| Cluster 1  | 62                  | 60.2                | 65                 |
| Cluster 2  | 7                   | 8.7                 | 9                  |
| Cluster 3  | 23                  | 25.3                | 20                 |
| Cluster 4  | 8                   | 5.8                 | 6                  |
| 5.4.3 Ratio of budgeted staff positions to total budgeted positions in:  |                     |                     |                    |
| Cluster 1  | 57                  | 57.8                | 61                 |
| Cluster 2  | 7                   | 8.9                 | 9                  |
| Cluster 3  | 25                  | 26.6                | 22                 |
| Cluster 4  | 11                  | 6.7                 | 8                  |
| 5.4.4 Ratio of budgeted staff positions in IFAD country offices to budgeted staff in country programme divisions   | 38                  | 42.7                | 45                 |
| 5.4.5 Ratio of actual administrative expenditures (including expenditures financed by management fees) to the IFAD-funded annual PoLG augmented by the value of the programmes and projects managed by IFAD but funded by other agencies | 14.7                | 12.7                | 12.5               |
| 5.4.6 Ratio of actual administrative expenditures (including expenditures financed by management fees) less actual expenditures on "technical support" to developing Member States to the integrated programme of work                   | 12.5                | 10.8                | 10.6               |
| 5.4.7 Ratio of actual administrative expenditures (including expenditure financed by management fees) to annual disbursements  | 22.1                | 19.7                | 18.8               |
| 5.4.8 Ratio of actual costs of General Service staff to total staff costs  | 30                  | 27.4                | 25                 |

Sources: Corporate databases.

31. In line with IFAD9 commitments, efforts have been made to achieve cost-savings in areas such as interpretation and translation services, travel, procurement and administration. To facilitate identification of future opportunities for streamlining, new efficiency indicators for key business processes were developed (also an IFAD9 commitment). The share of planned positions in ICOs continues to rise reflecting IFAD's push for decentralization. While results for some efficiency indicators are by and large unchanged from last year (in part due to upfront expenditures related to the IFAD Action Plan to Enhance Operational and Institutional Efficiency), the ratio of IFAD's administrative budget to the planned programme of loans and grants for 2015 shows notable improvement.



## IFAD9 Commitment Report

This report provides a succinct status of progress in implementing IFAD9 commitments covering the period from January 2013 to August 2014. Progress against these commitments is monitored quarterly by Management to identify and address implementation issues. Overall implementation status is positive. All commitments are reported to be either on track or have minor implementation issues being addressed by the departments responsible.

Table 1  
Summary status of IFAD9 commitment implementation as at August 2014

| Area  | TOTAL deliverable | On track (green) | Minor issues (yellow) | Major issues (red) |
|---|-------------------|------------------|-----------------------|--------------------|
| 1. Increasing IFAD's operational effectiveness                  | 32                | 21 (66%)         | 11 (34%)              | -                  |
| 2. Increasing IFAD's institutional effectiveness and efficiency | 10                | 7 (70%)          | 3 (30%)               | -                  |
| 3. Strengthening IFAD's financial capacity and management       | 7                 | 6 (86%)          | 1 (14%)               | -                  |
| 4. Enhancing IFAD's results management system                   | 7                 | 7 (100%)         | -                     | -                  |
| <b>TOTAL (percentage of TOTAL)</b>                              | <b>56</b>         | <b>41 (73%)</b>  | <b>15 (27%)</b>       | -                  |

Table 2  
Detailed report on implementation of IFAD9 commitment as at August 2014

| Area of reform  | Key commitments   | Time frame | Reporting   | Status Aug. 2014 |
|---|---|------------|---|------------------|
| <b>1. Increasing IFAD's operational effectiveness</b> |   |            |   |                  |
| Aid Effectiveness                                     | 1. Strengthen country leadership and ownership.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR<br>- Busan commitments | Yellow           |
|   | 2. Strengthen, and where feasible, increase reliance on country systems and implementation structures.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR<br>- Busan             | Green            |
|   | 3. Raise the level of IFAD technical cooperation implemented through coordinated programmes.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR<br>- Busan             | Green            |
| Scaling up  | 4. Strengthen country programme development, monitoring and management processes to ensure systematic attention to scaling up, broader partnership-building, more rigorous policy analysis, and active engagement in national policy dialogue on agriculture and rural development. | Ongoing    | - RIDE annually<br>- IFAD9 MTR                        | Yellow           |
|   | 5. Strengthen knowledge management processes to enhance IFAD's capacity to better capture and harness evidence-based knowledge for scaling up.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR                        | Green            |

| Area of reform   | Key commitments   | Time frame | Reporting                      | Status Aug. 2014 |
|--|---|------------|--------------------------------|------------------|
| Private sector   | 6. Increase engagement in policy dialogue for more conducive rural business environments that enable smallholders and the rural poor to gain better access to markets and value chains.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 7. Engage private-sector actors more systematically in country and project-level programming to raise their pro-poor and sustainable investments in rural areas.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 8. Increase information and communications technology activities in IFAD-supported programmes.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
| Gender equality and women's empowerment                              | 9. Strengthen analysis of gender equality and women's empowerment issues in IFAD's operations for stronger and more even performance in this regard, and to promote expanded economic opportunities for rural women.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 10. Enhance indicators to measure impact and results in gender equality and women's empowerment.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 11. Enhance IFAD's capacity to document and disseminate field experience on gender equality and women's empowerment, and strengthen its advocacy efforts in this area.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
| Climate change and sustainable management of environmental resources | 12. Strengthen analysis of climate change and environmental issues in IFAD's operations to support innovative approaches to climate resilience and sustainable use of natural resources.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 13. Assist smallholder producers in benefiting from climate finance and other adaptation and mitigation incentives, including through the IFAD-managed ASAP.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 14. Ensure that complementary contributions to support the implementation of the ASAP are employed for that purpose.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 15. Enhance IFAD's capacity for knowledge management, advocacy and partnerships on climate change and environment and natural resource management.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
|  | 16. Strengthen assessments of economic returns on investment during project design, recognizing the need to ensure that social and environmental objectives are also met.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
| Project Efficiency   | 17. Implement the scaling-up agenda.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 18. Reduce delays in the project cycle.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
|  | 19. Open additional country offices in line with the IFAD Country Presence Policy and Strategy, ensuring adequate delegation of authority at the country level, and cost-efficiency in the set-up and operation of country offices.                           | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
| Country-Level Decentralization                                       | 20. Strengthen country office management and coordination, including implementation of incentives for out posting of internationally recruited staff, and adequate delegation of decision-making authority to operate effectively and efficiently.            | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 21. Adopt a flexible approach to programme design and implementation support in fragile states, with a strong focus on building the capacity of community and government institutions, including through appropriate country presence arrangements, and close | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |

| Area of reform   | Key commitments  | Time frame | Reporting                      | Status Aug. 2014 |
|--|--|------------|--------------------------------|------------------|
|  | collaboration with other multilateral and bilateral partners.  |            |                                |                  |
|  | 22. Enhance the quality of programme design and implementation support in fragile states by performing deeper analysis of the causes of fragility.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
|  | 23. Ensure simplicity of objectives and activities of projects in fragile states.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
|  | 24. Strengthen application of risk management in the context of programmes in fragile states, including for security of the workforce.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
| National monitoring and evaluation systems                             | 25. Strengthen national monitoring and evaluation systems by enhancing the capacity of project management staff and implementing partners, particularly at start-up and early project implementation through the systematic engagement of M&E experts during design and supervision missions.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Yellow           |
| South-South and triangular cooperation                                 | 26. Establish an adequately resourced corporate coordination function to ensure South-South and triangular cooperation is pursued in a strategic manner, is widely mainstreamed across country programmes, and is grounded in a robust evidence base.  | 2013       | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 27. Develop staff incentives to proactively pursue and promote South-South and triangular cooperation.   | 2013       | - RIDE 2013<br>- IFAD9 MTR     | Green            |
| Partnership and Advocacy   | 28. Increase focus on strategic long-term partnerships, in particular with the Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme (WFP) in order to contribute to the success of the Committee on World Food Security, strengthen country programming, and raise efficiency through joint servicing initiatives. | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 29. Strengthen partnerships with multilateral development banks, the Consultative Group on International Agricultural Research, bilateral development agencies, the Global Donor Platform for Rural Development, foundations, NGOs, farmers' associations and the private sector.  | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 30. Intensify engagement in global policymaking and advocacy forums, such as the G-20, that have a key role in shaping the international development architecture.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 31. Intensify identification of and engagement in relevant new high-potential global advocacy initiatives.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
|  | 32. Support efforts to bring broader perspectives to global and national policy dialogue on smallholder agriculture, food and nutrition security and rural poverty reduction, particularly those of the rural poor and farmers' organizations.   | Ongoing    | - RIDE annually<br>- IFAD9 MTR | Green            |
| <b>2. Increasing IFAD's institutional effectiveness and efficiency</b> |  |            |                                |                  |
| Institutional Efficiency   | 33. Introduce a fit-for-purpose and efficient-to-use staff time-recording system to measure the full costs of performing key business processes and activities.  | 2013       | - RIDE 2013<br>- IFAD9 MTR     | Yellow           |
|  | 34. Develop key business process efficiency indicators and benchmarks to facilitate identification of opportunities for process streamlining and cost-saving.  | 2013       | - RIDE 2013<br>- IFAD9 MTR     | Yellow           |
|  | 35. Liaise with the Executive Board to explore opportunities to reduce costs associated with the operations of IFAD's governing bodies.  | 2013       | - RIDE 2013<br>- IFAD9 MTR     | Green            |

| Area of reform   | Key commitments   | Time frame   | Reporting   | Status Aug. 2014 |
|--|---|--------------|---|------------------|
|  | 36. Integrate recommendations of the corporate-level evaluation of the Fund's efficiency into IFAD's Change and Reform Agenda, and strengthen indicators used to measure performance with respect to efficiency, including IFAD's efficiency ratios, accordingly.   | 2013         | - RIDE 2013<br>- IFAD9 MTR  | Green            |
|  | 37. Streamline the Fund's processes and workflows through adoption of improved information communication technologies.  | 2013         | - RIDE 2013<br>- IFAD9 MTR  | Yellow           |
|  | 38. Assess value added of business processes, and the potential for adopting more cost-effective alternative delivery modalities, including through joint servicing initiatives with other Rome-based agencies.   | 2013         | - RIDE 2013<br>- IFAD9 MTR  | Green            |
|  | 39. Report progress against IFAD9 efficiency targets, including cost savings, to governing bodies through the annual Report on IFAD's Development Effectiveness.  | 2013 onwards |   | Green            |
| Human Resources Reform   | 40. Consolidate and deepen reforms completed in IFAD8.  | Ongoing      | - RIDE annually<br>- IFAD9 MTR                                      | Green            |
|  | 41. Equip IFAD with instruments and resources to promote gender competence and gender equality in its human resources management policies as well as gender balance and equitable geographical distribution in its staffing.  | Ongoing      | - RIDE annually<br>- IFAD9 MTR                                      | Green            |
|  | 42. While maintaining alignment with the United Nations common system, continue to explore opportunities for flexibility in IFAD's compensation and benefits system so as to ensure, as a way to achieve institutional efficiency goals, that appropriate levels of compensation and performance-based reward systems are in place for all IFAD staff. This would include such efforts as participating actively in the 2011-2012 ICSC Rome Local Salary Survey Committee with respect to GS salary levels, urging the ICSC to ensure appropriate compensation levels at the Professional level, and piloting a pay-for-performance model in collaboration with the ICSC. | Ongoing      | - RIDE annually<br>- IFAD9 MTR                                      | Green            |
| <b>3. Strengthening IFAD's financial capacity and management</b> |   |              |   |                  |
| IFAD's financial model   | 43. Deploy an enhanced financial model based on a sustainable cash flow approach on 1 January 2013. Towards this, the capacity of the Treasury Services Division will be strengthened, and a review of the current financial model will be undertaken to improve its flexibility, robustness and alignment with the financial projection models used by other IFIs.   | 2013         | - Audit Committee<br>- Executive Board in April 2013<br>- IFAD9 MTR | Green            |
|  | 44. Present a proposal to the Executive Board regarding the future use of the advance commitment authority, once the sustainable cash flow approach has been fully implemented. Until then, current use, reporting and approval of the advance commitment authority will continue.  | 2013         | - Proposal to Audit Committee<br>- Executive Board in 2013          | Green            |
|  | 45. Present a proposal to the Executive Board on how responsibility for compensation for forgone principal arising from adoption of the Debt Sustainability Framework will be managed, starting in IFAD10.  | 2013         | - Proposal to Audit Committee<br>- Executive Board in 2013          | Green            |
| Internal resource mobilization                                   | 46. Increase internal resources available to support IFAD's programme of loans and grants in the IFAD9 period in line with the decision taken at the 104 <sup>th</sup> session of the Executive Board to carry out a comprehensive review of IFAD's Lending Policies and Criteria in 2012, and to align IFAD's lending terms as much as possible with those of the International Development Association and the International Bank for Reconstruction and Development,   | 2013 onwards | - Proposal to Executive Board in 2012                               | Green            |

| Area of reform  | Key commitments  | Time frame    | Reporting  | Status Aug. 2014 |
|---|--|---------------|--|------------------|
|   | taking into account IFAD's specificity as outlined in the Agreement Establishing IFAD.   |               |  |                  |
|   | 47. Enhance IFAD's internal resources by soliciting payment of loan and contribution arrears, and exploring the possibility of loan prepayments with interested borrowing Member States.   | Ongoing       | - Proposal to Audit Committee and Executive Board as appropriate                                       | Yellow           |
| New sovereign donors and alternative financing modalities | 48. Engage non-Member States and groupings of States to contribute to and/or join the Fund.  | Ongoing       | - Proposal to Governing Council and Executive Board as appropriate                                     | Green            |
|   | 49. Explore the scope for raising financing from other sources to be submitted to the Executive Board, provided that any related agreements have no consequences for the governance of the Fund.   | Ongoing       | - Proposal to Executive Board as appropriate   | Green            |
| <b>4. Enhancing IFAD's results management system</b>      |  |               |  |                  |
| Impact Evaluation   | 50. Raise the level of compliance with the requirement for projects to have a baseline survey by the end of their first year of implementation.  | Ongoing       | - RIDE annually<br>- IFAD9 MTR   | Green            |
|   | 51. Actively pursue partnerships with institutions specialized in impact evaluation, and mobilize resources to develop adequate internal capacity to conduct/manage impact evaluation work.  | Ongoing       | - RIDE annually<br>- IFAD9 MTR   | Green            |
|   | 52. Present an information paper to the Executive Board on the methodologies IFAD will employ in carrying out impact assessments and in measuring the new impact-level indicators introduced in the RMF 2013-2015.   | December 2012 | - Paper to Executive Board in December 2012  | Green            |
|   | 53. Conduct, synthesize and report on approximately 30 impact surveys over the IFAD9 period. Three to six of these will use randomized control trials or other similarly rigorous methodology, depending on cost-sharing opportunities, and interest and availability of institutions specialized in impact evaluation to support this work. | 2013 onwards  | - IFAD outcome report to Executive Board from 2014 onwards   | Green            |
| Results Reporting   | 54. Review and consolidate mechanisms for results reporting to governing bodies, towards more succinct accounts that are focused on impact and outcomes achieved.  | April 2013    | - Proposal to Executive Board in April 2013  | Green            |
|   | 55. Report annually to the Executive Board and Evaluation Committee on performance against RMF 2013-2015 indicators and targets through the Report on IFAD's Development Effectiveness.  | 2013 onwards  | - RIDE annually<br>- IFAD9 MTR   | Green            |
|   | 56. Report annually to the Executive Board through the Audit Committee on enterprise risk management activities in IFAD.   | Annual        | - Reporting to Audit Committee annually<br>- Annual Report on IFAD's ERM Activities to Executive Board | Green            |

## Annual Report on IFAD Policy on Gender Equality and Women's Empowerment

1. This annex reports on progress in the implementation of the IFAD Policy on Gender Equality and Women's Empowerment.

### A. Results achieved in relation to the strategic objectives

2. Women's representation among people receiving services from IFAD-supported projects has continued to increase numerically (from 28 million in 2011 to around 49 million in 2013), and women now account for almost half of all beneficiaries (see table 3 in the main text). Women continue to dominate training in business and entrepreneurship and community management topics, and they account for almost half of those trained in crop and livestock production practices. Although the number of women engaged in rural financial services as borrowers has grown, their percentage share has fallen.
3. In the International Year of Family Farming, IFAD has promoted household-level methodologies to unlock the potential of family farming. By enabling household members to create a shared vision, these methodologies bundle the often disparate strategies pursued by women and men, adults and youth, into one coherent livelihood strategy. In doing so, they empower households to realize their development potential and create stronger, more resilient and sustainable smallholder farming and rural livelihood systems. Knowledge management and capacity-building events have taken place in Malawi, Mozambique and Uganda, benefiting from financial support from the Government of Japan and the Adaptation for Smallholder Agriculture Programme.
4. The Gender Award was launched in 2013 by IFAD Management to recognize the best-performing projects in addressing gender inequalities and empowering women in each region. A special event was held on 25 November 2013, the International Day for the Elimination of Violence against Women. The winning projects in 2013 were the Sunamganj Community-based Resource Management Project in Bangladesh, the Rural Development and Modernization Project for the Eastern Region in El Salvador, the Northern Rural Growth Programme in Ghana, the Western Sudan Resources Management Programme in the Sudan, and the District Livelihoods Support Programme in Uganda.

### B. Results achieved in relation to the implementation plan

5. The gender policy is implemented through five action areas, each with specific output indicators. Action areas 1 to 3 relate to IFAD's core activities, while action areas 4 and 5 relate to the institutional structures and resources for policy delivery.

#### Action area 1: IFAD-supported country programmes and projects

6. Specialist gender staff at headquarters and regional levels provide technical support during the design and implementation of country programmes and projects to strengthen gender equality and poverty targeting, by participating in missions and as members of country programme management teams and by providing inputs to document reviews. With the support of the Programme Management Department (PMD) Front Office and the Statistics and Studies Division, the Women's Empowerment in Agriculture Index (WEAI) has been adapted and will be piloted in selected impact and Results and Impact Management System (RIMS) studies in 2014-2015.

#### Indicator 1.1: Increase in the proportion of loans and grants with gender-specific objectives supported by clear budget allocations

7. A methodology was developed in 2013 for conducting an ex-ante analysis of the gender-sensitivity of the value of the IFAD loan portfolio. A score is assigned to

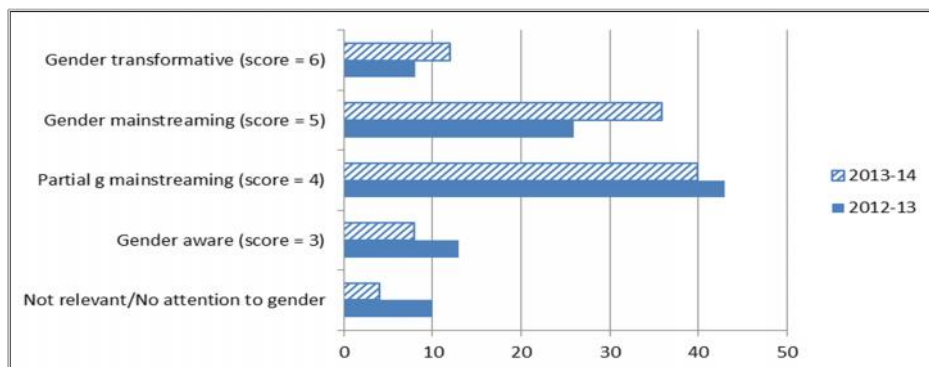
reflect the degree to which gender issues have been addressed in each loan component or subcomponent, using the IFAD six-point rating system.

8. Figure 1 presents two sets of data: the results for the 34 loans – amounting to US\$882 million – that were approved by the Executive Board between September 2013 and April 2014; and the results for the preceding year (35 loans approved with a total value of US\$825 million). The most recent data show that the content of 88 per cent of the value of the loans is rated moderately satisfactory or above with respect to gender (an improvement from 77 per cent for 2012-2013).

Figure 1

**Distribution of total loan value approved September 2012-April 2013 and September 2013-April 2014 by gender score**

(Percentage of total loan value)



9. There has been an increase in the total loan value (from 26 to 36 per cent) that can be classified as gender mainstreaming.<sup>1</sup> A further 12 per cent of the budget can be described as gender transformative.<sup>2</sup> In contrast, 40 per cent of the loan value achieves only partial gender mainstreaming<sup>3</sup> and a further 12 per cent makes little or no contribution to the promotion of gender equality and women's empowerment.

**Indicator 1.2: Improvement in gender ratings for loan and grant design**

10. The incorporation of gender issues in project design has steadily improved (table 1). In 2008, 82 per cent of projects designed were judged to be at least moderately satisfactory and, based on the same criteria, this figure rose to around 95 per cent of projects designed in the last three years. However, in IFAD9 the criteria for the gender score has been sharpened to focus specifically on gender aspects of design, rather than also considering the poverty focus. This has led to a reduction in the gender score at design to 81 per cent, but these results are not directly comparable with the earlier data.

Table 1

**Percentage of projects rated 4 or better at design for gender using IFAD8 criteria**

| Indicator                             | 2008 | 2011 | 2012 | 2013 | 2014 |
|---------------------------------------|------|------|------|------|------|
| Gender equality and target population | 82   | 95   | 94   | 96   | 94   |

Source: Annual Report on Quality Assurance in IFAD's Projects and Programmes.

<sup>1</sup> Gender mainstreaming: where the commitment to gender equality is fully integrated within the component activities and is reflected in the allocation of financial and human resources, as well as in the operational measures and procedures.

<sup>2</sup> Gender transformative: where activities go beyond addressing the symptoms of gender inequality to tackling the underlying social norms, attitudes, behaviours and social systems.

<sup>3</sup> Partial gender mainstreaming: where gender considerations have been mainstreamed in a limited number of aspects of component design.

11. A total of 63 grants were approved between July 2013 and June 2014. Seven had a strong gender focus, 26 had a gender dimension, whereas 30 made little or no reference to gender issues.

**Action area 2: IFAD as a catalyst for advocacy, partnerships and knowledge management**

12. The nexus of partnerships, knowledge management and communication is a critical for advocacy and outreach.

**Indicator 2.1: Increase in IFAD inputs on gender issues in international forums and publications**

13. Key activities include:
- Organizing a gender event on strengthening women's participation and influence in farmers' organizations at the biannual meeting of IFAD's Farmers' Forum, 2014.
  - Contributing to the United Nations Educational, Scientific and Cultural Organization/IFAD global seminar in Paris (February) reporting on results of ethnographic studies – supported by an IFAD grant – on young women and men in rural villages in Cambodia, Egypt and Ethiopia.
  - Featuring, by the Near East, North Africa and Europe Division, of youth and women's employment as one of the key areas in an IFAD-led solution exchange forum presented at the first-ever Arab States Regional South-South Development Expo in Doha, Qatar (February).
  - Contributing to the annual session of the United Nations Inter-Agency Network on Women and Gender Equality (IANGWE) and the fifty-eighth session of the Commission on the Status of Women, United Nations, New York (March), where a joint side event was organized with the Food and Agriculture Organization of the United Nations (FAO) and the International Food Policy Research Institute (IFPRI) on "Closing the knowledge gap on gender in agriculture". A luncheon discussion on country-level policy engagement for rural women was organized for women ministers.
  - Presenting IFAD's experiences on agricultural investment, gender and land at the Multilateral Development Banks' Working Group on Gender workshop in Manila (June).
  - Hosting, by the Asia and the Pacific Division (APR), of a panel event on "Women as key agents for rural development" at the regional consultation for the Asia-Pacific region on family farming, organized by the M. S. Swaminathan Research Foundation in Chennai, India (August).

**Indicator 2.2: Inclusion in key IFAD policy documents and knowledge products of references to gender equality and empowerment of women**

14. Knowledge management and communications have been strengthened by developing effective and evidence-based knowledge products and tools, including regional/subregional briefs on gender and rural development, an e-newsletter published every two months, and the updated IFAD gender website with regional windows (<http://www.ifad.org/gender/>). This work has benefited from a collaborative relationship with the Communications Division (COM) and Strategy and Knowledge Department, and financial support from Finland.
15. Specific knowledge products include: a report by the Environment and Climate Division (ECD) highlighting the vital role that women smallholder farmers play in adapting to climate change; a Policy and Technical Advisory Division (PTA) report on rural women's leadership and the lessons learned from a programme funded by Norway in Madagascar, Nepal, the Philippines and Senegal; an APR paper on the changing role of women in the economic transformation of family farming in Asia



and the Pacific; a West and Central Africa Division (WCA) video on women's economic empowerment in value chain development in Ghana; and an APR video on women's empowerment through engagement in decision-making in Papua, Indonesia.

**Indicator 2.3: Increase in focus on gender issues in policy dialogue and scaling up**

16. Together with the other two Rome-based agencies (RBAs) (FAO and the World Food Programme) and UN Women, IFAD is supporting the Committee on the Elimination of Discrimination against Women in its efforts to prepare a general recommendation on rural women, which would indicate how parties should report on the status of rural women in their periodic reports under the Convention on the Elimination of All Forms of Discrimination against Women.
17. The PTA gender desk has participated in several activities linked to defining goals and targets on gender equality, women's rights and women's empowerment for the post-2015 development agenda, including the biennial workshop of the Inter-Agency Network on Women and Gender Equality and the Organisation for Economic Co-operation and Development-Development Assistance Committee Network on Gender Equality (October); a RBA-organized side event, at the eighth session (February) of the United Nations General Assembly's Open Working Group on Sustainable Development Goals (SDGs), on gender equality and women's empowerment, with a specific focus on rural women and the SDGs; and the RBA-led initiative on the post-2015 development agenda for agriculture and rural development.

**Indicator 2.4: Increase in joint initiatives on gender-related activities with other development agencies**

18. In 2012, the RBAs and UN Women developed a five-year joint programme for accelerating progress towards the economic empowerment of rural women. A high-level meeting with donors was held in Rome in October 2013 with a follow-up meeting in June 2014. The Government of Norway made the first allocation to the Multi-Partner Trust Fund in June and this will facilitate country-level activities. IFAD has co-led activities with UN Women in Ethiopia, with financial support from Finland, and has undertaken research on the WEAI in the context of Guatemalan activities.
19. IFAD hosted two workshops on gender and agricultural productivity in sub-Saharan Africa to share the findings from research carried out by the World Bank Living Standards Measurement Study team, in collaboration with FAO and IFPRI (September and May), with grant support from WCA
20. The joint UN Women-IFAD grant-funded Broadening Economic Opportunities for Rural Women Entrepreneurs in the Latin America and the Caribbean Region Programme was launched in EL Salvador in November.

**Action area 3: Capacity-building of implementing partners and government institutions**

21. The PTA gender desk has launched a series of innovative training and knowledge-sharing events. Monthly gender breakfasts, led by IFAD experts, explore different thematic areas with a gender dimension – including youth, nutrition, self-help groups, monitoring and evaluation (M&E). Four technical webinars on gender and targeting have reached a large audience in IFAD-supported operations and among partners; guest contributors have included the Vice-President, the Deputy Director of the Independent Office of Evaluation of IFAD (IOE), the Deputy Director of the Partnership and Resource Mobilization Office and the East and Southern Africa Division (ESA) Regional Economist.

22. Regional and country initiatives in 2013-14 included:

- ESA and ECD organized a knowledge management and capacity-building forum in Nairobi (October) on climate change and its impact on gender and land tenure for country teams from the region.
- WCA organized a two-day learning and sharing forum on targeting, gender and youth in Kinshasa, Democratic Republic of the Congo (May), which was attended by more than 70 gender focal points and M&E officers from 36 projects.
- The International Land Coalition, a global alliance of civil society and farmers' organizations, United Nations agencies, NGOs and research institutes, and Procasur, a non-profit organization focused on knowledge management among people linked to development projects, organized a learning route on innovative tools and approaches for securing women's land rights in Burundi and Rwanda in February.
- The IFAD Country Office in Nepal organized a gender equality and social inclusion workshop to share lessons from the IFAD/Women Organizing for Change in Agriculture and Natural Resource Management (WOCAN) grant-funded project on capacity-building for women's leadership in producer organizations in the Asia and the Pacific region.
- APR developed an e-learning course on M&E, with a gender dimension.

**Indicator 3.1: Improvement in gender ratings for loan and grant portfolio at completion**

23. There has been a steady improvement in project performance with regard to how much attention was given to gender issues during project implementation, whether a project was specifically designed to address the needs of women, and whether the project contributed to improving the situation of women in general (see table 2 in the main report).
24. IOE is one of the few evaluation offices among the multilateral organizations to have gender as a specific criterion in its evaluation methodology. In the 11<sup>th</sup> Annual Report on Results and Impact of IFAD's Operations (2013), just over 80 per cent of the projects evaluated for the period 2011-2013 were rated as at least moderately satisfactory on gender. IOE challenges IFAD to improve its performance so that a greater proportion of the projects are rated as satisfactory in the future.

**Indicator 3.2: Increase in the number and quality of initiatives to support gender equality and women's empowerment undertaken by government institutions**

25. Examples in 2013 -2014 include:

- In India, the state of Madhya Pradesh has committed to state-wide scaling up of the Shaurya initiative of the IFAD-supported Madhya Pradesh Tejaswini Rural Women's Empowerment Programme. Women members of self-help groups link up with men from their villages to form "courage brigades" to tackle malnutrition, caste violence, domestic abuse and corruption.
- In Uganda, the success of household mentoring under the District Livelihoods Support Programme as a mechanism for social inclusion to work with poorer households has been recognized by the Ministry of Local Government.
- In Malawi, the Ministry of Agriculture and Food Security has played a key role in promoting household methodologies, and there is a commitment to mainstream the methodology in the curriculum for training community development workers.

#### Action area 4: Gender and diversity balance in IFAD

26. In 2013, IFAD updated its competency framework, linking the competencies clearly to IFAD's core values. Gender considerations have been mainstreamed into five competencies, including one specifically for staff with management responsibilities. In September and October, the Human Resources Division (HRD) organized two in-house training sessions on leadership for women.

#### Indicator 4.1: Increase in number of women at grade P-5 or above employed by IFAD

27. As at 1 August 2014, IFAD employed a total of 574 staff. Women accounted for 80 per cent of the 245 General Service staff and 46 per cent of the 299 Professional and higher categories. As tracked in the Report on IFAD's Development Effectiveness (RIDE), women accounted for 29 per cent of staff at grade P-5 or above, which falls short of the Results Measurement Framework (RMF) target of 35 per cent (table 2). Regarding the 61 IFAD field staff paid through other United Nations agencies, women accounted for 76 per cent of General Service staff and 23 per cent of National Professional officers. The proportion of the workforce from List B and C Member States is 40 per cent in 2014 and the gender balance within the workforce remains equitable.

Table 2

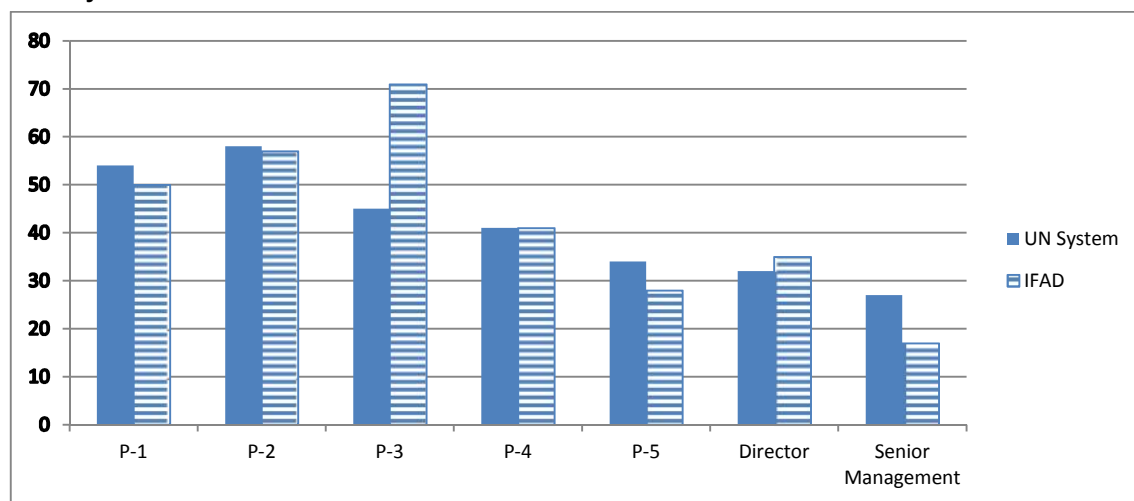
#### Composition of staff

| <i>Indicator</i>   | <i>Baseline<br/>2008</i> | <i>RIDE<br/>2011</i> | <i>RIDE<br/>2012</i> | <i>RIDE<br/>2013</i> | <i>RIDE<br/>2014</i> | <i>RMF target<br/>(2015)</i> |
|--|--------------------------|----------------------|----------------------|----------------------|----------------------|------------------------------|
| Percentage of women in P-5 posts and above               | 30                       | 28                   | 30                   | 29                   | 29                   | 35                           |
| Percentage of women in P-4 posts and above               | 31                       | 31                   | 30                   | 33                   | 34                   | 50*                          |
| Percentage of women in General Service staff positions   | 81                       | 83                   | 81                   | 81                   | 80                   | 50*                          |
| Percentage of workforce from Lists B and C Member States | 33                       | 40                   | 39                   | 40                   | 40                   | Tracked                      |

\* Indicators for the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women (UN-SWAP) performance assessment.

28. IFAD's staffing profile compares well with the United Nations system, with above average representation of women at P-3 and Director level (figure 2). However, the Fund has some way to go to achieving gender equality for P-4 and above (now 34 per cent). Nevertheless, recent efforts to enhance geographic and gender balance are bearing fruit: as of October 2014, women make up 33 per cent of the Senior Management team, and half of the Associate Vice-Presidents are now women from List C Member States.

Figure 2  
**Comparison of percentage of women staff by category in United Nations system and IFAD, January -December 2013**



Source: UN Women (2014)

**Indicator 4.2: Improvement in scores on gender-related staff survey questions by both women and men**

29. Overall, the improvements associated with working with IFAD have continued since 2010, with no significant differences between women and men in these responses. The staff engagement index maintained the RMF target of 75 per cent in 2014 (see table 9 in the main report).

**Action area 5: Resources, monitoring and professional accountability**

30. The Operations Management Committee is the reporting mechanism for gender issues and the Associate Vice-President, PMD, is the Senior Management gender champion.

**Indicator 5.1: Increase in human and financial resources from IFAD's core budget invested to support gender equality and women's empowerment**

31. The dedicated gender staffing at IFAD headquarters has been maintained during 2013-2014, comprising two Professional staff members (P-5 and P-4) and one General Service staff member (shared with one other professional). Two divisions continue to have full-time outposted regional gender coordinators (WCA in Dakar and ESA in Nairobi).
32. IFAD's new gender architecture comprises: (i) the gender team: the dedicated staff (see above) and divisional gender focal points and alternates; at present, the focal points include eight P-5s, four P-4s, six P-3s and one G-6; 13 women and six men; (ii) the thematic group on gender: 76 IFAD staff drawn from 21 divisions; 72 per cent women; and (iii) the wider IFAD community: includes gender focal points in country offices, project units and government officers (225 people) and implementing partners (450), and consultants (86). A needs assessment was conducted and this resulted in capacity-building (including a two-day gender retreat in headquarters), peer support and knowledge-sharing initiatives in the network.
33. A methodology has been developed with the Budget and Organizational Development Unit to identify commitments to gender-related staff and activities during the preparations of the regular budget. Overall, around 10 per cent of total staff costs are spent on gender-related activities, which is significantly higher than the 6 per cent estimated for 2014. Within the organization, the highest gender mainstreaming is in PMD (15 per cent), followed by the Corporate Services

Department with 8 per cent. Notable among divisions are COM (19 per cent), PTA (13 per cent), HRD (10 per cent), and the Ethics Office (10 per cent).

**Indicator 5.2: Increase in the number of substantive references to gender issues in agricultural and rural development by IFAD Management in public forums and the media**

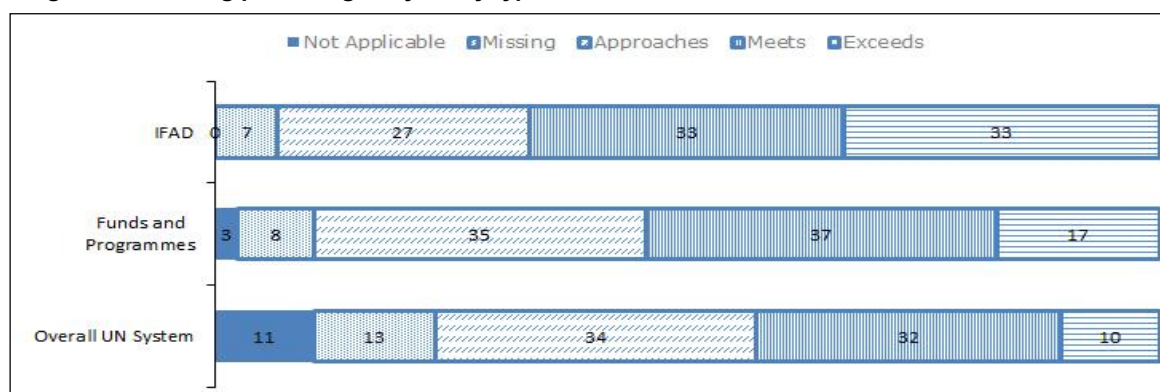
34. From July 2013 to June 2014, the President delivered 18 speeches, and 56 per cent referred to aspects of gender that were relevant to the topic under discussion. During the 37<sup>th</sup> session of the Governing Council, the President made several references to gender issues, particularly during his opening speech. In his statement at the Consultation for the Asia-Pacific region on the Role of Family Farming in the 21<sup>st</sup> Century, in Chennai, India, in August, the President highlighted women's increasingly important role in family farming, which presents new potential for empowerment, both economically and socially. In addition, the Vice-President spoke at the International Women's Day (IWD) event hosted by FAO; the APR Director was a panellist at the IWD event in Chennai; and the Latin America and the Caribbean Division Director hosted the IFAD Gender Awards event.

**Indicator 5.3 Increase in score in annual review of IFAD's performance on gender equality and women's empowerment**

35. The United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women (UN-SWAP) provides an accountability framework with 15 indicators. In 2013, IFAD improved its overall performance, with an increase in the percentage of indicators it met or exceeded the requirements of, from 53 per cent in 2012 to 67 per cent in 2013, and a decrease in ratings for approaching requirements, from 40 to 27 per cent. IFAD's performance continues to be better than the United Nations system as a whole, and also the United Nations agencies that are grouped under Funds and Programmes (see figure 3). UN Women commented "IFAD's results for the second year of UN-SWAP reporting demonstrate that it continues to be a leader in a variety of specific areas related to gender equality and women's empowerment, particularly: coherence, programme review, monitoring and reporting, performance management, and organizational culture." IFAD's gender marker, financial resource tracking and regional gender awards, and the RBAs' peer review process on UN-SWAP progress, have been recognized as best practices.

Figure 3

**Comparison of IFAD's performance against the United Nations system and all Funds and Programmes: rating percentages by entity type**



Source: UN Women (2014).

36. Additional work is needed to meet the requirements with regard to gender-responsive auditing and the specific allocation of financial resources to support gender equality and women's empowerment. The evaluation offices of the RBAs and the Consultative Group of International Agricultural Research (CGIAR) Independent Evaluation Arrangement conducted specialized training in May, with

inputs from the PTA gender desk, to enhance evaluation skills from a gender perspective.

37. IFAD met all the requirements in gender mainstreaming assessment conducted by the Global Environment Facility (GEF) Secretariat of GEF agencies in 2013.

## Implementation of the Istanbul Programme of Action for Least Developed Countries

### A. Background

1. The least developed countries (LDCs) represent the poorest and weakest segment of the international community. They comprise about 12 per cent of world population, but account for less than 2 per cent of world GDP and about 1 per cent of global trade in goods. LDCs display the highest poverty incidence in the world. They have twice the share of their population in extreme poverty, as compared to all developing countries, and in some of them the poverty rate is higher than 80 per cent. The same applies to the prevalence of hunger. They also face low levels of social and human development. LDCs have 880 million people with lowest development indicators and the number of people living in current LDCs is expected to double over the next 40 years. Their largely agrarian economies are affected by a cycle of low productivity and low investment.
2. **LDCs in IFAD-funded operations.** LDCs represent a core IFAD constituency. Since the beginning of its operations in 1978, IFAD has allocated 43 per cent of its resources to these countries, and in the last four years, that proportion has increased to 48 per cent (table 1).

Table 1  
IFAD allocation 2010 – September 2014 (approved project financing)

|                                    | <i>US\$ million</i> |
|------------------------------------|---------------------|
| Total programme (including LDCs)   | 3 735.30            |
| LDCs                               | 1 807.30            |
| Percentage IFAD allocation to LDCs | 48%                 |

Source: Project and Portfolio Management System (PPMS), IFAD.

3. IFAD operates in 42 out of the 48 LDCs. Currently, it has funded 178 projects being implemented in LDCs (approved between 2001 and April 2014). Of these, 100 were approved over the last four years, which represents a significant increase in IFAD's LDC portfolio.
4. **Financing terms.** Since IFAD's financing terms are inter alia determined by per capita income, LDCs receive financing on softer terms for projects and programmes. Most of the operations are financed through highly concessional loans, many times combined with Debt Sustainability Framework (DSF) grants, or grants within the DSF (table 2).

Table 2  
IFAD financing terms for LDCs (2010 – 2014)  
(Approved project financing)

| <i>Financing Terms</i>               | <i>US\$ million</i> | <i>No. loans and grants</i> |
|--------------------------------------|---------------------|-----------------------------|
| DSF grant                            | 509 797             | 37                          |
| DSF grant / highly concessional loan | 469 938             | 32                          |
| Highly concessional loan             | 827 564             | 49                          |
| <b>Total</b>                         | <b>1 807 299</b>    | <b>118</b>                  |

Source: PPMS.

### B. Istanbul Programme of Action for Least Developed Countries

5. The Istanbul Programme of Action (IPoA) was adopted at the Fourth United Nations Conference on Least Developed Countries in Istanbul, Turkey (May 2011), and endorsed in 2012 by IFAD's Governing Council during its 35th session (GC 35/L.11; Resolution 170 / XXXV). The goal of the IPoA is to enable half of the LDCs to meet

the criteria for graduation by 2020, which represents significant attempt to address structural challenges faced by these countries.

6. IFAD contributes to the IPoA, mainly through the Inter-Agency Working Group on Agriculture, Food Security and Nutrition, and Rural Development that comprises the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the Rome-based agencies (RBAs – IFAD, the World Food Programme – WFP and the Food and Agriculture Organization of the United Nations –FAO). The working group aims at articulating a development approach that is specifically relevant to LDCs and their efforts to reduce hunger and malnutrition and increase the incomes of poor people in a sustainable manner.
7. **Post-2015 development agenda.** Among the LDCs, it has been recognized that the IPoA represents a good basis for discussions about the post-2015 agenda. Therefore, during the Tenth Inter-Agency Consultative Group Meeting on the Implementation of the IPoA (March 2014), IFAD provided inputs to the discussion regarding the strategy of LDCs in the post-2015 negotiations. Specifically, IFAD presented the work (developed jointly by the RBAs) on the identification of a common set of target areas and possible indicators in the areas of food security, nutrition and sustainable agriculture.
8. **Small Island Developing States.** Among the LDCs, there is a distinct group of developing countries with specific social, economic, environmental, food and nutrition-related vulnerabilities. The Small Island Developing States (SIDS) include some of the poorest countries in the world, nine of them LDCs.
9. In 2014, IFAD reviewed its approach to the SIDS, recognizing the specific challenges and particular needs of food security in these countries and the obligation to take into account SIDS-specific vulnerabilities in defining the post-2015 development agenda. IFAD's approach for these countries is focused on three thematic areas: i) sustainable small-scale fisheries and aquaculture; ii) opportunities and employment for smallholder agriculture; and iii) environment and climate change. This approach is in line with the commitment to support the IPoA and to advance the sustainable development agenda of LDCs, and it was presented during the Third International Conference on Small Island Developing States (Samoa, September 2014).
10. IFAD's renewed approach provides an opportunity to position IFAD as a partner of choice in addressing the needs of some of the most vulnerable LDCs, supporting them to graduate from LDC status in light of the post-2015 agenda.



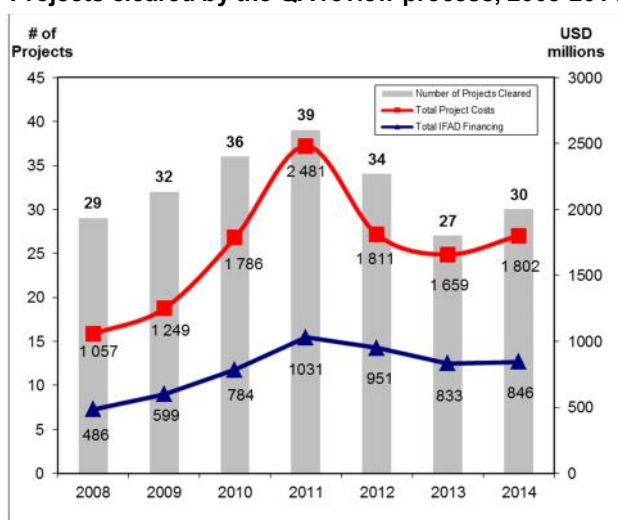
## Annual report on quality assurance in IFAD's projects and programmes

### A. Summary findings of the 2014 Quality Assurance review process

- In 2014, the quality assurance (QA) review committee cleared 30 project designs for presentation to IFAD's Executive Board<sup>1</sup>, representing project costs of more than \$1.8 billion and total IFAD investments of some \$846 million (see figure 1). Overall, activities financed by these projects will support more than 2.7 million beneficiary households in 28 countries, 13 of which were defined as fragile states.

Figure 1

Projects cleared by the QA review process, 2008-2014



- Results from the 2014 QA review process indicate sustained performance in the quality-at-entry of IFAD projects; 21 projects (67 per cent) were cleared with few changes required; nine project (28 per cent) required further refinements during implementation, and two projects (6 per cent) were delayed pending further design work (see table 1). Of the 30 projects cleared for submission to the Executive Board, 87 per cent were judged by the QA reviewers as likely to fully meet their development objectives.

Table 1

QA review results, 2008-2014

| Final project categories   | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|------|------|------|------|------|------|------|
| Number of project reviews (number)   | 32   | 33   | 36   | 40   | 35   | 27   | 32   |
| Project judged ready to proceed with minor changes (percentage)  | 28   | 30   | 42   | 38   | 60   | 63   | 67   |
| Projects judged ready to proceed subject to additional assurances during loan negotiations and/or further modifications/reviews during implementation (percentage) | 56   | 67   | 58   | 60   | 37   | 37   | 28   |
| Projects requiring substantive changes entailing delay in presentation to Executive Board (percentage)   | 6    | 0    | 0    | 3    | 3    | 0    | 6    |
| Projects dropped from the lending programme (percentage)   | 3    | 3    | 0    | 0    | 0    | 0    | 0    |

Notes: Includes two sets of data for five projects – two reviewed in 2008; one reviewed 2011; one reviewed in 2012, and one reviewed in 2014. Values may not total to 100 per cent due to rounding.

<sup>1</sup> In 2014, 32 project reviews were conducted and 30 projects were cleared for presentation to the Executive Board.

3. As agreed during the IFAD9 consultations, project designs cleared by the QA review committee are rated across several indicators: overall quality of design (disaggregated to include Fragile States), gender, monitoring and evaluation, and scaling up. The results of this “at-entry” rating exercise are presented in table 2.

Table 2

**At-entry RMF ratings and percentage of projects with satisfactory or better overall ratings a**

| <i>Indicators</i>  | <i>Baseline year</i> | <i>Baseline value</i> | <i>Results 2013</i> | <i>Results 2014</i> | <i>Results 2013-14</i> | <i>Target 2015</i> |
|--|----------------------|-----------------------|---------------------|---------------------|------------------------|--------------------|
| <b>4.3 Percentage of projects rated 4 or better at entry/average rating</b>        |                      |                       |                     |                     |                        |                    |
| 4.3.1 Overall quality of design  | 2010/2011            | 79                    | 93                  | 90                  | 91                     | 85                 |
| 4.3.2 Overall quality of design for projects in fragile states only <sup>b</sup>   | 2010/2011            | n/a                   | 80                  | 86                  | 83                     | 80                 |
| 4.3.3 Gender <sup>c</sup>  | 2010/2011            | 86                    | 78                  | 83                  | 81                     | 90                 |
| 4.3.4 Monitoring and evaluation  | 2010/2011            | 70                    | 85                  | 90                  | 88                     | 80                 |
| 4.3.5 Percentage of projects receiving positive ratings on scaling up <sup>d</sup> | 2010/2011            | 72                    | 76                  | 89                  | 83                     | 80                 |

<sup>a</sup> Quality-at-entry ratings are based on a scale of 1-6, where 1 is highly unsatisfactory and 6 is highly satisfactory. The percentage indicates the number of projects receiving a rating of 4 or better (i.e. moderately satisfactory or better) out of the total number of projects.

<sup>b</sup> In 2014, the 14 projects cleared for Board submission were located in 13 fragile states. This rating reflects only this subset of projects.

<sup>c</sup> The baseline and target for the gender rating were recorded and set prior to the introduction of the more rigorous assessment system currently used to rate this indicator.

<sup>d</sup> The 2014 scaling-up ratings are based on 19 projects that explicitly identify themselves as “scaling-up” activities.

Source: Office records. Based on 30 projects cleared for presentation to the Executive Board in 2014. Projects are only rated following clearance for Board presentation.

4. Currently the IFAD9 Results Measurement Framework (RMF) data set remains too small to conduct a meaningful and detailed analysis at regional or sectoral level; such an exercise will be undertaken at the end of 2015, once all the data for the three-year reporting period has been collected.
5. In most categories, projects presented during 2014 met or exceeded their respective targets. However, despite this relatively positive outcome, several consistent areas of design weakness were identified, particularly with regard to logical frameworks, economic and financial analysis, implementation arrangements, and complexity (see table 3).

Table 3

**Top 10 recommendations**

(Percentage of projects)

| <i>Theme</i>                                 | <i>2014</i> | <i>2013</i> | <i>2008-2014</i> |
|--|-------------|-------------|------------------|
| Logical framework                            | 67          | 42          | 37               |
| Economic analysis                            | 50          | 37          | 32               |
| Rural finance                                | 43          | 26          | 26               |
| Environment and adaptation to climate change | 27          | 15          | 13               |
| Implementation arrangements                  | 23          | 24          | 38               |
| Complexity                                   | 23          | 7           | 18               |
| Agriculture                                  | 20          | 11          | 9                |
| Institutional arrangements                   | 20          | 15          | 14               |
| Marketing                                    | 20          | 7           | 7                |
| Project development objectives               | 20          | 15          | 4                |

6. Design weakness in several thematic areas were identified in multiple projects during 2014, and some were also flagged in previous QA annual reports. The QA

Secretariat urges IFAD Management to revisit and strengthen the respective approaches to design in the areas listed below.

7. **Design and monitoring.** IFAD could make better use of standard design and monitoring tools (economic analysis, logical frameworks, lessons learned) to shape projects at the formulation stage and to manage them during implementation:
- (a) **Economic and financial analyses (EFA).** While significantly improved in recent years (due to improved/simplified guidelines and the vetting of the analyses using in-house expertise), EFA continue to be undertaken in an inconsistent fashion (different methodologies employed; incomplete presentation of results; inconsistent linkage to logical frameworks and risk analyses). Moreover, they are not consistently used as tool for selecting activities. PTA's current (good) efforts to standardize IFAD's use of EFA should be supported, and several quick wins that have emerged from this process (training regional economists to vet EFA; creating approved rosters of EFA consultants; requiring presentation of EFA deliverables using certain technical templates) should be given serious consideration.
  - (b) **Logical frameworks.** IFAD's use of logical frameworks requires further improvement, particularly regarding the number, nature and appropriateness of indicators selected. Several reviews in 2014 and 2013 flagged the overabundance of logical framework indicators and imprecision with respect to stating project goals. Moreover, the utility of collecting third-level Results and Impact Management System (RIMS) impact data (malnutrition and household asset index) was questioned for a number of reasons, including the acknowledged problems in attributing the results to IFAD-funded activities and the lack of control groups.
  - (c) **Lessons learned.** Despite the push to scale up IFAD-supported projects, analysis of outcomes (lessons learned) from previous IFAD experience (or others' experience) is not consistently presented as a basis for informing or justifying design approaches. This is not to say that reviewing lessons learned is never done (indeed, during 2014, several designs were complimented for work in this area), but rather to note that considerable scope remains to ensure that the context of IFAD's (and other donors') history of engagement in a given environment is fully leveraged as a core aspect of every design.
  - (d) **Complexity.** IFAD is constantly striving to strike a balance between its mandate to operate in remote and fragile areas targeting poor, often marginalized, communities, and its need to deliver projects with considerable impact (often by financing many different kinds of activities for beneficiaries). This dynamic, coupled with other factors (such as the constrained resources of a fragile state or the massive geographic scope of large states) can leave projects at risk of failure. In recent years, IFAD's managers have opted to deal with such complexity by increasing funding for additional monitoring and supervision work on a case-by-case basis. In some cases, phasing of activities was also proposed as a mitigating measure. In most cases, however, paring down and focusing project activities to core, achievable and deliverable activities is the best remedy for reducing unwieldy design elements and increasing the likelihood of successful outcomes.
  - (e) **Implementation arrangements.** During 2014, a variety of implementation-related risks were identified; managing and mitigating such risks is a perennial concern for IFAD-supported projects, and although the traditional approach (relying on NGOs and similar organizations) has generally resulted in satisfactory outcomes, IFAD is increasingly seeking to leverage private-sector players in key implementation roles (cofinanciers, managers of project activities, members of steering committees, etc.). Given this shift and the evolving public-private-producers partnership (4 Ps) model, close attention

will have to be paid to the extent to which the preferred implementation arrangements can influence project outcomes, and corrective measures expeditiously taken when problems arise.

- (f) **Thematic mainstreaming.** As preparations are undertaken to fine-tune embedding certain cross-cutting activities into all IFAD-funded projects over the medium term, a consistent and integrated corporate approach needs to be rolled out for such mainstreaming. With respect to climate-related activities, IFAD's definition of resilience is clear and flexible enough to accommodate the wide range of activities supported by the Fund. With respect to nutrition, design teams are urged to be cautious of add-on activities that may have little impact on the ground while adding complexity to the overall design. With respect to gender activities, an area that scored slightly below the 2015 RMF target as noted in table 2, it is important to articulate, consistently and carefully, a given project's specific gender-related objectives, activities and budget in the core design document, supported by associated annexes and working papers.

## **B. Efficacy of IFAD's quality assurance system**

8. Over the course of 2014, the Quality Assurance Secretariat undertook several initiatives focused on strengthening the QA programme. Taken together, these efforts – in conjunction with the recent restructuring of the Quality Assurance Group under the Vice-President – are aimed at improving the efficiency and consistency of QA reviews for loans and grants.
9. **QA at quality enhancement (QE) pilot.** During 2014, the QA Secretariat, in coordination with the Quality Enhancement Review Secretariat, engaged reviewers to assess 20 projects earlier in the design cycle (at the QE stage) in order to gauge the impact and efficacy of providing country programme managers (CPMs) feedback earlier in the design process (when time and budget still allow for substantive changes to be made). Following in-depth discussions with technical lead advisers and CPMs, the piloted approach received considerable support primarily due to the strategic and technical insights provided by the QA reviewers. Of the 13 projects in the pilot that completed the design cycle in 2014, all were cleared by the QA review committee; moreover, seven of the designs were cleared with no major issues/recommendations and in three cases, it was recommended that the final QA discussion be waived entirely. Following these positive results, the QA Secretariat will explore options with other QA stakeholders for making the pilot operational in 2015.
10. **QE-QA workshop.** In October 2014, PTA and the QA Secretariat co-hosted a two-day QE-QA workshop to ensure alignment between both Secretariats on a variety of issues. During the workshop, five QA reviewers met with in-house experts to discuss technical issues (gender, environment and climate adaptation, nutrition, private-sector partnerships, scaling-up, and economic and financial analysis). In addition, a three-hour session was held with CPMs, lead advisers and members of Senior Management to discuss topics of strategic importance (the results of the QA at QE pilot, the quality at-entry RMF rating system, thematic mainstreaming, and IFAD's environmental and social safeguards policy).
11. **QUASAR system.** During 2014, the QA Secretariat refined the functionality and expanded the scope of the quality assurance archiving system (QUASAR) to support new workflows outside of the standard QA review process (concept note reviews as well as the collection of RMF data). By the end of 2014, the system will include other functionality related to data searching, filtering and reporting. In 2014 the QUASAR project received additional corporate sponsorship to further expand the platform in 2015, by supporting the workflows of other IFAD review processes, such as the Secretariat of the Operational Strategy and Policy Guidance Committee, grant proposals and QE reviews.

## Progress report on the Adaptation for Smallholder Agriculture Programme

### ASAP financial status

- The financing status of the Adaptation for Smallholder Agriculture Programme (ASAP) is presented in table 1. Since the programme's September 2012 launch, 16 ASAP-supported projects have been approved by the IFAD Executive Board, committing US\$149 million from the ASAP Trust Fund to concrete actions that help smallholder farmers adapt to the impacts of climate change. Total disbursements from the ASAP Trust Fund at 18 September, 2014, amount to US\$5,673,614.

Table 1  
ASAP financing status as at September 2014

| <i>Donor</i>                                | <i>Year</i> | <i>Currency</i> | <i>Amount</i> | <i>US\$ equivalent<sup>a</sup></i> |
|---|-------------|-----------------|---------------|------------------------------------|
| Belgium                                     | 2012        | EUR             | 6 000 000     | 8 583 691                          |
| Canada                                      | 2012        | CAD             | 19 849 000    | 20 347 514                         |
| Finland                                     | 2014        | EUR             | 5 000 000     | 7 153 076                          |
| Flanders                                    | 2014        | EUR             | 2 000 000     | 2 861 230                          |
| Netherlands                                 | 2012        | EUR             | 40 000 000    | 57 224 607                         |
| Norway                                      | 2012        | NOK             | 21 000 000    | 3 860 010                          |
| Sweden                                      | 2012        | SEK             | 30 000 000    | 4 729 027                          |
| Switzerland                                 | 2013        | CHF             | 10 000 000    | 11 844 131                         |
| United Kingdom firm                         | 2012/2013   | GBP             | 115 300 000   | 186 932 555                        |
| United Kingdom matched funding <sup>b</sup> | tbc         | GBP             | 32 200 000    | 52 204 929                         |
| <b>Total</b>                                |             |                 |               | <b>355 740 770</b>                 |

Tbc = to be confirmed.

<sup>a</sup> At time of consultation.

<sup>b</sup> Contingent on additional resource mobilization (1 GBP released for every 3 GBP mobilized from other sources).

### ASAP programming status

- Table 2 provides a list of ASAP-supported projects approved by the IFAD Executive Board to date. The results projections of ASAP-supported projects that were approved by the Executive Board and/or had completed the quality assurance (QA) stage by October 2014 are summarized in table 3.

Table 2  
**ASAP-supported projects approved by the IFAD Executive Board to date**

| <i>Region</i> | <i>Project ID</i> | <i>Country</i> | <i>Name of ASAP-supported project</i>  | <i>Country financial terms</i> | <i>ASAP allocation \$USM</i> | <i>Grant type</i> | <i>QA date</i>    | <i>EB date</i> | <i>Thematic focus</i>  |
|---------------|-------------------|----------------|--|--------------------------------|------------------------------|-------------------|-------------------|----------------|--|
| ESA           | 1618              | Mozambique     | Pro-Poor Value Chain Development Project in the Maputo and Limpopo Corridors | HC                             | 5                            | FB                | HELD<br>12-Jul-12 | Sep-12         | Climate change adaptation in value chains for irrigated horticulture, cassava and red meat; improved water management and irrigation; strengthening of the weather station network; community-based natural resource management plans; pest and disease monitoring                                     |
| APR           | 1585              | Bangladesh     | Climate Adaptation and Livelihood Protection Project (CALIP)                 | HC                             | 15                           | AG                | HELD<br>28-Jun-13 | Sep-13         | Village protection to prevent flood damage; diversified food production and income generation systems; capacity- building on climate risk management; flash flood early warning system   |
| APR           | 1664              | Viet Nam       | Adaptation to Climate Change in the Mekong River Delta Region (AMD)          | HC                             | 12                           | FB                | HELD<br>30-Sep-13 | Dec-13         | Combined rice/aquaculture systems; salinity monitoring and management in soil and groundwater; saline-tolerant catfish breeding; institutional capacity development  |
| ESA           | 1497              | Rwanda         | Post-harvest and Agribusiness Support Project (PASP)                         | DSF/HC                         | 7                            | FB                | HELD<br>25-Oct-13 | Dec-13         | Climate-resilient post-harvest processing and storage for maize, cassava, beans, potatoes and dairy value chains; improvement of climate information services and storage building codes   |
| LAC           | 1598              | Bolivia        | Programa de Adaptación para la Agricultura en Pequeña Escala (ACCESOS)       | Blend                          | 10                           | AG                | N/A               | Dec-13         | Cataloguing indigenous adaptation knowledge; community-based natural resource management at landscape-level; climate information management; Competitions for community-based adaptation   |
| LAC           | 1683              | Nicaragua      | Adapting to changing markets and the effects of climate change               | DHC                            | 8                            | FB                | HELD<br>01-Oct-13 | Dec-13         | Sustainable water resources management; agricultural diversification and strengthening of meteorological services in coffee and cocoa value chains   |
| NEN           | 1672              | Yemen          | Rural Growth Programme   | D                              | 10                           | FB                | HELD<br>20-Sep-13 | Dec-13         | Integrated watershed management; water conservation in drought-prone areas; rehabilitation and improvement of rural feeder roads; diversifying energy systems in rural areas   |
| NEN           | 1671              | Djibouti       | Programme to Reduce Vulnerability in Coastal Fishing Areas                   | HC                             | 6                            | FB                | HELD<br>30-Sep-13 | Dec-13         | Reducing climate risks in fisheries value chains; participatory management of coastal resources; protection of coastal infrastructure; improved post-harvest cooling and storage; improving access to freshwater for fisheries value chains; protection of coastal mangrove ecosystems and coral reefs |
| NEN           | 1626              | Kyrgyzstan     | Livestock and Market Development Programme II                                | DHC                            | 10                           | FB                | HELD<br>02-Oct-13 | Dec-13         | Protection of livestock from climate-related disasters and diseases; community-based management and restoration of degraded pastures and rangelands; climate-resilient dairy value chain; early warning systems  |

| Region | Project ID | Country       | Name of ASAP-supported project  | Country financial terms | ASAP allocation \$USM | Grant type | QA date        | EB date | Thematic focus  |
|--------|------------|---------------|---|-------------------------|-----------------------|------------|----------------|---------|---|
| WCA    | 1692       | Nigeria       | Climate Change Adaptation and Agribusiness Support Programme in the Savannah Belt   | HC                      | 15                    | FB         | HELD 04-Oct-13 | Dec-13  | Integration of climate risk management into rural agribusiness value chains; improving rural roads to harvest excess runoff and prevent flood damage; improving access to diversified, renewable energy sources   |
| WCA    | 1444       | Mali          | Projet visant à Améliorer la Productivité Agricole au Mali- Financement provenant du Programme d'Adaptation de l'agriculture paysanne (PAPAM) | DHC                     | 10                    | AG         | N/A            | Dec-13  | Increased ecosystem and smallholder resilience through farmers' access to renewable energy technologies, diversified farming activities and innovative financial services   |
| WCA    | 1678       | Ghana         | Ghana Agriculture Sector Investment Programme (GASIP)   | DHC                     | 10                    | FB         | HELD 06-Feb-14 | Apr-14  | Integration of climate risk management into agricultural value chains; improving access to diversified energy sources; scaling up of efficient irrigation and sustainable land management technologies  |
| APR    | 1723       | Nepal         | Adaptation for Smallholders in the Hilly Areas (ASHA)   | DHC                     | 15                    | FB         | HELD02-Jul-14  | Sep-14  | Participatory climate risk and vulnerability assessments; development of local adaptation plans; sustainable land, water and forest management; diversification of crops; improved storage systems  |
| ESA    | 1673       | Lesotho       | Wool and Mohair Production Project  | DSF/HC                  | 7                     | FB         | HELD 25-Jun-14 | Sep-14  | Climate change adaptation in wool and mohair value chains; community-based rangeland management; strengthening access of herders to agro-meteorological information; applied research to optimize livestock management practices; disease early warning |
| NEN    | 1727       | Morocco       | Programme de Developpement Rural des Zones de Montagne (PDRZM)  | O                       | 2                     | FB         | HELD 4-Jul-14  | Sep-14  | Diversification of livelihoods and energy systems; water-efficient irrigation systems   |
| WCA    | 1590       | Côte d'Ivoire | West & North West Regions Agricultural Production & Marketing Support Project (PROPACOM)  | DHC                     | 7                     | FB         | HELD 02-Jul-14 | Sep-14  | Integration of climate risk management into agronomic value chains; improving access to diversified energy sources  |
| WCA    | 1691       | Chad*         | Projet d'amélioration de la résilience des systèmes agricoles au Tchad (PARSAT)   | DHC                     | 5                     | FB         | HELD 04-Feb-14 | Dec-14  | Efficient water management for agricultural production; farmer field schools with climate change adaptation training; access to climate-resilient farming inputs (such as drought-resistant crop varieties)   |

\* Cleared by IFAD's quality assurance (QA) process. Targets captured in Table 2, EB-approval still pending

#### LEGEND:

##### Lending terms

D = 100% grant – debt sustainability countries

DHC = 50% grant, 50% HC

HC = highly concessional – 40 years repayment, .75% annual cost, 10-year grace period

O = ordinary terms

Blend = same cost as HC but repayment over 20 not 40 years

##### Regions

APR = Asia Pacific Region

ESA = East and Southern Africa

LAC = Latin America and the Caribbean

NEN = Near East, North Africa and Europe

WCA = West and Central Africa

##### "Grant Type"

AG = additional grant (added to an ongoing investment programme)

FB = fully blended grant (co-programmed with IFAD baseline investments)

##### Milestones

QA = Quality Assurance review

EB = Executive Board

Table 3  
Results projections from ASAP-supported projects designed between September 2012 and September 2014

| ASAP results hierarchy | ASAP results at global portfolio level   | Portfolio results indicators   | 2020 target        | Programmed to date <sup>a</sup>   |
|------------------------|--|--|--------------------|---|
| Goal                   | Poor smallholder farmers are more resilient to climate change  | 1. Number of poor smallholder household members whose climate resilience has been increased  | 8,000,000          | 3,556,050   |
|                        |  | 2. Percentage of new investments related to the environment and natural resources management (ENRM) in IFAD 9th Replenishment compared with IFAD 8th Replenishment | 20%                | To be aggregated across IFAD investment portfolio at the end of IFAD9 (2015)                |
|                        |  | 3. Leverage ratio of ASAP grants versus non-ASAP financing   | 1 : 4              | 1 : 6.7   |
| Purpose                | Multiple-benefit adaptation approaches for poor smallholder farmers are scaled up                                      | 4. Percentage extent of land and ecosystem degradation in productive landscapes  | minus 30%          | Impacts to be aggregated across the global ASAP portfolio (actual impacts expected by 2020) |
|                        |  | 5. Number of tonnes of greenhouse gas (GHG) emissions in carbon dioxide equivalent (CO <sub>2</sub> e) avoided and/or sequestered                                  | 80,000,000         | Impacts to be aggregated across the global ASAP portfolio (actual impacts expected by 2020) |
| Outcome 1              | Improved land management and gender-sensitive climate resilient agricultural practices and technologies                | 6. Number of hectares of land managed under climate-resilient practices  | 1,000,000 hectares | 715,285 hectares plus 15 watersheds <sup>b</sup>  |
| Outcome 2              | Increased availability of water and efficiency of water use for smallholder agriculture production and processing      | 7. Number of households, production and processing facilities with increased water availability  | 100,000 households | 73,481 households plus 2842 facilities  |
| Outcome 3              | Increased human capacity to manage short- and long-term climate risks and reduce losses from weather-related disasters | 8. Number of individuals (including women), community groups engaged in climate risk management, ENRM or disaster risk reduction (DRR) activities                  | 1,200 groups       | 1,644 community groups plus 349,514 individuals   |
| Outcome 4              | Rural infrastructure made climate-resilient  | 9. Value in United States dollars of new or existing rural infrastructure made climate-resilient   | US\$ 80,000,000    | US\$104,000,000 plus 849 kilometres of rural roads <sup>6</sup>                             |
| Outcome 5              | Knowledge on climate-smart smallholder agriculture documented and disseminated   | 10. Number of international and country dialogues on climate issues where ASAP-supported projects or project partners make an active contribution                  | 40 dialogues       | 44 dialogues  |

<sup>a</sup> Aggregated from quantitative targets formulated in the logical frameworks of 16 Executive Board-approved, ASAP-supported projects (Bangladesh, Bolivia, Côte d'Ivoire, Djibouti, Ghana, Kyrgyzstan, Lesotho, Mali, Morocco, Mozambique, Nepal, Nigeria, Nicaragua, Rwanda, Yemen, Viet Nam ) and one ASAP project design report at quality assurance stage (Chad). Excludes targets formulated as percentage improvements relative to still unknown baseline values; qualitative targets that cannot be aggregated into any ASAP portfolio-level results indicator; and quantitative indicators with target values that have yet to be established by participatory processes.

<sup>b</sup> To be converted into hectares ex-post (i.e. once the geographic extent of target watersheds has been ascertained by project teams).



### **ASAP impact on climate mainstreaming**

3. As a result of ASAP support, one half of all new country strategic opportunities programmes and one third of all new project designs in IFAD now integrate climate change adaptation measures. These climate mainstreaming efforts are working through the following pathways:
  - **Better analysis** of climate risks and vulnerabilities. More project designs are taking into account climate-related threats such as droughts, floods, tropical storms, sea-level rise and temperature extremes. Example: In Yemen, a climate risk analysis is influencing the location and engineering design of stone terraces and rural feeder roads.
  - **More innovation.** Adapting to new and emerging risks requires access to innovative knowledge and technology, including when smallholders are already in a changing context of increasing market integration. Examples: A salinity monitoring system is tracking the effects of sea-level rise on rice production in Viet Nam; improved building codes and energy technology help reduce the effects of extreme weather and pest infestations in post-harvest processing hubs in Rwanda.
  - **Faster scaling up** of sustainable agriculture techniques. IFAD's track record in natural resource management provides many platforms to scale up adaptation-relevant technologies. Examples: Agroforestry is being expanded in coffee and cocoa plantations in Nicaragua; watershed management is adopted in degraded landscapes in Bolivia; and sustainable rangeland management is expanded in Kyrgyzstan and Lesotho.
4. In terms of business processes within IFAD, ASAP has catalysed the following innovations:
  - Climate change adaptation indicators integrated in the Results and Impact Management System (RIMS);
  - Climate markers integrated into QA review process;
  - Portfolio review guidelines and project completion report templates updated to capture climate aspects;
  - Climate risk screening integrated in the revised social, environmental and climate assessment process; and
  - Climate-inclusive economic and financial analysis piloted in selected investment designs.

### **ASAP knowledge management**

5. ASAP is supporting the implementation of an IFAD knowledge management strategy for climate change adaptation. Key deliverables in 2014 include:
  - Learning Alliance for Adaptation in Smallholder Agriculture developed and financed jointly with the Consultative Group of International Agricultural Research (CGIAR) Programme on Climate Change, Agriculture and Food Security (CCAFS);
  - Climate-inclusive economic and financial analysis piloted in selected investment designs;
  - A strategy developed jointly with the World Food Programme (WFP) to increase the use of earth observation and geographic information systems for investment design, risk analysis and monitoring;
  - Climate change mainstreamed into the IFAD corporate training programme for staff and project teams; and
  - A new series of knowledge products developed.
6. Table 4 below presents ASAP communication and advocacy products developed and disseminated in 2014 and table 5 the key achievements in ASAP-related advocacy and communications 2014.

Table 4

**ASAP communication and advocacy products developed and disseminated in 2014**

| <i>Title</i>  | <i>Type</i>                       |
|---|-----------------------------------|
| IFAD brochure on climate mainstreaming  | Brochure                          |
| Fact sheets for 11 ASAP-supported projects  | Factsheets                        |
| ASAP newsletter: issues 3 and 4   | Electronic newsletter             |
| Vermeulen S.J. (2014). Climate change, food security and small-scale producers. CCAFS Info Brief. CGIAR Research Program on Climate Change, Agriculture and Food Security, Copenhagen, Denmark  | Peer-reviewed Info Brief          |
| Wright H., Vermeulen S., Laganda G., Olupot M., Ampaire E., Jat M.L. (2014). Farmers, Food and Finance: Ensuring that Community-based Adaptation is Mainstreamed into Agricultural Programmes. In: Climate and Development [in print]                                 | Peer-reviewed journal article     |
| Laganda G. (2014). What Counts as Evidence for Policy Makers who Need to Address the Challenges of Climate Change? In: Government, Public Policy and Management: A Reader. Department of Social Policy and social Work, University of York, United Kingdom [in print] | Peer-reviewed journal article     |
| Rota A., Sehgal K. (2014). FlexiBiogas – a climate change adaptation and mitigation technology. In: Rural 21 – 02/2014  | Peer-reviewed journal article     |
| Rosendahl Appelquist L., Balstrøm T. (2014). Application of the Coastal Hazard Wheel methodology for coastal multi-hazard assessment and management in the state of Djibouti. In: Climate Risk Management [in print]  | Peer-reviewed journal article     |
| One UN Climate Change Learning Partnership: Guidance Note on Developing a National Climate Change Learning Strategy   | Guidance Note                     |
| Guidelines for Integrating Climate Change Adaptation into Fisheries and Aquaculture Projects  | IFAD guidelines                   |
| Field Practitioner's Toolkit on Institutional and Organizational Analysis and Capacity Strengthening  | IFAD guidelines                   |
| The Multidimensional Poverty Assessment Tool Users Guide – French translation   | IFAD guidelines                   |
| Companion modelling for (i) participatory water infrastructure management, and (ii) adaptation to climate change at basin scale to secure livelihood and water availability   | Training materials                |
| Comprehensive environment and climate change assessment in Viet Nam   | Baseline study                    |
| Rapid Rural Appraisal Report of Northern Uganda   | Baseline study                    |
| Scaling Up Climate-resilient agricultural development   | IFAD "Scaling up toolkit"         |
| How to measure 'climate resilience'   | IFAD-internal 'How-to' note       |
| How to assess climate change risks in value chain projects (under development)  | IFAD-internal 'How-to' note       |
| How to design climate resilient livestock development projects (under development)  | IFAD-internal 'How-to' note       |
| How to mainstream portable biogas systems into IFAD-supported projects  | IFAD-internal 'How-to' note       |
| The Gender Advantage: Women on the front line of climate change   | Compilation of case studies       |
| Household methodologies for strengthening climate resilience in Malawi (under development)  | Case Study plus training material |
| Where ASAP is influencing National Policies   | Overview of case studies          |
| Ferrarese C. & Mazzoli E. (2014). Analysis of local economic impacts using a Village Social Accounting Matrix: the case of Oaxaca. (draft)  | Case study                        |

Table 5  
**Key achievements in ASAP-related advocacy and communications 2014**

| <i>Achievement</i>  | <i>Type</i>  | <i>Date</i>   |
|---|--|---------------|
| Media and event coverage<br>(press coverage in a variety of international/ national publications) | • International press release: gender advantage  | Feb.          |
|   | • International press release: agriculture reaction to new Intergovernmental Panel on Climate Change (IPCC) report   | Apr.          |
|   | • International press release: IFAD-Global Environment Facility (GEF) Advantage Report   | May           |
|   | • Media advisory for Community-based Adaptation Conference (CBA8)  | Apr.          |
| Video products for web, TV and event broadcasting   | • Video news release/YouTube/Web video on ASAP Viet Nam  | Apr.          |
|   | • YouTube/web video on ASAP Nicaragua  | Apr.          |
|   | • ASAP Animation Award winner  | Apr.          |
|   | • TV show Shamba Shape-Up aired, broadcast to 13 million viewers, 70% of them farmers in Kenya, Uganda and the United Republic of Tanzania. Shows ASAP-promoted technology in a makeover show format (English/Swahili) | Apr.- onwards |
|   | • Recipes of Hope video/social media (focus on ASAP Viet Nam)  | May           |
|   | • Recut Smallholder Voices on Climate Change   | May           |
| Web presence  | • Momentum for Change – second video   | June          |
|   | • Launch of Focus on Environment and Climate campaign – tripling of web traffic to IFAD Environment and Climate Division (ECD)/ASAP pages  | Ongoing       |
| Social media  | • Revamp of IFAD ECD, ASAP and GEF portals   | Ongoing       |
|   | • Regular social media updates for Twitter and Facebook accompanying every ASAP-related event or story   | Ongoing       |
|   | • Production of at least five social media updates per week  | Ongoing       |
|   | • Around 35 blogs prepared   | Jan.-June     |
| Events organized  | • Webstreaming of London conference on agriculture's reaction to IPCC adaptation report  | Apr.          |
|   | • London Conference on Agriculture's Reaction to the new IPCC adaptation report  | Apr.          |
|   | • World Environment Day – Information day for IFAD staff and visitors  | June          |
| Events with speaking roles<br>(presenting ASAP)   | • Community-based Adaptation Conference (CBA8)   | Apr.          |
|   | • GEF Assembly – gender side event   | May           |
|   | • GEF Assembly – climate finance side event  | May           |
|   | • GEF Assembly – adaptation side event   | May           |
|   | • GEF Assembly – food nutrition side event   | May           |
|   | • United Nations Framework Convention on Climate Change (UNFCCC) Bonn Climate Change Conference - climate-smart agriculture side event   | June          |
|   | • UNFCCC Bonn Climate Change Conference – climate and food security side event   | June          |

## **Harmonized list of fragile states of those agreed on by multilateral development banks and the Organisation for Economic Co-operation and Development**

| <b>Region</b> | <b>Country</b>                             |
|---------------|--|
| APR           | Islamic Republic of Afghanistan            |
| APR           | People's Republic of Bangladesh            |
| APR           | Republic of Kiribati                       |
| APR           | Democratic People's Republic of Korea      |
| APR           | Republic of the Marshall Islands           |
| APR           | Republic of the Union of Myanmar           |
| APR           | Federal Democratic Republic of Nepal       |
| APR           | Islamic Republic of Pakistan               |
| APR           | Solomon Islands                            |
| APR           | Democratic Socialist Republic of Sri Lanka |
| APR           | Democratic Republic of Timor-Leste         |
| APR           | Tuvalu                                     |
| ESA           | Republic of Angola                         |
| ESA           | Republic of Burundi                        |
| ESA           | Union of the Comoros                       |
| ESA           | Eritrea                                    |
| ESA           | Federal Democratic Republic of Ethiopia    |
| ESA           | Republic of Kenya                          |
| ESA           | Republic of Madagascar                     |
| ESA           | Republic of Malawi                         |
| ESA           | Republic of South Sudan                    |
| ESA           | Republic of Uganda                         |
| ESA           | Republic of Zimbabwe                       |
| LAC           | Republic of Haiti                          |
| NEN           | Bosnia and Herzegovina                     |
| NEN           | Arab Republic of Egypt                     |
| NEN           | Republic of Iraq                           |
| NEN           | Libya                                      |
| NEN           | Federal Republic of Somalia                |
| NEN           | Republic of the Sudan                      |
| NEN           | Syrian Arab Republic                       |
| NEN           | West Bank & Gaza                           |
| NEN           | Republic of Yemen                          |
| WCA           | Burkina Faso                               |
| WCA           | Republic of Cameroon                       |
| WCA           | Central African Republic                   |

|     |                                  |
|-----|----------------------------------|
| WCA | Republic of Chad                 |
| WCA | Democratic Republic of the Congo |
| WCA | Republic of the Congo            |
| WCA | Republic of Côte d'Ivoire        |
| WCA | Republic of Guinea               |
| WCA | Republic of Guinea Bissau        |
| WCA | Republic of Liberia              |
| WCA | Republic of Mali                 |
| WCA | Islamic Republic of Mauritania   |
| WCA | Republic of the Niger            |
| WCA | Federal Republic of Nigeria      |
| WCA | Republic of Sierra Leone         |
| WCA | Togolese Republic                |