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Investing in rural people

Republic of the Philippines

Country Strategy and Programme Evaluation

Agreement at Completion Point

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For: Review

Republic of the Philippines

Country Strategy and Programme Evaluation

Agreement at Completion Point

A. Introduction

1. This is the first country strategy and programme evaluation (CSPE) in the Republic of the Philippines conducted by the Independent Office of Evaluation of IFAD (IOE). The main objectives of the CSPE were to: (i) assess the results and performance of the IFAD-financed country strategy and programme; and (ii) generate findings and recommendations for the future partnership between IFAD and the Republic of Philippines for enhanced development effectiveness and rural poverty eradication.
2. The CSPE assessed the IFAD-Government partnership pursued under the country strategic opportunities paper/programmes (COSOPs) of 1999 and 2009. To inform the assessment, the CSPE covered: (i) the lending portfolio (US\$153.4 million across seven loans effective between 2003 and 2015); (ii) non-lending activities (knowledge management, policy dialogue, partnership building, and selected grants); and (iii) performance of IFAD and the Government.
3. This agreement at completion point (ACP) contains recommendations based on the evaluation findings and conclusions presented in the CSPE report, as well as proposed follow-up actions as agreed by IFAD and the Government. The signed ACP is an integral part of the CSPE report in which the evaluation findings are presented in detail, and will be submitted to the IFAD Executive Board as an annex to the new country strategic opportunities programme for the Philippines. The implementation of the recommendations agreed upon will be tracked through the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions, which is presented to the IFAD Executive Board on an annual basis by the Fund's Management.

B. Recommendations and proposed follow-up actions

4. Recommendation 1: Carefully reflect on IFAD's comparative advantage relative to the country's needs in the new country strategy. The new country strategy should reflect IFAD's specificity and comparative advantage, in terms of the target group (e.g. indigenous peoples, fishers) and/or thematic areas with a clear pro-poor orientation, with a view to generating knowledge and lessons to inform investments by the Government and other partners for scaling-up.
5. Engagement with indigenous peoples in a proactive manner is one of the areas where IFAD has accumulated experience and comparative advantage, in the Philippines and at corporate level. Taking into consideration earlier achievements and prevailing institutional challenges, there is an opportunity to revisit and strategically reflect on future support. Land tenure remains a potential source of conflict and a key issue for the rural poor, and the new country strategy needs to consider ways to upgrade IFAD's support in this area. Furthermore, given the exposure of the country and the rural poor to natural disasters, the country strategy should include a vulnerability and risk assessment and a disaster preparedness country brief.
6. Learning from project results and using information to support government policy should be an explicit element of the strategy. The strategy should discuss the opportunities for diverse types of support apart from investment financing, such as reimbursable technical assistance and knowledge-sharing with other countries.

Proposed Follow-up: IFAD and the Government agree with this recommendation.

Formulation of the IFAD country strategy (envisaged for presentation to the IFAD board by December 2017) will build on the Philippine Development Plan, selecting areas where IFAD can add most value. The Government has adopted a Revised

Financing Framework that (i) prioritises programmes for Government support; (ii) determines whether they can be funded domestically; and (iii) selects any required financing partner based on technical and cost advantages. IFAD and NEDA shall dialogue closely to determine the development challenges that IFAD can best contribute to - which included IP issues, land tenure, commercialising smallholder agriculture, and strengthening pro-poor value chains and rural enterprises.

In selecting future interventions and policy areas where IFAD can best support the Government, IFAD's Social, Environmental and Climate Procedures (SECAP) shall provide a foundation for prioritising environmental and natural resources management, climate change, and other developmental and social challenges.

7. Recommendation 2: Enhance diagnostic analysis of the potential target group and targeting. Within the target locations of investment projects, there is scope to improve the identification of potential beneficiaries and how to reach them. First, there should be good-quality analysis of the different groups within the potential target population, a differentiated approach to reach them, and monitoring of the outreach, beneficiary profiles and the targeting performance. Issues of food security and inclusiveness should be more strongly built into targeting. Second, a more strategic approach to increase intensity of investment (either under a specific project or by creating synergies between projects) in targeted locations should be pursued where possible, to enhance the likelihoods of palpable impact. The latter might involve an agreement on a geographical focus in confined areas (building on experience in Mindanao, Visayas and Cordillera).

Proposed Follow-up: IFAD and the Government agree on the need for good diagnostics of the target group and to monitoring of targeting performance.

This will be founded on a Social, Environmental and Climate Procedures (SECAP) Study, which identifies key vulnerabilities in the country for different potential target groups in future programming. For ongoing projects, the target groups and targeting strategy have been approved by IFAD's Executive Board and the Government. IFAD supervision missions will support Government in assessing outreach and efficacy of targeting.

Opportunities for synergies are regularly reviewed during the IFAD Annual Country Programme Review (ACPoR). At these events, NEDA and government agencies, development partners, NGOs and farmer organisations also discuss operational targets and outreach. Synergies are regularly identified and partnerships established between IFAD-funded loans and grants. To optimise efficiency and maximise returns, synergies between projects will continue to be sought.

IFAD and NEDA do not agree on confining IFAD assistance within a geographic focus. Different interventions, with different outcome targets, should be directed to areas where they are respond best to the needs of their respective target group. Because each geographic zone may have different specificities, focussing different projects into one zone is not certain to maximise impact. Instead, IFAD and NEDA may seek to intensify investments by designing larger-sized projects.

8. Recommendation 3: Strengthen leverage for policy engagement by improving the quality of knowledge and evidence. Building on generally good performance in knowledge management, an implementation strategy should be developed to improve the quality of evidence from monitoring and evaluation (M&E) across the portfolio. This could include working more closely with NEDA and the Department of Budget Management in support of the national results-based M&E initiative, and supporting M&E by the implementing line departments as well as LGUs and local stakeholders. Project designs should be accompanied by theories of change and should plan for analytical work and self-assessments. Consideration could be given to identifying and working with an organization to manage M&E and learning across the portfolio and bring consistency and rigour to evaluation design.

9. The established knowledge management platforms and processes should bring in other development partners and commission a comparative analysis beyond IFAD-supported projects. In addition, the IFAD Country Office should be resourced to increase support to national policy and strategy issues.

Proposed Follow-up: IFAD and the Government agree with this recommendation.

IFAD and NEDA have signed a Memorandum of Understanding (MoU) in 2008 to support collaboration in results monitoring, and IFAD has supported capacity building in NEDA M&E. The MoU will be reviewed to strengthen joint actions on improving the M&E of IFAD supported projects in alignment with government M&E systems. Working with NEDA, IFAD will strengthen the annual KLM-PE event by upgrading it into a more strategic and programmatic platform to build on learnings that can be turned into policy and program proposals. IFAD will explore options to engage a qualified research institute for impact studies of projects ready for scaling up. As part of strengthening knowledge sharing, the platform shall engage both IFAD-supported projects and non-IFAD projects in the country.

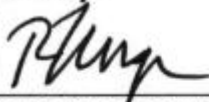
10. Recommendation 4. Strengthen partnerships with development partners to support the Government. Good performance to date in working with government agencies, research organizations and civil society should be expanded to other development partners. Relationships with grant recipients with clear potential for value addition and linkages should be mainstreamed in the country strategy.
11. IFAD should work more closely with other multilateral and bilateral development partners in the rural sector to strengthen the exchange of information with the Government. There are opportunities for IFAD to work with other Rome-based UN agencies to provide advice on issues such as food production and food security, gender equality and women's empowerment in agriculture and rural development, and disaster risk reduction. Opportunities should be sought for private sector partnerships that support value chain investments by farmers.

Proposed Follow-up: IFAD and the Government agree with this recommendation.

IFAD will explore options for joint events with NEDA and ADB on selected themes in agriculture and rural development where IFAD can feed its expertise into ADB programming for rural transformation and poverty reduction.

IFAD and NEDA shall continue knowledge exchange with World Bank projects, including the Philippines Rural Development Programme and the Inclusive Partnerships for Agricultural Competitiveness Project. The ICO shall support dissemination of knowledge from regional grants to the Government and partners.

Signed by:



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Date:



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Date: