

Management's response to Member States comments

**Addendum**

| **Comments from United Kingdom** | **Management Response** |
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| * We encourage IFAD to develop a focussed results management framework that manages to meaningfully communicate what IFAD is delivering to an audience that is not necessarily familiar with the detail of IFAD. It might be helpful to consider linking more clearly to IFAD’s strategic objectives; and using impact evaluations (at a lesser cost and so increased in number) to provide data and demonstrate impact. *IFAD is quite unique in conducting impact evaluations* and the reports have provided some very helpful information on results. So, it would be good to explore how these can be linked to the RMF at this stage. * IFAD is rightly increasing its *focus on resilience* – including to the effects of climate change. Particularly in the context of COVID-19, IFAD12 is now all about: Recovery. Rebuilding. Resilience. We encourage IFAD to consider how it can improve its measurement of resilience. IFAD should be able to demonstrate, for example, how IFAD interventions are making a difference for the most vulnerable, affected by shocks. * Good to see the tier 1 and the tier 2.1 indicators are all SDGs. * Tier 1 indicators look good – it would be helpful to have more information about how IFAD plans to distinguish between attribution vs contribution. Will IFAD actually measure these, rather than just track? * Could IFAD please confirm that the 2.1 impact indicators will be monitored at project level and that SDG methodology will be used for this? * It would be helpful to have information in the methodology for indicator 2.1.5 (number of people with improved nutrition); at the moment there’s none. ‘*Numbers reached*’ indicators are quite hard to interpret but perhaps there are other benefits from having this indicator – it would be helpful to see in the methodology. * Could IFAD also consider adding an indicator at Tier II level on the impact of programmes on food security outcomes?  This question complements the point above on the methodology for 2.1.5. If this does not measure a substantial portion of IFAD beneficiaries, it would be worth considering if IFAD can measure food security using the Food Insecurity Experience Scale (FIES) for a larger proportion of beneficiaries (this is a short module that can be added on to most surveys). * It is not clear whether the 2.2 level indicators will use SDG methodology – could IFAD please clarify? * On indicator 2.2.16 (on MDD-W) – it would be helpful to understand how IFAD plans to track this, including whether IFAD will measure directly or be dependent on data from national surveys? (If dependent on national surveys, there may be the same limitations as mentioned above on attribution vs contribution). * IFAD has been undergoing a period of institutional change, introducing new policies and ways of working that now need to be embedded. It would be helpful to ensure some *clear indicators that demonstrate outcome and impact* in areas such as, for example, performance management - and how that is changing (in line with TCI commitments); and risk management - and how project delivery will be different as a result of renewed policies. * It would also be helpful to review how IFAD can best measure progress in the areas consistently highlighted as needing improvement: efficiency and sustainability. This could, for example, look more at problem projects and government ownership. We look forward to *stretching targets* in the results framework, including for domestic co-financing. | Management thanks the UK for the detailed questions, some of which we hope will be answered in the RMF draft shared with Member States for discussion on the 22nd of September. With regards to communicating more clearly to outside audiences, we welcome additional feedback from the UK as to whether the accompanying paper included for revision on the 22nd adequately addresses this comment.  **Tier I**  For all Tier 1 indicators, IFAD will report on their **contribution** to SDGs, by mapping outputs and outcomes on core indicators using the methodology approved in 2017 (which is currently being reviewed to ensure that the matching exercise undertaken in 2017 is as thorough as possible). With regards to **resilience**, a new indicator has been included in Tier III which maps the number of projects designed to build adaptive capacity. As mentioned during the Executive Board, while methodologies exist to track improvements in resilience, and some projects with very specific focus are using such methodologies, IFAD has not of yet determined whether such an approach should be taken across all projects and therefore reflected in the RMF.  **Tier II**  The methodology for measuring 2.1 indicators will build on the experience IFAD has gained in IFAD10 and IFAD11 as the only organisation undertaking impact assessments. As discussed with the Evaluation Committee in June, for IFAD12 the methodology will be further refined in the context of the update of the Development Effectiveness Framework. As regards Indicator 2.1.5, this is the same impact assessment indicator as contained in IFAD11, which measures, using control groups, the impact of IFAD’s projects on nutrition outcomes.  Indicators in the second section of tier II (2.2) will be tracked using IFAD’s core indicators, which were shared with the Executive Board in 2017, some of which are being refined. While output indicators draw on project level M&E systems, outcome indicators will use the recently finalised core outcome indicator survey at baseline, mid-point and end of projects to survey beneficiaries (and control groups, at completion) to determine IFAD’s contribution to outcomes. Minimum Dietary Diversity will be assessed through as specific set of question in this core outcome indicator survey as well, rather than using national surveys.  **Tier III**  IFAD remains open to suggestions about how to operationalize performance management in the RMF, though to date it has not been included. Risk is being monitored through the corporate risk dashboard, and further attention to risk is being given to strengthening IFAD’s risk management capacity through the creation of dedicated positions to address both operational and programming risk.  Action plans on sustainability and efficiency have been included as commitments in the IFAD12 commitment matrix. Targets remain quite stretching for both topics (85% and 80%, respectively) for indicators in these areas based on PCR ratings. Also, the methodologies associated to these indicators are being reviewed to ensure they best measure performance in these areas through the revision of the evaluation manual in 2021. Finally, given the ongoing situation with COVID-19, the co-financing target has been maintained from IFAD11. Management believes that the domestic co-financing target in particular is sensitive to the extreme fiscal situation created by COVID-19. It is also worth noting that domestic cofinancing already constitutes the majority of cofinancing associated to IFAD-financed projects |

| **Comments from Austria** | **Management Response** |
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| * Thank you for giving member countries the opportunity to provide written comments and pose question on the proposed IFAD 12 Results Management Framework in advance of the meeting scheduled for 22 September 2020. * The document contains a range of indicators but no targets are included. Moreover, most of the indicators to measure progress in the five mainstreaming themes, as presented in the paper “IFAD 12: Deepening Impact and Building Resilience through Mainstreaming” and as discussed in the July meeting, are not reflected. For these indicators targets have already been set. Will we be presented with a complete document that contains all indicators, a baseline and respective targets at a later stage of the replenishment consultations? In order to analyse the paper and IFAD’s ambitions for IFAD 12 we need to have a complete picture of the IFAD 12 Results Management Framework. * In addition, we wonder if there is a way to measure and record cumulative results achieved over the IFAD 12 period (2022-2024)? * Finally, can you please explain the difference between Indicator 3.1.7 and 3.2.7, both named “Percentage of operations with activities or components that advance transparency in borrowing countries”. | Management thanks Austria for the detailed comments. The targets are included in the document for consultation at the inter-sessional on the 22nd of September. New, and more ambitious, mainstreaming targets are included in the RMF, but not all indicators in the July mainstreaming paper are included, as the RMF needs to balance between levels of results and reflect all corporate priorities. While the RIDE reports annually on progress on the RMF, and over the IFAD11 period has included an annex on mainstreaming, for IFAD12 Management is proposing to have a dedicated annual report on mainstreaming, supplementing the RIDE, to report in a consolidated manner on the full range of indicators from mainstreaming paper and to ensure adequate horizontal linkages and attention to the themes. Cumulative results are reported at the MTR of IFAD12, and at the end of the cycle, in the last RIDE for IFAD12. Finally, management apologises for the duplication noted on 3.1.7 and 3.2.7: in the 22nd September draft, two transparency outcomes are included in 3.8. |

| **Comments from United States** | **Management Response** |
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| We understand that IFAD is in the process of refining its level of ambition for IFAD-12.  We appreciate the intersessional discussion on the Results Management Framework, however we are concerned with the proposal to increase the target for climate finance from 25 percent to 35 percent of the Program of Loans and Grants.  As we have said previously, we encourage IFAD to channel its climate ambition to ASAP+ (pending approval), which is designed expressly for this purpose.  We caution against increasing the proportion of the general Program of Loans and Grants associated with climate finance as this will *reduce* the flexibility that IFAD has in addressing its core mandate of achieving rural transformation.  At the same time, we would like to note with appreciation the increased focus on results management, alignment with the IFIs’ results frameworks, and efforts to incorporate indicators associated with the mainstreaming themes.  In this regard, we welcome the introduction of the job creation indicator, which will capture important results that affect rural youth.  We hope to engage in further discussions on the RMF with  Members and Management in the coming weeks on how best to *streamline* this important tool for accountability and learning. | Management would like to thank the US for its comments on the IFAD12 RMF. With regards to climate finance, the 35% climate finance being proposed in the IFAD12 RMF is consistent with the strategy approved by the Executive Board in 2018 (“IFAD Strategy and Action Plan on Environment and Climate Change 2019-2025” EB/2018/125/R.12). In that document, an agreed output is: “at least 25 per cent of IFAD’s PoLG allocated to climate-focused activities in IFAD11 and at least 35 per cent in IFAD12.” As such, management has kept to the agreed level of climate finance for IFAD12, and will continue to focus on raising climate ambition in ASAP+ (pending approval).  We appreciate the US support for innovations on results management, alignment, mainstreaming and jobs, and are working to streamline the indicators based on feedback received at the intersessional meeting. |