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Investing in rural people

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

**Regional Programme for Rural Development
Training (PROCASUR) Corporation**

Note to Executive Board representatives

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For: Approval

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Annex

Regional Programme for Rural Development Training (PROCASUR) Corporation:
Strengthening Knowledge Sharing and Scaling up of Sustainable Innovation Using
Learning Route Methodology - Phase II

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\$1,000,000.

Part I – Introduction

1. This report recommends the provision of IFAD support to the research and training programmes of the following non-CGIAR-supported international centre: Regional Programme for Rural Development Training (PROCASUR) Corporation.
2. The document of the grant for approval by the Executive Board is contained in the annex to this report:

Regional Programme for Rural Development Training (PROCASUR)
Corporation: Strengthening Knowledge Sharing and Scaling up of Sustainable Innovation Using Learning Route Methodology - Phase II
3. The objective and content of this applied research programme is 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 revised IFAD grant policy, as it will strengthen the capacity of implementing partners and target communities, and improve their knowledge of best practices.

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 Strengthening Knowledge Sharing and Scaling up of Sustainable Innovation Using Learning Route Methodology - Phase II, shall provide a grant not exceeding one million United States dollars (US\$1,000,000) to the Regional Programme for Rural Development Training (PROCASUR) Corporation for a 24-month 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 Programme for Rural Development Training (PROCASUR) Corporation: Strengthening Knowledge Sharing and Scaling up of Sustainable Innovation Using Learning Route Methodology - Phase II

I. Background

1. In September 2011, IFAD and the PROCASUR Corporation designed the four-year programme Strengthening Knowledge Sharing on Innovative Solutions Using Learning Route Methodology in Asia and the Pacific (EB 2011/LOT/G.4), to run from 2012 to 2015, with the overall goal of increasing knowledge and capacity for adopting and scaling up best practices and innovations for poverty reduction among IFAD stakeholders in the Asia and the Pacific region. The programme, called ROUTASIA, was based on the expansion and scaling up of the learning route (LR) methodology successfully rolled out by PROCASUR first in Latin America and then in Africa.
2. The grant programme was designed to be implemented in two phases: phase I (2012-2013) and phase II (2014-2015). The overall programme cost for the two phases amounts to US\$2.39 million (IFAD US\$2.0 million; PROCASUR US\$0.22 million; partners US\$0.37 million). A first tranche of US\$1.0 million was released by IFAD for phase I under an initial grant agreement signed in October 2011. IFAD cofinancing for the second phase was subject to the meeting of three midterm triggers, for which the programme has been assessed externally. All three trigger indicators¹ to allow advancement from phase I to phase II had been met before midterm (October 2013). The IFAD-approved grant for phase I has been fully disbursed and justified.

II. Rationale and relevance to IFAD

3. Since 2006 IFAD has funded the learning routes approach in Latin America and expanded its engagement to east and southern Africa and Asia. The approach has proved an effective approach for dissemination and scaling up of innovations. A worldwide assessment carried out by PROCASUR in 2012 highlights that 75 per cent of the LR participants become knowledge champions. The knowledge gained by participating in a learning route has led to significant social and economic changes in community-based organizations and IFAD partner institutions.
4. The main lessons emerging from South-South learning opportunities facilitated by PROCASUR are the following:
 - (a) Evidence-based scaling up: international breakthrough of acceptance and scaling up of LR methodology at policy level facilitated by academia, international financial institutions (IFIs) and aid agencies (the Brookings Institute, International Development Research Centre [IDRC] and the International Food Policy Research Institute [IFPRI]);
 - (b) Country level uptake: uptake and mainstreaming of LR methodology by IFAD and other IFI-supported projects were facilitated by targeted communication combined with field exchanges to the originating areas of the innovations;
 - (c) Country programme approach: the permanent dialogue among the IFAD country programme players (country programme managers and country programme officers), PROCASUR focal points and other partners was crucial for networking and ownership of LR methodology;

¹ Trigger 1: meeting milestone targets; trigger 2: acceptance of the approach and methodology by 10 IFAD projects and programmes; and trigger 3: competency recognition by 10 national and/or regional organizations.

- (d) Delivery modality: the planned gradual shift from “handholding for delivery/implementation” of LRs and innovation plans (IPs) within IFAD projects, to training-for-trainers of regional and/or national partner organizations for scaling up the LR approach proved successful in ensuring sustainability; and
 - (e) Innovation: the introduction of start-up capital to fund the IPs leveraged government funding which allowed for further scaling up.
5. According to a supervision mission (July 2013) and the midterm assessment (October 2013), the ROUTASIA programme has proved to be relevant, effective and efficient and has successfully reached trigger indicators. The programme has clear potential for further scaling up and wider impact into a knowledge management platform/hub for IFAD.
 6. ROUTASIA operates in six countries (Bangladesh, Cambodia, People’s Democratic Republic of Lao, Nepal, Thailand and Viet Nam) and works with 25 IFAD-funded projects. It has implemented nine LRs, which generated 20 IPs and reached 8,500 persons. Three national/regional organizations became qualified service providers for applying the LR approach and 380 local champions were trained, 90 of whom were qualified to act as peer-to-peer “knowledge champions”. By contributing staff time (over 40 project staff were trained) and resources (US\$105,000 provided in cofinancing for capacity-building), 19 projects have demonstrated acceptance of both the approach and the methodology. For example, in Cambodia, national project staff who participated in an LR were later able to mobilize additional funding and scale up innovation plans, meaning that the ROUTASIA contribution of US\$7,500 leveraged financing of US\$105,000 – a leverage factor of 1:14.
 7. The programme is in line with the two strategic areas of IFAD’s grant strategy to: (a) promote pro-poor research on innovative approaches and technological options to enhance field-level impact; and (b) to build pro-poor capacities of partner institutions, including community-based organizations and NGOs. Aligned with IFAD’s grant policy outputs, the ROUTASIA programme: (a) promotes innovations by knowledge sharing and learning processes at project, country and regional level through the development of LRs, case studies and local knowledge champion platforms; (b) strengthens the capacity of partner institutions to provide LR services; and (c) fosters the inclusion of local knowledge champions in policy dialogue and implementation of IFAD-supported projects and programmes.
 8. From a strategic perspective for the Asia and Pacific Division (APR), ROUTASIA has also been successful in ensuring links with other knowledge management initiatives in the region such as IFADAsia, which has been used to advertise the LRs and as a knowledge-sharing platform. The LR methodology and the lessons generated through this process have helped APR further promote South-South cooperation and systematically disseminate knowledge.
 9. During phase I, the LR methodology laid the foundations for development of a platform for knowledge management and South-South cooperation that will become fully self-sustaining during phase II. The LR methodology supports KM champions that are selected and redeployed to create a self-sustaining critical mass.
 10. In the context of the commitment made under the Consultation on the Ninth Replenishment of IFAD’s Resources (IFAD9), phase II is fully in line with the South-South and triangular cooperation (SSTC) which builds on a scaling-up approach. ROUTASIA supports SSTC activities and deliverables (e.g. exchange visits, learning events, knowledge generation, sharing and brokerage) and applies IFAD’s proactive approach to SSTC by mainstreaming it into IFAD’s business model and by ensuring synergies between loans and grants. It also creates learning spaces for scaling up by IFAD partners. Phase II will concentrate on the strengthening of the KM

champions network/platform to ensure sustainability and scaling up through regional and local institutions.

III. The proposed programme

11. The ROUTASIA programme offers ample scope for consolidation through phase II. The four-year programme strategy and the three components remain valid.
12. The overall goal of the programme is to contribute to poverty reduction in IFAD-funded projects through adoption of best practices and scaling up of innovations through LR methodology.
13. The outcomes are the following: (i) local champions act as service providers and disseminate best practices; (ii) the LR methodology is validated as a useful tool for KM and scaling up of innovations; and (iii) the LR methodology is adopted by national and local organizations, including IFAD projects and beneficiaries.
14. The proposed target groups are: (a) organizations of the rural poor involved in implementing and developing projects and programmes funded by IFAD and others; (b) project staff and development practitioners; (c) government officials and policymakers involved in implementing rural development programmes and projects; (d) research and educational institutions focused on poverty reduction; and (e) the private sector. ROUTASIA's methodological approach actively involves women farmers, indigenous peoples and youth.
15. Phase II will be of a two-year duration (May 2014 to April 2016) and will comprise three main components: (i) stocktaking of relevant knowledge and interests; (ii) design and implementation of learning routes; and (iii) knowledge dissemination and methodological adoption.
16. Phase II will focus on two main activity clusters to achieve its objectives:
 - (a) It will further mainstream the LRs as a knowledge management and capacity-building tool in IFAD-funded projects and programmes. This will be achieved by providing technical assistance in the design of new initiatives, supporting operations at their initial stages and, in particular, providing guidance to project and programme coordinators, knowledge management officers, field specialists and consultants involved in the design of new operations in the region.
 - (b) ROUTASIA will transfer LR methodology to a selected group of local and national governmental or non-governmental institutions with a proven track record in providing training and technical assistance to implementers and beneficiaries of IFAD-funded projects and programmes.

IV. Expected outputs and benefits

17. The expected outputs of phase II are:
 - Implementation of eight new LRs with participation of at least 120 persons, which is coherent with the original design that proposed the progressive development of a total of 18 LRs for the four-year programme. Over 5,000 poor rural men and women will be reached in the six selected countries.
 - At least 40 innovation plans will be designed and eight plans will receive start-up seed capital which will be awarded in a competitive way by ROUTASIA.
 - At least 10 IFAD-funded projects will be enhanced to apply the LR methodology.
 - 15 national and local best practices and innovations will be adopted.
 - 110 knowledge champions will be trained as LR service providers.
 - At least six organizations will be recognized as service providers to implement the LR approach and methodology.

18. The expected benefits are:
- At least 5,000 persons will benefit from LR methodology (50 per cent women) in the six selected countries.
 - Ten projects adopt and/or scale up innovative solutions for poverty reduction.
 - One hundred and ten trained learning champions deliver knowledge management services to LR participants and/or third parties.
 - Fifteen innovations used as learning cases in projects.
 - Eight innovation plans functioning and leading to incremental benefits.
 - Six partner organizations deliver services in support of LR methodology.
 - Eight innovation plans cofinanced by third parties in the range of US\$0.3 million to US\$0.5 million.

V. Implementation arrangements

19. PROCASUR will be the implementing agency of ROUTASIA. A small coordination unit situated in Chiang Mai, Thailand, manages and implements ROUTASIA. The programme requires a close working relationship with the IFAD country programme managers (CPM), IFAD country offices and national and/or regional partners. The programme takes into account different cultural and language environments, especially when building the capacity of farmers from south-east Asia and south Asia.
20. The programme will be implemented in compliance with IFAD financial management procedures and guidelines on accounting, procurement, financial reporting, audit and funds flow. In particular:
- (i) Funds will be disbursed on the basis of the approved annual workplan and budget, not exceeding 90 per cent of the approved amount. The second instalment will be disbursed upon justification of at least 75 per cent of the first advanced amount.
 - (ii) PROCASUR will maintain a separate and distinct accounting system for expenditures incurred for the grant programme. PROCASUR accounting will follow internationally accepted accounting practices.
 - (iii) PROCASUR will have its institutional accounts audited every year by independent auditors acceptable to IFAD in accordance with International Standards on Auditing. PROCASUR will deliver to IFAD a copy of its audited financial statements which will include specific disclosure on the grant and cofinanced funds received and used for this operation, and an audit opinion letter on the statement of expenditures, within six months from the end to each fiscal year.

VI. Indicative programme costs and financing

21. The original overall programme costs amount to US\$2.4 million (IFAD US\$2 million; PROCASUR US\$0.1 million; beneficiaries and partners US\$0.3 million). Beneficiaries and partners contributed US\$0.2 million to phase I of the programme.
22. Given the importance of the sustainability aspect during phase II, PROCASUR, development partners and IFAD projects have opted to increase the financial contribution of IFAD loan-supported projects and of other development partners. To this end, the cofunding for phase II has been increased from US\$0.2 million to US\$0.38 million.

Furthermore, beyond this increased financial contribution, the programme is expected to leverage additional financial resources of between US\$0.3 million and US\$ 0.5 million through cofinanced innovation plans. This would bring the overall cofinancing to approximately US\$0.7 million to US\$0.9 million.

Summary of budget and financing plan
(United States dollars)

<i>Type of expenditure</i>	<i>IFAD</i>	<i>Cofinancing PROCASUR/ Beneficiaries/ partners</i>
Salaries and allowances	130 000	25 000
Professional services/consultancies	55 000	30 000
Travel and allowances	50 000	65 000
Goods, services and inputs	60 000	35 000
Operational costs	105 000	35 000
Training/capacity-building/workshops	600 000	190 000
Total	1 000 000	380 000

Results-based logical framework, Phase II (05/2014-04/2016)

	Objectives-hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Best practices adopted and innovations scaled up with the LR methodology contribute to poverty reduction in IFAD funded projects.	10 projects participated in the LR with incremental technological/ economical/ social and environmental changes or benefits	Supervision Missions; Completion Review, Portfolio Review; RIDE and ARRI reports.	
Objective/ Outcomes	<p>Objective: Knowledge increased and capacity enhanced of stakeholders in IFAD funded projects of APR to adopt and scale up of best practices and innovations for poverty reduction</p> <p>Outcomes: 1. Local champions act as service providers and disseminate good practices 2. The LR methodological approach is validated as a useful tool for KM and scaling up of innovation 3. LR methodology is adopted by national and local organizations, including projects</p>	<p>Outreach: 5000 persons (50% women) in 6 selected countries -10 projects adopt and/ or scale up innovative solutions for poverty reduction -110 trained LCs deliver KM services to LR participants and/or third parties - 15 innovations used as learning cases - 75% of the participants rate the methodology satisfactory - 8 IPs leading to incremental benefits - 6 partner organisations deliver services in LR methodology - 8 IP co-financed range of USD 0.3-0.5 million</p>	Supervision missions; Completion Review, periodic surveys of LR partners and LR participants, IFAD funded projects, ICO; case studies, Electronic feedback systems of IP through ICT Surveys on progress of IPs.	Existence of replicable innovations and spaces for scaling up; Significant contributions by programmes and projects in reducing rural poverty.
Outputs	<p>C1: Stocktaking of relevant knowledge and interests. 1.1 Good practices systematised and documented; 1.2. Project staff, communities and farmers organisations trained as knowledge service providers</p> <p>C2: Design and implementation of LR. 2.1 LRs successfully implemented; 2.2 IPs designed, implemented and monitored</p> <p>C3: Knowledge dissemination and methodological adoption. 3.1 Knowledge products disseminated; 3.2 Org., institutions, projects trained in implementation of the LR methodology</p>	<p>- 15 good practices systematized - 110 LCs trained as TA providers - 8 LR implemented - 40 Innovation plans designed - 10 projects, 6 organisations, 50 individuals trained in LR methodology - 5 publications and videos, apps, etc. available to global audiences - 8 stories from the field (evidence cases) produced</p>	Compiling of information by PROCASUR; Assessment sheets; IFADAsia; Records of ROUTASIA Focal points; Case studies and IP; LR reports; websites, documented stories of the field.	Existence of replicable sound innovations; National authorities, project and programme staffs willing to share information for M&E; Efficient internet access and distribution systems. Resources for co-financing accessible.
Key Activities	<p>C1. 1.1. Update the catalogue of best practices and innovative solutions in the region 1.2. Enable local champions to act as trainers and technical assistants during the LRs 1.3. Establishment an online platform for demand and supply of training and technical assistance by local rural champions</p> <p>C2 2.1 Development of LRs at national, regional and inter regional level. 2.2. Assist the design and implementation of innovation plans</p> <p>C3 3.1. Transfer the LRs methodology 3.2. Provide assistance to projects and programmes at design and early stages of implementation 3.3. Update ROUTASIA's communicational strategy 3.4. Update Monitoring and Evaluation system</p>			The political situation and logistics of the countries allow for the proposed LRs to take place.