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Investing in rural people

President's Report under the Global/Regional  
Grant Window to the Institute of Policy and  
Strategy for Agriculture and Rural  
Development for the Network for Agriculture  
and Rural Development Think Tanks for  
Countries in Mekong Subregion

Note to Executive Board representatives

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For: Approval

## Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed grant as contained in paragraph 23.

# President's Report under the Global/Regional Grant Window to the Institute of Policy and Strategy for Agriculture and Rural Development for the Network for Agriculture and Rural Development Think Tanks for Countries in Mekong Subregion

## I. Background and compliance with IFAD Policy for Grant Financing

1. The Association of Southeast Asian Nations (ASEAN) aims to enhance cooperation, prosperity and peace among its 10 Member States. Cambodia, Lao People's Democratic Republic, Myanmar and Viet Nam (CLMV) constitute a distinct cluster within ASEAN, since in addition to having common borders, their economies are interlinked. Agriculture is still a key sector for socio-economic development in the region.
2. Different policies and institutional settings appear to inhibit faster growth in the Mekong subregion. There is a growing perception of the need to revise key policies and address emerging internal and regional issues in agricultural development, including production and cross-border trade. The four countries have established a number of policy research and development institutions to explore and address policy issues.
3. Regional cooperation in policy development is still limited for a number of reasons. First, cooperation focuses mainly on technical rather than policy and institutional aspects. Thus, scaling up results without adjusting policy frameworks has been challenging. Second, apart from public institutions, the engagement of other stakeholders, such as research institutes, independent thinkers, the private sector and civil society organizations, has been limited. Third, the governments are hesitant to work together on sensitive issues. Sensitive topics include the use of water from the Mekong River, land-grabbing in contract farming for foreign investments and land disputes with local farmers. These issues have been studied but rarely brought to policy discussions at regional levels.
4. IFAD-supported investment programmes in the Mekong countries have generated substantive successful models and innovations with ample scope for policy development. However, the scaling up of these innovations remains challenging due to IFAD's limited visibility and resources for facilitating policy dialogue among the Mekong countries. IFAD Strategic Framework 2016-2025 and, more recently, the Eleventh Replenishment of IFAD's Resources (IFAD11) priorities commit the Fund to a stronger role as a knowledge broker and partner in policy engagement.
5. The demand for strong policy engagement has prompted IFAD to call for proposals for the promotion of a regional policy research and development network. The proposed Network for Agriculture and Rural Development Think Tanks (NARDT) offers the opportunity to strengthen the capacity of policy think tanks from CLMV and link them for effective policy development in the region.
6. The proposed NARDT is highly relevant for IFAD grant financing. It is consistent with the goal and objectives of IFAD Policy for Grant Financing (2015). NARDT is expected to address three out of the four objectives of IFAD grant policy:

(i) strengthen institutional and policy capacity of national policy think tanks;  
 (ii) enhance advocacy and policy engagement at national and regional levels; and  
 (iii) generate and share knowledge for development impact at national and regional levels by linking policy research with results from investment projects of IFAD and other development partners.

7. NARDT is fully aligned with IFAD11 priorities with respect to: (i) streamlining its processes and leveraging partnerships to better respond to country needs; and (ii) leaving no one behind by allocating resources for the poorest and most vulnerable people in the country. NARDT will focus on capacity-building for the young generation of think tanks in the four countries, with adequate consideration of women's advancement. NARDT's research topics and other activities will mainstream the cross-cutting themes of nutrition, gender, youth and climate to provide good inputs for IFAD interventions related to these issues. By contributing to the fulfillment of IFAD11 commitments, NARDT will serve as an effective tool for IFAD to reach its full potential to contribute to the achievement of the 2030 Agenda for Sustainable Development. The grant recipient, Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) Viet Nam, was selected through a competitive process consistent with the IFAD grant policy.

## II. The proposed project

8. The overall goal of the project is to improve the quality of policy formulation and heighten the impact of policy implementation on the agriculture and rural development sector of CLMV.
9. The objectives are to: (i) improve cooperation by establishing networks of researchers to share policy experience and information for sustainable agriculture and rural development; (ii) identify regional opportunities, challenges and key issues for agriculture and rural development and implement joint policy actions, including joint policy research, formulation, implementation and advocacy; knowledge-sharing; and capacity-building; and (iii) facilitate the institutionalization of relevant innovations, thus sustaining the impact of projects funded by IFAD or other development partners in the Mekong countries.
10. The target group is composed of network members who show interest in active participation and a commitment to it. They are ministry think tanks, independent research institutes, agribusiness associations, farmers' organizations and NGOs. The members will have better access to information and knowledge, enhanced capacity, more engagement in dialogue and lesson-sharing and a wider network in these and other countries.
11. The grant will ultimately benefit a large number of farmers and rural residents in the four target countries in terms of access to knowledge, innovations and best practice through the ICT platform and the effects of improved agricultural and rural development (ARD) policies.
12. The project will be implemented over four years and will have the following components:
13. Component 1: Establish networks for policy-learning and advocacy. This component aims to set up the regional NARDT with four co-facilitating partners (CFPs) or policy think tanks from Cambodia (i.e. Cambodia Development Research Institute [CDRI]), Lao People's Democratic Republic (i.e. National Agriculture and Forestry Research Institute [NAFRI]), Myanmar (i.e. Centre for Economic and Social Development [CESD]) and Viet Nam (i.e. IPSARD). The NARDT steering committee (SC) and regional coordination board (RCB) will be set up, and implementation arrangements and by-laws will be drafted, including a monitoring and evaluation system and a conflict resolution mechanism to ensure good project governance. Similarly, each CFP will set up its network structure in the countries and prepare the

annual workplans and budget, policy research topics and other activities for approval by the SC.

14. Component 2: Improve knowledge-sharing, capacity-building, research and policy dialogue. This component aims to support implementation of the annual workplan and budget (AWP/B) at regional and country levels, including capacity-building, joint policy research, knowledge management and policy dialogue. Capacity-building will address the needs of each country in terms of policy research and dialogue. Joint policy research at national and regional levels will be promoted to enhance knowledge-sharing for the development of relevant and effective policies. An ICT platform will be set up for information-sharing. An innovation lab will promote the capture of innovations and results from rural development projects funded by IFAD and other development partners. NARDT will organize annual conferences on policy topics to share results and experiences and issue policy recommendations. NARDT members will bring the knowledge they have gained directly to policymakers at different policy venues and indirectly through their engagement as public policy advisers.

### III. Expected outputs and outcomes

15. The project is expected to yield the following outputs:
  - (i) Regional and national NARDTs are set up and effectively operated along good governance principles with established by-laws;
  - (ii) Increased participation in policy think tanks by participating countries. New members from the government, civil society and the private sector will join;
  - (iii) Research topics are selected by agreement and are consistent with the 2030 Sustainable Development Goals, IFAD11 priorities, IFAD country strategic opportunities programmes (COSOPs), the policy priorities of the participating countries and cross-country learning opportunities;
  - (iv) The regional- and country-level policy dialogue is based on joint research;
  - (v) Innovation labs are set up in each country to collect and incubate innovations in IFAD and other Development Partners-funded operations; and
  - (vi) Knowledge products, including research reports, working papers, policy briefs and video clips, are generated and disseminated.
16. The above outputs are expected to lead to the following outcomes:
  - (i) Relevant policy research outcomes for policy formulation at regional and country levels;
  - (ii) Improved research capacity of policy researchers;
  - (iii) Strong linkages between policy research and IFAD COSOPs and projects; and
  - (iv) NARDT members contribute directly to the formulation of relevant national- and regional-level ARD policies.

### IV. Implementation arrangements

17. IPSARD is the lead implementing agency of NARDT. It heads the RCB and has overall responsibility for meeting the objectives of this grant. In addition to IPSARD in Viet Nam and CESD in Myanmar, the other two CFPs identified and recommended are CDRI in Cambodia and NAFRI in Lao People's Democratic Republic. In each country, the CFP will select highly qualified "subrecipients" from the public sector, private sector and civil society.
18. The NARDT management structure is composed of the NARDT SC and the RCB. The SC is composed of: (i) a chair, who is expected to be the Minister or Vice-Minister of Agriculture of one of the countries; and (ii) representatives of the four CFPs. The

SC establishes the by-laws and responsibilities for all implementing partners, implementation procedures, flow of funds, monitoring and evaluation and reporting arrangements and a conflict resolution mechanism to ensure good governance. It oversees the implementation of NARDT activities, which the RCB coordinates. Key tasks of the SC are the selection of research topics, the review of progress reports and approval of the AWP/B. All strategic decisions, such as the selection of research topics, must be guided by the principle of consensus to ensure that the interests and rights of each member are respected. They also require a "no objection" by IFAD. Decision and meeting minutes and AWP/B and progress reports will be posted online for transparency and public oversight.

19. The RCB is the NARDT management unit. Its main tasks include preparing a joint AWP/B based on each country-level AWP/B and ensuring the flow of funds and their appropriate utilization through monitoring and reporting to the SC and IFAD. The RCB serves as the SC secretariat. The SC approves the AWP/Bs. The RCB is based at IPSARD and is composed of a regional facilitator, a project coordinator, a full-time administrator and a full-time accountant.
20. The sustainability of NARDT will depend on its success and relevance to policymakers in the region. NARDT will be part of the CLMV forum to ensure its institutional sustainability. It is expected that NARDT policy research, knowledge management and policy engagement will be considered highly relevant and trigger additional funding by governments and private partners in the region.
21. There is no deviation from standard financial reporting and audit procedures.

## V. Indicative project costs and financing

22. The total project cost is estimated at US\$2.61 million. Of this, US\$2.5 million will be financed by an IFAD grant, whereas IPSARD and other CFPs will provide an in-kind contribution of US\$0.11 million equivalent.

Table 1  
**Costs by component and financier**  
(Thousands of United States dollars)

<i>Components</i>	<i>IFAD</i>	<i>IPSARD and CFPs</i>	<i>Total</i>
1. Component 1. Establish networks for policy-learning and advocacy	147.4	-	147.4
2. Component 2: Improve knowledge-sharing, capacity-building, research and policy dialogue	1 838.2	-	1 838.2
3. Project management	349.4	30.0	379.4
4. Overhead	165.0	80.0	245.0
<b>Total</b>	<b>2 500.0</b>	<b>110.0</b>	<b>2 610.0</b>

Table 2  
**Costs by expenditure category and financier**  
(Thousands of United States dollars)

<i>Expenditure category</i>	<i>IFAD</i>	<i>IPSARD and CFPs</i>	<i>Total</i>
1. Workshop and trainings	569.2	-	569.2
2. Equipment and services	167.8	-	167.8
3. Travel and allowances	433.9	-	433.9
4. Consultancies	983.2	-	983.2
5. Salaries & allowances	180.9	30.0	210.9
6. Overhead	165.0	80.0	245.0
<b>Total</b>	<b>2 500.0</b>	<b>110.0</b>	<b>2 610.0</b>

## VI. Recommendation

23. 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 Network for Agriculture and Rural Development Think Tanks for Countries in Mekong Subregion, shall provide a grant of two million five hundred thousand United States dollars (US\$2,500,000) to the Institute of Policy and Strategy for Agriculture and Rural Development for a duration of four years upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Gilbert F. Houngbo  
President

## Results-based logical framework

	Objectives-hierarchy	Objectively verifiable indicators	Successful criteria	Means of verification	Assumptions
Goal	To improve quality of policy formulation and impacts of policy implementation in agriculture and rural development sector	- The number of research reports provided, disseminated and recognized in national and regional dialogues	16 research reports	Proceedings of national and regional dialogues	Active participation of stakeholders
Objectives	To improve the cooperation through the establishment of researcher networks	- 1 regional NARDT is established and effectively operated - 4 country-level NARDTs are established and effectively operated	- 1 regional NARDT is established and effectively operated - 4 country-level NARDTs are established and effectively operated	- Operation documents of the networks - Reports of NARDT-SC and NARDT-RCB and country-level CFPs	Active engagement of stakeholders
	To identify regional opportunities, challenges and key issues for agriculture and rural development, and implement joint policy actions	- The number of priorities agreed by members	A common vision for NARDT research program	- Vision and research program of NARDT	Topics raised are not excessively politically sensitive
	To facilitate the institutionalization of relevant innovations, hence sustaining the impacts of projects funded by IFAD or other development partners in the Mekong countries	- The number of IFAD innovations shared among the members and upscaled	1 innovation lab established for CLMV countries	- NARDT annual workplan and reports	Successful innovations and models approved by IFAD
Outcomes/ Outputs	- To improved research capabilities of policy researchers in government agencies and other non-government agencies - To strengthen cooperation among policy researchers, policy makers, and think-tanks - To foster the exchange and dissemination of good policy experience among countries	- The number of policy research and briefs produced by members annually with inputs from knowledge-sharing and joint researches	4 policy research and briefs produced by members annually	- Member reports - Annual NARDT-RCB and NARDT country reports	Partner countries actively cooperate with government policy makers in to ensure buy-in to the joint activities and implementation of the results
Key activities by components	Component 1: Establish networks for policy-learning and advocacy				
	Activity 1: Setting up regional – NARDT	- The NARDT-SC, NARDT-RCB are established - The number of members	- 03 CFPs selected - 1 regional launching workshop - 12 members of NARDT-SC from public, private and social organizations - 8 regular NARDT-SC meetings	- Operation documents - Action plan - Annual report - List of members	The most suitable representatives are selected for NARDT-SC and RCB.

	Objectives-hierarchy	Objectively verifiable indicators	Successful criteria	Means of verification	Assumptions
			<ul style="list-style-type: none"> <li>- 8 regular NARDT-RCB meetings</li> <li>- 4 annual Regional Action Plans</li> <li>- 1 package of NARDT operation documents</li> </ul>		
	Activity 2. Set-up the NARDT country network and facilitate its operation	<ul style="list-style-type: none"> <li>- The 4 country level NARDT established</li> <li>- The number of members</li> </ul>	<ul style="list-style-type: none"> <li>- 1 national launching workshop</li> <li>- 4 annual national Action Plans</li> <li>- 1 package of NARDT country level operation documents</li> <li>- 8 regular meetings of country representatives</li> </ul>	<ul style="list-style-type: none"> <li>- Operation documents</li> <li>- Action plan</li> <li>- Annual report</li> <li>- List of members</li> </ul>	Active engagement of stakeholders
	Component 2. Improve knowledge-sharing, capacity-building, research and policy dialogue				
	Activity 1. Knowledge-sharing through implementation of information exchange and policy advocacy	<ul style="list-style-type: none"> <li>- An ICT-based platform</li> <li>- The number of workshops/conference held</li> <li>- The number of policy briefs sent to CLMV</li> <li>- Innovation lab set up</li> </ul>	<ul style="list-style-type: none"> <li>- 1 regional website including 4 national modules</li> <li>- 1 regional and 4 national databases</li> <li>- 4 regional workshops</li> <li>- 16 country-level workshops</li> <li>- 1 Innovation lab</li> </ul>	<ul style="list-style-type: none"> <li>- Workshop/conference proceedings and report</li> <li>- Publications</li> <li>- Progress report of NARDT</li> </ul>	Willingness to pool data, knowledge and experiences
	Activity 2: Capacity-building for agriculture and rural development policies	<ul style="list-style-type: none"> <li>- The number of training courses and training workshops organized</li> <li>- The number of people trained and the percentage of trainees assessed that they can applied the trained skills</li> </ul>	<ul style="list-style-type: none"> <li>- 4 regional training courses</li> <li>- 16 country-level training courses</li> </ul>	<ul style="list-style-type: none"> <li>- Lists of trainees</li> <li>- Training course and workshop reports</li> <li>- Progress report of the NARDT</li> </ul>	Active engagement of stakeholders
	Activity 3. Conducting joint-researches to address common agriculture and rural development issues within the region	<ul style="list-style-type: none"> <li>- The number of regional and country-level joint-policy researches conducted.</li> <li>- The number of policy briefs produced</li> </ul>	<ul style="list-style-type: none"> <li>- 4 regional joint studies</li> <li>- 12 national joint studies</li> <li>- 4 regional policy briefs</li> <li>- 12 national policy briefs</li> </ul>	<ul style="list-style-type: none"> <li>- Research report</li> <li>- Progress report of the NARDT</li> </ul>	Highly capable partnership of stakeholders