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Enabling poor rural people
to overcome poverty

President's report on a proposed grant under the global/regional grants window to a non-CGIAR-supported international centre

Regional Centre on Agrarian Reform and Rural Development for the Near East (CARDNE)

Note to Executive Board representatives

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For: Approval

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Abbreviations and acronyms

CARDNE	Regional Centre on Agrarian Reform and Rural Development for the Near East
ISP	Impact and Scaling-up Pathways
KM	knowledge management
M&E	monitoring and evaluation
NEN	Near East, North Africa and Europe Division

Recommendation for approval

The Executive Board is invited to approve the recommendation for a grant under the global/regional grants window to a non-CGIAR-supported international centre as contained in paragraph 7.

President's report on a proposed grant under the global/regional grants window to a non-CGIAR-supported international centre

I submit the following report and recommendation on a proposed grant for agricultural research and training to a non-Consultative Group on International Agricultural Research (CGIAR)-supported international centre in the amount of US\$2.0 million.

Part I – Introduction

1. This report recommends the provision of IFAD support to developing impact and scaling-up pathways of the following non-CGIAR-supported international centre: Regional Centre on Agrarian Reform and Rural Development for the Near East (CARDNE).
2. The document of the grant for approval by the Executive Board is contained in the annex to this report:

Regional Centre on Agrarian Reform and Rural Development for the Near East (CARDNE): Impact and Scaling-up Pathways
3. The objectives and content of this programme are in line with the evolving strategic objectives of IFAD and the Fund's policy for grant financing.
4. The overarching strategic goal that drives the Revised IFAD Policy for Grant Financing, which was approved by the Executive Board in December 2009, is to promote successful and/or innovative approaches and technologies, together with enabling policies and institutions, that will support agricultural and rural development, empowering poor rural women and men in developing countries to achieve higher incomes and improved food security.
5. The policy aims to achieve the following outputs: (a) innovative activities promoted and innovative technologies and approaches developed in support of IFAD's target group; (b) awareness, advocacy and policy dialogue on issues of importance to poor rural people promoted by, and on behalf of, this target group; (c) capacity of partner institutions strengthened to deliver a range of services in support of poor rural people; and (d) lesson learning, knowledge management and dissemination of information on issues related to rural poverty reduction promoted among stakeholders within and across regions.
6. The proposed programme is in line with the goal and outputs of the grant policy. The grant contributes directly to the following outputs: (i) strengthen the capacity of partner institutions to deliver a range of services in support of poor rural people; and (ii) promote lesson learning, knowledge management and dissemination of information on issues related to rural poverty reduction promoted among stakeholders within and across regions. The proposal further contributes to both the IFAD9 commitments on scaling up and IFAD's improved bottom-up impact assessment agenda, and is primarily aligned with objective 5 of the IFAD Strategic

Framework 2011-2015 (“enabling institutional and policy environments to support agricultural production and the full range of related non-farm activities”).

Part II – Recommendation

7. I recommend that the Executive Board approve the proposed grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the Impact and Scaling-up Pathways programme, shall provide a grant not exceeding two million United States dollars (US\$2,000,000) to the Regional Centre on Agrarian Reform and Rural Development for the Near East (CARDNE) for a three-and-a-half-year programme upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Kanayo F. Nwanze
President

Regional Centre on Agrarian Reform and Rural Development for the Near East (CARDNE): Impact and Scaling-up Pathways

I. Background

1. Under its improvement agenda for the IFAD9 period (2013-2015), the Fund is committed to an ambitious scaling-up agenda, aligned with a more-effective results measurement and management process and intensified impact evaluation. One specific commitment is to enhance national monitoring and evaluation (M&E) systems and capacities, underpinned by strengthened knowledge management (KM) processes that will improve the ability of IFAD-supported projects and partners to capture and harness evidence-based knowledge for scaling up. At the regional level, these strategic directions are reflected in the 2013-2015 Medium-term Plan of the Near East, North Africa and Europe Division (NEN) as follows: NEN commits to: (i) a more-systematic effort to identify scaling-up strategies and pathways; (ii) improved impact monitoring and reporting; and (iii) intensified learning from practice, knowledge-sharing and cross-learning among NEN's three subregions: Near East and North Africa (NENA), Central and Eastern Europe and the Newly Independent States (CEN) and Central Asia (CA).
2. Under the ninth replenishment, IFAD pledged to reach 90 million people and move 80 million out of poverty from 2010 to 2015 through its investment programme. At mid term, substantive efficiency and effectiveness gains are required to reach this goal. Scaling up of successful operations will be a central vehicle for achieving greater impact in poverty reduction. It has thus been declared a core strategic objective and an explicit mission critical to the IFAD9 period. In order to better analyse and document which approaches and practices work where and why, and how they can be scaled up, IFAD's implementing partners need to build a solid learning agenda and knowledge base, along with regional and national capacities aiding strategic scaling-up decisions.

II. Rationale and relevance to IFAD

3. The latest findings of the IFAD institutional review of scaling up, undertaken by the Brookings Institution in 2012, declare that results measurement and M&E are critical to the interconnected and iterative process of innovation, learning and scaling up. M&E is thus a crucial tool for planning, management, learning and accountability in the scaling-up process. In addition, it is closely interlinked with KM processes that aim to translate M&E results into practical and useful knowledge. To build and use an empirical knowledge base for scaling up at country and regional levels, M&E and KM need to cooperate and generate synergy. Thus far, however, IFAD has not devoted adequate attention to learning as a key factor supporting scaling up.
4. A related reason why scalable innovations are not being scaled up is that national and project M&E systems are not supportive of scaling up. The Brookings review states that country and project results measurement and M&E systems are generally weak in implementation, rarely integrated into the management process (and thus underused in strategic decision-making), and mostly focused on programming activities and outputs, rather than on outcomes and impact. They largely address individual interventions as opposed to development approaches and models embedded in country programmes, hence missing the bigger picture. Systematic learning and analysis of how and why certain approaches work, or do not work, happens to a limited extent only. The latest NEN portfolio review (2011-2012) confirms the Brookings assessment, stating that weak M&E systems and poor reporting remain one of NEN's (and IFAD's) biggest challenges, requiring a higher degree of attention.

5. Linked to the weak performance of national and project M&E systems is the lack of ownership and of incentives to invest in M&E as a planning, management, learning and accountability tool. In the absence of a scaling-up focus, the costs of M&E are internal to the operation, coming from institutional and project budgets, while the benefits are external, satisfying donor reporting requirements such as the Results and Impact Management System (RIMS) in the case of IFAD. Outputs produced by country and project M&E systems do not sufficiently serve as a basis for decision-making and improved project management, or for demonstrating impact and defining scaling-up strategies and pathways. In response to this situation, NEN proposes the Impact and Scaling-up Pathways (ISP) regional grant programme.
6. In the context of enhanced impact assessment and more-systematic scaling up of public rural poverty reduction interventions, ISP aims to strengthen the capacities of IFAD's implementing government partners to assess and demonstrate development results and lessons. These will feed into the regional knowledge base to inform strategic decisions on investments that improve the livelihoods of poor rural women and men. To this end, the proposed project directly contributes to both of the following IFAD9 commitments on scaling up:
 - (a) Strengthening 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; and
 - (b) Strengthening KM processes to enhance IFAD's capacity to better capture and harness evidence-based knowledge for scaling up.
7. ISP is primarily aligned with objective 5 of the IFAD Strategic Framework 2011-2015. It will enable institutional and policy environments to support agricultural production and the full range of related non-farm activities. Moreover, it directly responds to outputs 3 and 4 of the Revised IFAD Policy for Grant Financing (2009), and contributes to outputs 1 and 2.

III. The proposed programme

8. The overall goal of the programme is to strengthen national M&E systems to support the scaling up of rural poverty reduction interventions through effective learning from practice. The objective is for NEN's implementing government partners and their operations to develop impact and scaling-up pathways built on evidence-based knowledge demonstrating results and impact.
9. The three-and-a-half-year programme will be initiated by a six-month inception phase to analyse existing capacities, demand and potentials, relevant stakeholders and resources, and to agree on their roles and responsibilities as well as national commitments. Given the diversity and current uncertainties in the region (e.g. in terms of security), the inception phase constitutes an important part of the programme – agreeing on the specifics of a meaningful and tailored process with the relevant actors. Depending on each country's context and demand, ISP will diversify its approach and implementation entry point, i.e. working more broadly at the country level or focusing efforts at the level of specific and well-selected (IFAD-supported) projects.
10. The programme comprises three main components, the activities of which will require a three-year implementation period: (i) development of methodologies, tools and processes; (ii) on-the-job capacity-building; and (iii) national and regional knowledge-sharing and cross-learning.
11. The target group will primarily consist of NEN's implementing government partners (i.e. line ministries) and their rural poverty reduction projects and programmes in selected focus countries in NEN's NENA, CEN and CA subregions. NEN-supported investment projects will be an important platform for improving national M&E and

learning and scaling-up capacities, and will act as the main drivers of the ISP learning process.

12. Allowing for a meaningful contribution to the scaling-up agenda supported by IFAD, a total of six focus countries¹ selected from NEN's portfolio will benefit from the grant programme throughout the implementation period. A phased targeting approach foresees beginning the process with three countries in year one, and involving an additional three countries from year two onwards. The country selection will be guided by a set of predefined criteria, and will be based on an assessment of country conditions and broad consultation with governments in the inception phase.
13. IFAD's implementing partners, NEN-funded projects and development actors outside the grant focus countries will indirectly benefit through communities of practice (CoPs), regional workshops and knowledge-sharing events, knowledge products, and technical guidance materials and toolkits.

IV. Expected outputs and benefits

14. The programme will yield three major outputs:
 - (a) Methodologies and good practices in M&E, KM and learning for scaling up are developed, compiled and documented as knowledge products;
 - (b) A pool of capacitated M&E, KM and scaling-up champions within IFAD's implementing partner institutions is created through technical assistance to their operations; and
 - (c) Spaces and structures for knowledge exchange and peer support within and across subregions, countries, projects and individual champions are created.
15. The three major outcomes produced from the outputs will be:
 - (a) NEN's implementing partners and their operations apply impact measurement and KM methods and tools following a learning agenda driven by scaling up;
 - (b) NEN's implementing partners manage operations in an adaptive, collaborative and learning-oriented manner that is enhanced by increased national and regional capacities; and
 - (c) NEN's implementing partners and their operations engage in strategic and effective M&E and learning partnerships that are strengthened through synergies and linkages with existing regional and national networks and initiatives.

V. Implementation arrangements

16. CARDNE² shall be responsible for managing overall implementation of the grant across NEN's three subregions. In addition, at least two subregional partners will be selected through a competitive process to provide on-the-job technical assistance to grant beneficiaries in focus countries. Even though CARDNE will transfer funds to co-implementing partners, it will ultimately be responsible and remain fully accountable to IFAD for ensuring that grant resources are used in accordance with the provisions of the grant agreement. This will be reflected in memorandums of understanding and/or contracts between CARDNE and its co-implementing partners.

¹ Based on the predefined selection criteria, potential focus countries include, but are not limited to: Algeria, Djibouti, Egypt, Kyrgyzstan, Morocco, Republic of Moldova, the Sudan, Tunisia, Turkey and Yemen.

² CARDNE was established in 1989 as an intergovernmental regional coordination mechanism in NENA, based in Jordan. According to its mandate, CARDNE acts as a service institution for its member states in organizing training and providing technical support in the area of rural agricultural development.

17. The Director of CARDNE, based in Jordan, will be responsible for overall programme coordination, supported by a team that includes an M&E/KM technical expert, and financial and administrative staff in CARDNE. Subregional and country-level technical experts external to CARDNE will be engaged to provide technical support on an as-needed basis.
18. The programme will be implemented in agreement with IFAD guidelines and financial management procedures for procurement, financial reporting and audit, and will comply with IFAD fund flow requirements. In particular, CARDNE will submit annual audit reports and will adopt IFAD's Project Procurement Guidelines. Beyond the contracting of subregional co-implementing partners by CARDNE during the inception phase, no large-scale procurement of goods, services or human resources is foreseen under this grant. The programme will be supervised by IFAD.

VI. Indicative programme costs and financing

19. The programme will be implemented with a total budget of US\$2.38 million, of which US\$2.00 million will be IFAD funding. Confirmed CARDNE cofinancing amounts to US\$0.20 million, as a combination of US\$0.04 million in cash and an estimated US\$0.16 million in kind.³
20. Additional cofinancing from partner institutions is envisaged. In order to build up ownership and gradually secure commitment during and beyond the implementation phase, it is foreseen that grant beneficiaries will provide their own financial contributions, in particular, they will (co-)fund the participation of staff in regional events, as well as exchange visits and peer support, in a phased approach. The specific cost-sharing arrangements will be discussed and agreed with benefiting partners during the inception phase. The level of cofinancing envisaged is US\$0.02 million per country per year, amounting to an anticipated total amount of US\$0.18 million over the 3.5 years, based on a phased targeting approach.⁴

Summary of budget and financing plan

(Thousands of United States dollars)

<i>Number</i>	<i>Type of expenditure</i>	<i>IFAD</i>	<i>Cofinancing</i>
1	Personnel	210	40
2	Workshops, meetings and events	600	180
3	Capacity-building and technical assistance*	950	70
4	Equipment	65	-
5	Publications	75	-
6	Management costs	100	90
	Total	2 000	380

* This budget category includes on-the-job training and mentoring, which will be provided through subregional co-implementing partners to be selected through a competitive process, as well as regional and national human resources already existing in the region, some of which were developed through previous IFAD-supported initiatives.

³ CARDNE's in-kind contribution will consist of the availability of its building, located in Amman, with fully equipped office space and meeting facilities, an administrative assistant, and a vehicle with driver.

⁴ Thus cofinancing from grant beneficiaries is envisaged from three countries in year two and from six countries in year three.

Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	National M&E systems are strengthened to support the scaling up of rural poverty reduction interventions through effective learning from practice	National governments and strategic partners initiated or completed scaling up of at least 3 (by Y2) and 6 (by Y3) successful innovations or good practices based on convincing M&E results from ISP case studies.	National development plans and strategy documents; IFAD/project documents incl. RB-COSOP mid-term reviews, project mid-term and completion reports, IOE reports.	
Objectives	NEN's implementing partners and their operations develop impact and scaling up pathways built on evidence-based knowledge demonstrating results and impact	60% (by Y2) and 90% (by Y3) of targeted institutions and operations improved their M&E performance according to international standards; At least 5 (by Y2) and 9 (by Y3) project case studies are being assessed as good scaling up examples according to IFAD's analytical framework; 60% (by Y2) and 90% (by Y3) of targeted institutions and operations demonstrate increased outreach and impact based on M&E results.	Performance and capacity self-assessment of IFAD's implementing partners; PSR ratings of IFAD-funded projects; Government project and strategy documents; IFAD documents incl. annual progress, mid-term, completion and RIMS reports; Scaling up case studies, reports and publications	Openness of partners and projects to implement a learning agenda built on accountable results; Government partners co-finance their grant participation
Outputs	<ol style="list-style-type: none"> NEN's implementing partners and their operations apply impact measurement and KM methods and tools following a learning agenda driven by scaling up; NEN's implementing government partners manage operations in an adaptive, collaborative and learning-oriented manner that is enhanced by increased national and regional capacities; NEN's implementing partners and their operations engage in strategic and effective M&E and learning partnerships that are strengthened through synergies and linkages with existing regional and national networks and initiatives 	<p>40% (by Y1) and 90% (by Y3) of targeted institutions and operations convincingly present their results and impacts in project documents and other evidence-based knowledge products;</p> <p>At least 3 (Y2) and 5 (Y3) of NEN's lead implementing partners started building a learning-oriented M&E and project management strategy;</p> <p>Evidence-based knowledge disseminated through regional networks leverages at least 6 (by Y2) and 10 (by Y3) thematic discussions and exchanges among Learning Alliances and CoP's per year, involving 70% (by Y2) and 90% (by Y3) of targeted institutions and operations.</p>	<p>Project documents and knowledge products of IFAD's implementing partners;</p> <p>Documentation of M&E and learning strategy;</p> <p>Google Analytics;</p> <p>Grant project progress reports.</p>	<p>Internal strife do not hinder implementation of training and learning event;</p> <p>Sufficient project budget available for M&E/learning, scaling up</p>
Key Activities	<ol style="list-style-type: none"> Development of methodologies, tools and processes; On-the-job capacity building; National and regional knowledge sharing and cross-learning. 	<p>ISP regional knowledge platform (by Y1); 3 sub-regional Practical Guides for Developing Impact and Scaling Up Pathways (by Y1); Tailored on-the-job training for each focus country designed and provided to ca. 70-100 staff of IFAD's implementing partners embedded in 20-25 operations (case studies) (by Y3); 1-3 national champions per country trained (by Y3); 3 sub-regional M&E CoP's (by Y1); At least 5 cross-country or regional Learning Alliances by Y2); At least 3 multi-stakeholder annual reviews, lessons learning meetings and write shops at project/programme level per targeted country; 2 regional ShareFairs (by Y3); 2 regional Learning Routes (by Y3); 3 ISP Programme Annual Reviews (by Y3); At least 2 IFAD business meetings on M&E and KM for scaling up (by Y3).</p>	<p>Documented knowledge products and publications;</p> <p>Periodic reports of IFAD's implementing government partners;</p> <p>Documentation of training and learning events, workshops, meetings and exchange activities;</p> <p>Grant project progress reports.</p>	<p>Mutual trust and collaboration between implementing partners towards common objectives;</p> <p>Implementing partners do not restrict staff to join grant activities;</p> <p>Minimum turn-over of M&E and project staff.</p>