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IFAD11 – Leveraging partnerships for country-level impact and global engagement

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Consultation on the Eleventh Replenishment of IFAD's Resources –
Third Session
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For: Review

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Abbreviations and acronyms

4P	public-private-producers partnerships
ADB	Asian Development Bank
AfDB	African Development Bank
APR	Asia and Pacific Division
ARRI	Annual Report on Results and Impact of IFAD Operations
CFS	Committee on World Food Security
CSO	civil society organization
FARMS	Facility for Refugees, Migrants, Forced Displacement and Rural Stability
FAO	Food and Agriculture Organization of the United Nations
ICO	IFAD Country Office
IFI	international financial institution
IOE	Independent Office of Evaluation of IFAD
MIC	middle-income country
OpEx	Operational Excellence for Results
RBA	Rome-based agency
RB-COSOP	results-based country strategic opportunities programme
SDG	Sustainable Development Goal
SIF	Smallholder and Small and Medium-Sized Enterprise Investment Finance Fund
SME	small and medium-sized enterprise
SSTC	South-South and Triangular Cooperation
WFP	World Food Programme

Executive summary

1. The changing external context in which IFAD operates requires stronger partnerships. The Eleventh Replenishment of IFAD's Resources (IFAD11) is taking place in an international development environment where IFAD's mandate is critical. Progress toward Sustainable Development Goals (SDGs) 1 and 2, and tackling the SDG agenda as a whole, hinges on support to smallholder farmers and a focus on a broad set of issues to further rural transformation. IFAD's business and financial models are evolving by improving resource mobilization, allocation and utilization, and transforming these resources into results. But IFAD cannot work alone to achieve the needed impact. Working with governments and partners to leverage financing and knowledge, and advocating globally for these issues will be instrumental for scaling up the innovative and catalytic role that IFAD plays. IFAD will be an "assembler of development finance"¹ to scale up impact, focus on the poorest people in the poorest countries, tailor its services and employ evidence-based solutions – all of which depend on IFAD's ability to embrace partnerships. In addition, IFAD will contribute to reform of the United Nations development system with its knowledge, good practices and lessons from impact assessments to increase accountability for results.
2. IFAD11 will require greater selectivity for stronger partnership engagement. Building on the IFAD Partnership Strategy (2012), which articulated a vision for more strategic and better managed partnerships, IFAD has significantly scaled up its activities with diverse partners to increase the impact of its country programmes and influence the global agenda. This has built a solid foundation to further IFAD's partnership activities. But IFAD's success in partnering will require continued prioritization and selectivity. Partnering is not an end unto itself and IFAD will strategically plan for its partnerships at the country, global and institutional levels, prioritizing partnerships that will have the greatest impact for the countries and people it serves. Lessons learned from IFAD's partnership experience will set the stage for priority actions during IFAD11.
3. IFAD will improve strategic planning to increase country-level impact. Partnerships at the country level are of varying quantity and quality across countries. This is underscored by the Independent Office of Evaluation of IFAD's declining ratings of IFAD's partnership-building at the country level. To enhance country-level partnerships and policy dialogue, the IFAD country-based model will be re-engineered through the new role of "country director" (an evolution of the current country programme manager role). The reinforced IFAD country-based model will still focus on ensuring that resources target poor and food-insecure rural people, but it will be realized through the leveraging of IFAD's operational resources along with the resources of governments, other agencies and the private sector. The model will be systematically embedded in a broad national strategy for addressing rural poverty and food insecurity. These changes call for an optimized and effective presence in borrowing countries and a frontloading of the remaining decentralizing process during 2018. During the IFAD11, based on the joint vision for the Rome-based agencies (RBAs) and as part of a broader partnership strategy, RBA collaboration will be more systematically planned and monitored, including through RBA regional business plans and country-led processes focused on identifying new opportunities for collaboration. IFAD's country-based model will also employ differentiated approaches to partnerships that facilitate selectivity in order to respond to countries' highly diverse circumstances (notably low- and middle-income countries, most fragile situations and small island developing states).
4. RB-COSOPs will better identify and manage strategic partnerships at the country level. IFAD will ensure that it more consistently and effectively partners with others at the country level. Through its country directors, IFAD will work to

¹ See IFAD11/2/R.3, Enhancing IFAD11 business model to deliver impact at scale, para. 6.

influence national development strategies through its enhanced capacity to plan, prepare and deliver products and services in-country. Results-based country strategic opportunities programmes (RB-COSOPs) will be enhanced as a tool for strategic planning and management of partnerships to support countries' own SDG strategies and increase country ownership. They will be more selective by identifying the most strategic partners to leverage financing and enhance policy engagement in order to expand IFAD's reach and impact in support of country priorities. IFAD will more systematically assess and monitor its country partnerships through the entire project cycle, beginning with improved monitoring and reporting through RB-COSOP results reviews and completion reports.

5. Partnerships to leverage financing will be critical to scale up IFAD's project and programme impact. IFAD works with a variety of partners – domestic and international, public and private – to leverage financing for country-level impact. But cofinancing levels – and leverage ratios – have decreased in recent years. Government funding remains the largest share of domestic cofinancing and there is scope for increased counterpart funding, particularly from middle-income countries. International financial institutions, multilateral and bilateral partners have provided varying levels of cofinancing over the years. With its enhanced country presence, IFAD will now more systematically activate these partnerships by seeking out opportunities for complementary and synergistic operations. The successful approach in the Asia and the Pacific region with the Asian Development Bank will be brought to other regions, the recent agreement between IFAD and the African Development Bank will be strengthened, and more resources will be sought for Africa including from the European Union. Regional targets for increased cofinancing levels will be set and monitored regularly. IFAD will also strategically tap complementary and supplementary funds for priority areas – especially climate change, youth unemployment and fragility – including from new sources such as the Green Climate Fund.
6. Private-sector cofinancing is currently small, but domestic private investment can and should grow. While experience suggests that matching multinational investment with smallholder farmers is challenging, IFAD will seek to work with local intermediaries, focus on risk mitigation and attract new financiers such as impact investors, non-profit and philanthropic organizations. IFAD has successfully developed and adopted approaches such as value chain and public-private-producer partnerships (4P), which pave the way for future investments. During IFAD11, IFAD will work within countries to “crowd in” domestic private financing for smallholders. The 4P activity will be scaled up with an aim to become recognized for increasing domestic investment in smallholder space. A major innovation will be the establishment of the Smallholder and Small and Medium-Sized Enterprise Investment Finance Fund to facilitate medium- to long-term financing for small and medium-sized enterprises (SMEs) and producer organizations (together with a technical assistance facility to manage risk).
7. Knowledge partnerships at the country level will be enhanced, including collaboration with RBAs. Knowledge partnerships are useful to support policy engagement, develop capacity and share good practices. They will be facilitated by IFAD's new country-based model and add value to the Fund's non-lending activities, allowing IFAD to develop and showcase innovative projects that can be replicated by others. Grants have been particularly useful for deepening IFAD's non-lending collaboration and will be used more systematically. Finally, partnerships across RBAs are important to scale up country-level activities. Under the leadership of the RBA Senior Consultative Group, more will be done to expand IFAD's RBA collaboration. This includes collaboration with the Food and Agriculture Organization of the United Nations to elaborate a framework for benefiting from its technical assistance and thematic expertise. IFAD will also increase its collaboration with the World Food Programme to bridge the gap between humanitarian assistance and

longer-term sustainable development in line with the “New Way of Working” framework.

8. Partnerships with civil society are one of IFAD’s comparative advantages and strengthen ownership and accountability. IFAD is viewed as a trusted partner by civil society organizations (CSOs) at the country level, and maintains a consistent focus on empowering these groups. The Fund has extensive partnerships with farmers’ organizations and indigenous peoples, working with them to be active agents of change and putting them in the driver’s seat of their own development processes. IFAD will continue to draw on these partnerships in developing and implementing projects to improve community ownership. It will also enhance the role of civil society organizations to monitor and report on project results, thus strengthening government transparency and domestic accountability.
9. Solutions provided through South-South and Triangular Cooperation (SSTC) will gain prominence, facilitated by IFAD. IFAD is well positioned to identify rural transformation pioneers from the South and support them in sharing, replicating and scaling up experiences in other countries. IFAD will create a platform of knowledge for South-South exchange through a flagship product – the rural solutions web portal – serving as a publicly available repository of experiences from around the world. To enable implementation of South-South solutions, IFAD will establish a SSTC facility to mobilize knowledge, expertise and resources from developing countries for promoting the replication of innovative solutions. IFAD will explore ways to support the South-South flow of private resources.
10. IFAD will strengthen and prioritize its work to advocate for inclusive rural transformation in order to influence the global agenda, together with the other RBAs. IFAD has invested resources to influence global and regional policies, develop and share knowledge with global partners, and position the Fund as an organization with the visibility and credibility to influence the global agenda. It has worked extensively on the 2030 Agenda for Sustainable Development and in influential global forums such as the G20 and G7. For IFAD11, it will develop a three-year plan for its priorities and strategic engagements, identifying: the thematic areas and development actors to work with on global issues; research partners to increase its knowledge base of proven solutions and good practices; and key engagements in private-sector-led forums. This plan will draw on the views of Member States and include investments in strategic communications to increase IFAD’s visibility in the global arena. RBAs will work jointly on the implementation and monitoring of the SDGs and engage in structured thematic dialogue and consultations on issues such as rural finance, climate change, food loss and waste, and food security and gender. During IFAD11, IFAD will undertake more joint work with the RBAs and the entire United Nations system to advocate on common issues, particularly those related to SDG1 and 2, and enhance the contributions of the Committee on World Food Security.
11. IFAD will do more to amplify the voices of poor rural people in the global arena, including through multi-stakeholder partnerships. IFAD plays an important role in hosting multi-stakeholder partnerships and global forums (such as the Farmers’ Forum) where the voices of poor rural people can have significant impact. Building on its country-level grassroots networks, IFAD has a comparative advantage in enabling the influence of civil society on the global agenda and advocating for smallholder farmers, rural women and indigenous peoples. IFAD will further the empowerment agenda at the global level by leveraging its credibility as a trusted partner of CSOs to enhance their advocacy in global forums. It will work to strengthen the Smallholder Agriculture Finance and Investment Network, and invest in supporting multi-stakeholder platforms in areas such as youth unemployment.

12. Institutional partnerships, particularly with the RBAs, increase IFAD's efficiency and effectiveness. IFAD has built economies of scale for a variety of functions through its partnerships, which have increased organizational efficiency and effectiveness. IFAD collaborates with other international financial institutions to tap their specialized expertise and coordinates with similar organizations in common business areas. To date, most progress has been achieved through institutional collaboration with RBAs; with high-level attention, this institutional collaboration will grow. IFAD will continue to increase institutional collaboration in areas where it can benefit from external expertise and reap the greatest efficiency gains.
13. Measures will be taken to support partnership-building for successful implementation. A decentralized IFAD raises issues regarding the best means to ensure that operations are consistent with IFAD's overall strategic vision. The Operational Excellence for Results (OpEx) initiative is designed to clarify the best means to implement this vision. The direction is clear, but the details need to be worked out, options piloted and successes implemented. OpEx will better align staff and resource needs, including engagement in partnerships. Improving staff skills is a priority and IFAD will build institutional knowledge from past and current partnerships to enhance learning, staff skills and reporting. It will also develop staff expertise to engage the private sector. Performance reviews will be augmented to include delivering results through partnerships. IFAD will: (i) deepen decentralization to facilitate stronger partnerships by increasing the locus of its business to IFAD Country Offices (ICOs); (ii) improve the flow of information and expertise between headquarters and ICOs to ensure feedback loops between global and country work; and (iii) support ICOs in mainstreaming supplementary and global funds² into country programmes. Finally, IFAD will improve its recording of partnership activity and its measurement and reporting on these achievements through qualitative and quantitative mechanisms. A periodic knowledge publication will highlight successful global, regional and county partnerships, and their achievements.
14. By the end of IFAD11, strengthened partnerships will enable IFAD to reach more poor rural people and provide a broader range of services. IFAD has many assets to deploy – including financing, expertise, grassroots networks and an empowerment agenda – and it will strengthen its partnerships to scale up the impact of these assets. During IFAD11, it will implement a comprehensive set of measures to support partnership-building. As a result, IFAD will feature strategic partnerships as a cornerstone of its operations, and RBA collaboration for country programming and project implementation will be more commonplace. IFAD will reach a larger number of poor rural people through an increased programme of work by achieving a significantly higher level of cofinancing (including from the private sector), with greater consistency across regions in the amount of resources mobilized. IFAD will have greater impact on country policies and institutional capacity through its non-lending activities with other partners and will enhance ownership, transparency and accountability at the country level by empowering poor rural people. It will ensure that resources, knowledge, and solutions are sourced from across the globe, especially SSTC. At the global level, IFAD will gain recognition for influencing agendas, together with the RBAs and the entire United Nations system, on issues of inclusive and sustainable rural transformation. Through a range of activities, IFAD will bring the voices of civil society and poor rural people into the global debate. IFAD will learn from these partnerships, contribute its own expertise to others and report on the achievements of its partnerships to its Member States.

² From partners like the Global Agriculture and Food Security Program, the Green Climate Fund and the Global Environment Facility.

IFAD11 – Leveraging partnerships for country-level impact and global engagement

I. IFAD's changing external context requires stronger partnerships

1. The Eleventh Replenishment of IFAD's Resources (IFAD11) is taking place in an international development environment where IFAD's mandate is critical. The Sustainable Development Goals (SDGs) have provided a focus for all global efforts supporting development. SDGs 1 and 2 hinge on support to smallholder farmers, highlighting the central role of IFAD's traditional mandate, which is also receiving considerable attention with ongoing famines across Africa. These goals, and the entire SDG agenda also highlight the broader rural transformation agenda, which reflects IFAD's value proposition. This involves addressing the: (i) global scale of food insecurity and malnutrition; (ii) effects of climate change on agriculture; (iii) challenges of youth unemployment; and (iv) crucial need to empower poor rural people. Yet IFAD cannot work alone to achieve the needed impacts. Working with governments and other partners to leverage financing and knowledge, and advocate globally on these issues will be instrumental for scaling up the innovative and catalytic role that IFAD plays. In this context, IFAD will contribute to United Nations reform³ to deliver a strengthened United Nations development system that supports Member States in their efforts to meet the SDGs. IFAD will specifically contribute its knowledge, good practices in scaling up programmes and lessons from impact assessments – and increase accountability for results.
2. IFAD's business model and financial strategy are evolving to scale up. IFAD proposes to continue adjusting its operational model to meet the increasing demand for its services. It will scale up to better meet growing country demands and the SDGs by improving resource mobilization, allocation and utilization, and transforming these resources into results.⁴ Recognizing that development flows come from diverse sources, IFAD will increase its efforts to tap these resources as an "assembler of development finance" to better draw on its institutional strengths and scale up impact in order to meet the SDGs. It will aim to increase its programme of loans and grants by between 25 and 40 per cent by increasing core contributions and borrowing. Further expansion of its programme of work is planned through domestic and international cofinancing, supplementary funds and partnering with the private sector. As IFAD improves resource allocation through a business model with greater country selectivity, there will be opportunities to increase project size and scale up impact. This in turn will make IFAD a more attractive collaboration partner for a variety of actors.
3. The IFAD11 period will feature greater partnership engagement to increase the Fund's country impact and global influence. The IFAD Partnership Strategy, developed in 2012, articulated an institutional vision for more strategic and better managed partnerships, with four objectives: (i) better country programmes and projects; (ii) better inputs into global policy dialogue and rural poverty reduction; (iii) increased mobilization of resources for rural poverty reduction; and (iv) improved organizational efficiency. Over time, IFAD has scaled up its partnerships with diverse actors and organizations including Member States, the other Rome-based agencies (RBAs), international financial institutions (IFIs),

³ See: "Repositioning the United Nations development system to deliver on the [2030 Agenda for Sustainable Development] 2030 Agenda – Ensuring a Better Future for All." Report of the Secretary-General to the Economic and Social Council, June 2017.

⁴ See: the IFAD Strategic Framework 2016-2025 and the following papers from the second session of the IFAD11 Consultation, 2017: Looking ahead: IFAD in the context of the 2030 Agenda for Sustainable Development; Enhancing IFAD11 business model to deliver impact at scale; Financial strategy for IFAD11 and beyond; Enhancing the relevance of IFAD operations to country context.

the private sector, select United Nations entities and civil society organizations (CSOs). The 2016 Annual Report on Results and Impact of IFAD Operations (ARRI)⁵ suggests that IFAD country-level partnerships with governments are generally positive, but partnerships with the private sector and multilateral and bilateral partnerships could be enhanced. This is echoed by a recent self-assessment by country programme managers. IFAD has also become more active on the global agenda, most notably within the United Nations system and through multi-stakeholder partnerships. It will build on this base to strengthen partnerships in order to: pool and leverage financing from others; generate knowledge and tap that of others; influence the global agenda; and enhance institutional efficiencies.

4. IFAD's partnering will focus on its comparative advantages, requiring continued prioritization and selectivity. Partnerships are one of the key principles of engagement laid out in the IFAD Strategic Framework 2016-2025. More and better partnerships require that IFAD draws on its comparative advantages, including a focus on smallholder agriculture, the targeting extremely poor and food-insecure people in rural areas, and placing poor rural women and men at the centre as partners. Through partnerships, IFAD's expertise and resources are complemented by those of other players. But partnering is not an end unto itself, particularly given the numerous and diverse set of actors in the development space today. IFAD will strategically plan and select partners at the country, global and institutional levels that will have greatest impact for the countries and people it serves. Ultimately, partnerships will be identified by how well they contribute to the three strategic objectives outlined in the Strategic Framework: increase poor rural people's productive capacities; increase poor rural people's benefits from market participation; and strengthen the environmental sustainability and climate resilience of poor rural people's economic activities.
5. Lessons learned from IFAD's partnership experience will set the stage for IFAD11. IFAD can provide a broader range of services in partnership with multiple stakeholders, bringing knowledge and innovation to support governments in developing more enabling policies and productive investments. To do so, it will build on lessons learned from its past experience with partnerships,⁶ recognizing the need to: (i) improve the consistency, strategic planning and management of partnerships; (ii) increase its resource mobilization to scale up impact; (iii) deploy more grants to enhance non-lending partnerships and augment South-South and Triangular Cooperation (SSTC) based on its expertise in southern Member States; (iv) increase and improve joint RBA work based on more systematic and strategic collaboration at the country and global levels; (v) increase IFAD's visibility to influence the global agenda on issues of inclusive and sustainable rural transformation, including through strategic communications, and (vi) leverage IFAD's comparative advantage of empowering poor rural people to enhance ownership, transparency and accountability at the country level, and to enable their voices to influence the global agenda.

⁵ See EB 2016/118/R.7: Annual Report on Results and Impact of IFAD Operations Evaluated in 2015.

⁶ An Independent Office of Evaluation of IFAD (IOE) evaluation synthesis is taking place in 2017 to distill lessons learned from past corporate-level evaluations and country programme evaluations on country-level experience with partnerships. The findings and lessons learned are expected to contribute to a better understanding of partnerships and their role in achieving development results, and they may inform IFAD Partnership Strategy. The evaluation synthesis report will be presented to the Evaluation Committee in 2018.

II. Increasing country-level impact through partnerships

A. From managing projects to steering change through partnerships

6. Partnerships at the country level are of varying quantity and quality across countries. Country-level partnerships are essential to learning and scaling up: they can help improve the policy and institutional environments, and leverage financial resources to augment the impacts of IFAD's projects. These partnerships have been expanding over time through a variety of financial and non-financial modalities, but they remain highly variable across countries. Qualitative feedback and anecdotal evidence suggest a mixed picture. Independent Office of Evaluation of IFAD (IOE) project evaluations indicate that IFAD's performance as a project partner is "moderately satisfactory" or better in 87 per cent of projects,⁷ but evaluations of results-based country strategic opportunities programmes (RB-COSOPs) by IOE indicate a steady decline in partnership-building.⁸ There is ample room for improvement to increase the impact of partnerships at the country level.
7. Countries need to be in the driver's seat. As recognized in the Paris Declaration on Aid Effectiveness, the Addis Ababa Action Agenda and the Global Partnership for Effective Development Cooperation, development effectiveness can be enhanced by channelling development assistance through a country-based development model. The United Nations development system reform process highlights that a new generation of country teams is required to deliver on the ambitious and complex 2030 Agenda for Sustainable Development (2030 Agenda). The country-based model comprises: (i) nationally owned development strategies; (ii) donor alignment around country-driven goals; and (iii) mechanisms for mutual accountability encompassing both donors and governments in recipient countries. The country-based model: demands flexibility; requires delivery mechanisms that facilitate country ownership; and – above all – requires more effective partnerships among a broad spectrum of stakeholders, with governments in the driver's seat.
8. Recognizing the need for countries to be in the driver's seat, a new IFAD country-based model is required with country directors at its centre. IFAD has historically emphasized the design and implementation of operations that target poor and food-insecure rural men and women using a people-centred approach. Actions have focused on improving operations through mainstreaming key issues, an emphasis on scaling up, stronger compliance procedures to create environmental and social safeguards, and a greater emphasis on results including impact. Although decentralization has occurred to bring IFAD closer to its clients and facilitate greater policy dialogue, systemic linkages with sector and country priorities have received less emphasis. The re-engineered IFAD country-based model is one in which the activities of country directors (an evolution of the current country programme manager role) will be focused on policy dialogue, coordination and partnerships to amplify the impacts of IFAD-funded projects. The focus will still be on ensuring that resources target poor and food-insecure rural men and women using a people-centred approach, but this will be done by leveraging IFAD operational resources along with the resources of governments, other organizations and the private sector, embedded within broad national strategies for addressing rural poverty and food insecurity.
9. The goal of a strong decentralized model brings partnerships to the centre of IFAD's business model. Decentralization will foster greater development impact through: enhanced dialogue between IFAD and governments; borrowing

⁷ See 2016 ARRI, reflecting projects closing in 2012-2014.

⁸ See 2016 ARRI: Ratings declined from 91 per cent moderately satisfactory or better in 2009-2011, to 75 per cent (2011-2014), and to 62 per cent (2013-2015). These ratings represent the percent of reviewed COSOPs rated 'moderately satisfactory' or better. Annual ratings are based on a small sample of COSOPs.

countries' greater ownership of their own development agendas; better alignment of IFAD's interventions with country priorities; closer donor coordination; and multi-stakeholder partnerships in line with international commitments. IFAD has been taking steps in this direction in recent years, but now recognizes that this approach requires a fundamental institutional reengineering, both at headquarters and in the field. Client needs have diversified, with greater differentiation among countries and even within regions. This requires that IFAD optimize its effective presence in borrowing countries and thus frontload the remaining decentralizing process during 2018. Frontloading the decentralization and re-engineering the country-based model requires rethinking IFAD's organigram to strengthen its ability to deliver quality services that combine local solutions with global knowledge. The design process must consider all the elements that make up the organization – people, processes, structures and systems – and how they interact. The Operational Excellence for Results (OpEx) initiative is designed to answer these questions. The direction is clear, but the details need to be worked out, options piloted and successes implemented.

10. In this process, country-level programming with the other RBAs will be strengthened. The RBAs have been moving toward stronger collaboration based on their comparative advantages and distinct roles, building on good practices and lessons learned over the past decade. In 2016, they formulated a joint vision and concrete commitments to strengthen RBA collaboration in order to support implementation of the 2030 Agenda, especially SDG2.⁹ Under the leadership of the RBA Senior Consultative Group, the agencies are taking steps to ensure a more systematic approach to operational collaboration at the country level. This will include targeted joint regional processes based on a joint Asia and the Pacific Division and RBA regional planning process to identify new opportunities for collaboration, and projects that can be replicated or scaled up. These efforts will be complemented by country-level RBA dialogue on existing programme plans to increase the number of joint projects and share knowledge and innovations, such as the RBA Joint Programmatic Framework for Financial Inclusion. Finally, a joint country-level mapping exercise will be undertaken to identify gaps, overlaps and new opportunities for collaboration, building on IFAD's RB-COSOPs and country strategies of the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP) and other partners to facilitate cofinancing with the European Union and other bodies.
11. Differentiated approaches to partnerships will facilitate selectivity to respond to countries' varied circumstances. IFAD has recently articulated an approach to country-level engagement, which relies on differentiated approaches to different country groupings.¹⁰ IFAD recognizes the unique characteristics and distinct needs of different country groupings, and will improve strategic planning through RB-COSOPs by identifying the most strategic and impactful partnerships in each country context. Examples include the following:
 - In middle-income countries (MICs), partnerships increase the quality and flow of knowledge solutions for recipients and providers of technical cooperation (e.g. SSTC) – for example, rural dialogue groups with the Latin American Centre for Rural Development in Colombia, Ecuador, El Salvador, Mexico and Peru.
 - In low-income countries (LICs), partnerships will significantly scale up impact through greater IFI/multilateral cofinancing. For example, funding gaps in Madagascar's Support Programme for Rural Microenterprise Poles and Regional Economies (PROSPERER), Burundi's Value Chain Development

⁹ See EB 2016/119/R.45, Collaboration among the United Nations Rome-based Agencies: Delivering on the 2030 Agenda, joint RBA paper presented to IFAD Executive Board in December 2016.

¹⁰ See EB 2017/120/R.5, Tailoring operations to country context – a holistic approach; and IFAD11/2/R.4/Rev.1, Enhancing the relevance of IFAD operations to country context, 2017.

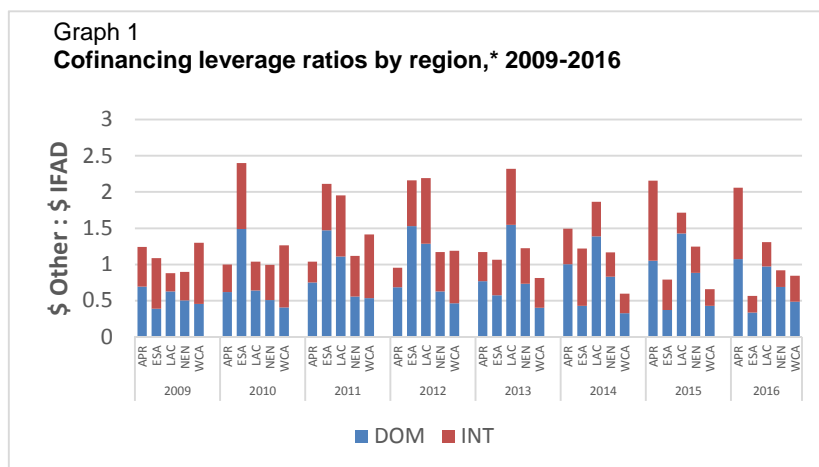
Programme – Phase II (PRODEFI-II), and Zimbabwe’s Smallholder Irrigation Revitalization Programme were resolved with financing from the OPEC Fund for International Development (OFID) for infrastructure and civil works.

- For countries in most fragile situations, complementary partnerships will be forged with WFP to bridge the gap between humanitarian and development assistance, and to build resilience and increase capacity for managing risks. Examples can be found in IFAD projects in Somalia implemented by NGOs to augment government institutions’ capacity.
 - In small island developing states, partnerships to pool programming among partners are leveraging the small size and increasing the efficiency of their respective programmes. For example, IFAD developed a COSOP in Kiribati and is working jointly with the World Bank, the Asian Development Bank (ADB) and the Government of New Zealand on a programme for the Pacific Islands. Because of limitations on programme size, these institutions would not have been able to develop stand-alone programmes.
12. RB-COSOPs will better identify and manage strategic partnerships at the country level. Building on IFAD’s enhanced country presence, improvements will be made to strategic planning processes to ensure that IFAD is consistently and effectively partnering at the country level, recognizing that as a means to achieve country programme strategic objectives. IFAD will influence national development strategies through its enhanced, decentralized capacity to plan, prepare and deliver products and services in-country. Strategic partnerships are currently identified in RB-COSOPs with varying degrees of success. Evaluations suggest that IFAD needs to improve its ability to map in advance the highest-priority, most strategic and most realistic partnerships for each country, and outline a roadmap for implementation. RB-COSOPs will be strengthened as a tool for strategic planning and management of partnerships to support countries’ own SDG strategies and increase country ownership. They will identify the most strategic partners to leverage financing and enhance policy engagement in order to scale up IFAD’s reach and its impact on national priorities. IFAD will also more systematically assess and monitor its country partnerships through the entire project cycle. As a first step, monitoring and reporting will be improved through RB-COSOP results review and completion reports.

B. Partnerships to leverage financing

13. IFAD works with a variety of partners to leverage financing for scaling up country impact, but cofinancing has been decreasing in recent years.

Leveraging IFAD's own financial resources with the resources of others is critical to scaling up IFAD's impact. Cofinancing¹¹ is an important vehicle to increase the programme of work during IFAD11. It creates opportunities for wider beneficiary coverage, knowledge exchange among cofinancing



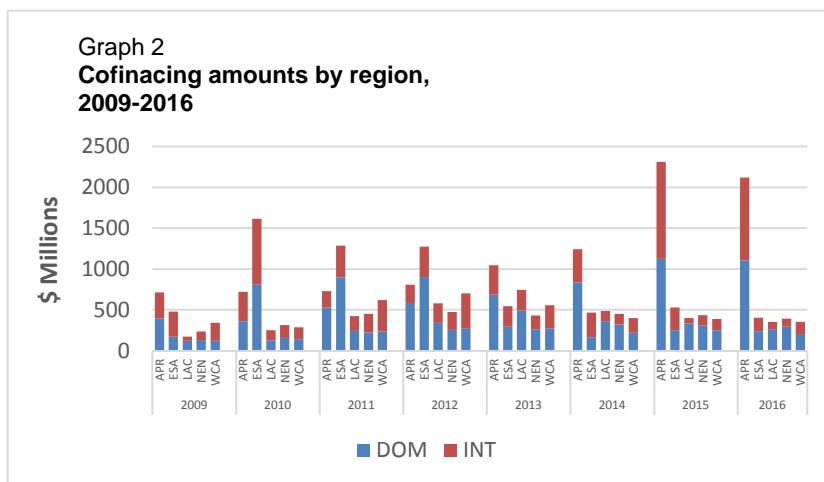
* Regions: APR – Asia and the Pacific; ESA – East and Southern Africa; LAC – Latin America and the Caribbean; NEN – Near East, North Africa and Europe; WCA – West and Central Africa.

institutions, joint policy dialogue with governments and opportunities to scale up successful experiences. Cofinancing at the country level comprises both international and domestic resources, and public as well as private funding. Over the past 10 years, there has been a decline in cofinancing, from an average leverage ratio of 1:1.44 in 2010-2012 to 1:1.29 in 2014-2016. There has also been an increase in domestic versus international cofinancing as a percentage of overall resource mobilization, from a roughly 50/50 split in 2007-2009 to roughly 60/40 in 2014-2016 (see graph 1). This is largely the result of a decline in international relative to domestic cofinancing.

14. There is scope for domestic cofinancing to increase, especially in MICs , and significant potential exists for greater international cofinancing. Almost all ongoing IFAD-supported projects have an element of domestic cofinancing, with governments being the predominant contributor. The nature of this cofinancing varies significantly across regions and countries, with income a strong determinant of domestic resource contributions. There is scope for increasing government cofinancing, particularly in some MICs and through government-funded programmes to scale up value chain projects. International cofinancing has been highly variable over the years.

¹¹ Cofinancing refers to investments by others in IFAD-initiated projects and investments by IFAD in projects initiated by others. International cofinancing typically occurs through partnerships with IFIs, multilateral (including the European Union) and bilateral organizations, while domestic cofinancing comes through partnerships with governments, non-profit organizations, other institutions and the private sector, and can be both in-kind or monetary.

15. There is currently some degree of international cofinancing included in 60 per cent of IFAD's portfolio; this number increases to 75-77 per cent for projects in LICs and over 80 per cent for projects in sub-Saharan Africa. But the absolute amount of this cofinancing has decreased steadily in recent years, except in the Asia and the Pacific region. International resources mobilized in the four regions not including Asia and the Pacific have decreased from a high of US\$952million in 2013 to US\$503million in 2016 (see graph 2).



There is ample opportunity for IFAD to scale up its international cofinancing in the coming years. In IFAD's new country-based model, country directors will play a key role in facilitating cofinancing.

16. In IFAD11, international cofinancing will increase, become more systematic and scale up IFAD's impact. IFAD has engaged in cofinancing with many IFIs, notably the World Bank, ADB, the African Development Bank (AfDB), the Inter-American Development Bank, the Islamic Development Bank, the Andean Development Corporation, OFID and multilateral and bilateral organizations. The level of partnering has varied over time, largely depending on other institutions' engagement in rural and agricultural development. IFAD will partner more systematically by seeking out opportunities for complementary and synergistic operations. IFAD's most successful IFI relationship, between its Asia and the Pacific Division and ADB (see box 1), serves as a model for other regions. There are several factors behind the success of this partnership, including a memorandum of understanding and cofinancing agreement, periodic business planning meetings, institutional focal points and a partnership strategy.

17. AfDB and IFAD have also recently forged an agreement to improve joint planning for project pipeline development. Six new operations are currently being prepared in collaboration with the East and Southern Africa Division, Near East, North Africa and Europe Division, and the West and Central Africa Division, and additional joint operations are being considered for IFAD11. In addition to cofinancing, AfDB and IFAD will strengthen collaboration on

Box 1 IFAD cofinancing with ADB

IFAD has a "structured partnership" with ADB built on a memorandum of understanding and framework for cofinancing agreement. The relationship is maintained through business planning meetings at the headquarters and country levels, and through a focal point in each of the institutions. It is based on a partnership strategy that articulates complementary areas for financing. This partnership has resulted in a number of cofinanced projects and has made Asia and the Pacific IFAD's most successful region in terms of the cofinancing ratio (at 1:1.7, well above IFAD's target of 1:1.2). ADB is currently IFAD's largest cofinancier, with over US\$800million, eight ongoing projects in five countries and a pipeline of future cofinanced investments.

Feature: Indonesia's Integrated Participatory Development and Management of the Irrigation Project combines US\$100 million in financing from IFAD and over US\$2 billion from ADB and the Government of Indonesia. The project will benefit over 4 million rural households by increasing the value and sustainability of irrigated agriculture. Indonesia's Government was keen to leverage ADB's infrastructure investment capacity and IFAD's success with rural empowerment, smallholder agriculture and food security to scale up the project's impact. The teams developed systems for administrative efficiency to decrease the burden on the Government of having two financiers with different requirements. They also focused on jointly achieving project results. This collaboration has helped IFAD to make significant progress in its overall partnership with ADB.

knowledge management and policy engagement, focusing on climate-smart infrastructure, value chain development, youth entrepreneurship and job creation. IFAD is also working in four countries in the East and Southern Africa region with the European Union, and there is potential to expand this collaboration to other regions. During IFAD11, there will be a consistent focus on increasing international cofinancing by replicating the IFAD-ADB partnership model and building on the recent IFAD-AfDB agreement by identifying a pipeline for cofinancing with each regional IFI. In addition, IFAD will increase its collaboration with the European Union based on its ongoing partnership model in four countries. Regional targets for increased cofinancing will be set and monitored regularly.

18. Supplementary/complementary/global funds will be tapped to mainstream selected priorities at the country level. IFAD has been very successful in the area of climate change, bringing global funds to benefit smallholder farmers by mobilizing financing through the Adaptation for Smallholder Agriculture Programme and the Global Environment Facility. In addition, it mobilizes and administers supplementary funds to the country level, such as through the Financing Facility for Remittances, the Weather Risk Management Facility and the Platform for Agricultural Risk Management. Supplementary funds are also important to spur innovation, as illustrated by the Government of the Republic of Korea's support for information and communications technology in agriculture within the Asia and the Pacific region, and European Union funding in Kenya and Uganda. During IFAD11, greater efforts will be made to access supplementary/complementary funding for priority areas such as climate, youth unemployment and fragility – including from new sources such as the Green Climate Fund.
19. To date, private-sector cofinancing has been minimal. Experience suggests that matching multinational investments with smallholder farmers is challenging given that most multinationals do not source directly from smallholders. There has been some success in attracting investment from private companies, such as the vegetable oil development programmes in Uganda, but progress in securing off-take agreements connecting smallholders to buyers has been limited. IFAD will continue to seek financing whenever possible by connecting local traders and intermediaries (rather than smallholders) to multinational food and beverage companies, and focusing on risk mitigation to make the smallholder segment attractive for private investment. IFAD will also explore opportunities to attract new players such as impact investors, non-profits and philanthropic foundations that may be interested in working with IFAD to support rural producers and small and medium-sized enterprises (SMEs).

20. IFAD's value chain and public-private-producer partnership (4P) approaches pave the way for domestic private financing. IFAD mobilizes financing for the underserved market of smallholder farmers by directly addressing the root causes of their financing constraints: lack of collateral and bankable investments; higher transaction costs; and higher risk. To this end, IFAD focuses on "de-risking" investments through its technical assistance and capacity-building, drawing on state-of-the-art knowledge through networks such as the Consultative Group to Assist the Poor. Approximately 70 per cent of all IFAD projects support the development of value chains, which often include local private-sector partners as providers of services, inputs and technical advice that increases the value of products from smallholder farmers. In addition, IFAD's 4P work has moved from an ad hoc to a systematic approach for involving the local private sector as equal and trusted partners, and improving the sustainability of IFAD-supported programmes. With the 4P focus on brokering contractual arrangements between governments, producers and the private sector at various stages of the value chain – elaborating the roles of risk sharing and responsibilities for ensuring mutual benefits – there is significant potential to mobilize private financing and other support from commercial banks, equity investors, input suppliers, equipment-leasing firms and other value chain suppliers (see box 2). IFAD will scale up 4P so that it becomes recognized for empowering the domestic private sector as a reliable partner for smallholders.
- Box 2**
Engaging the private sector

4P approach: IFAD's recent initiative to articulate the 4P concept has had significant pay-off: 25 per cent of projects across 30 countries are now employing this approach. IFAD is investing resources in developing a conceptual framework, cases studies, methodologies, guidelines and training for identification, selection and monitoring of 4Ps. It is also assessing outcomes to garner lessons and inform future work in this area. This work is expected to pave the way for "crowd in" investments.

4P example: The Agricultural Value Chains Support Project – Extension, in Senegal has assisted the Alif Group in contracting 14 farmers' groups (representing over 700 producers) to supply Nestlé with quality-tested millet at a price higher than that of the local market. IFAD's cofinancing for improved accounting and transport systems is strengthening the Alif Group's competitiveness and capacity to expand its business model to other grains, while support has been provided to contracted smallholders for increasing millet production and productivity.

Smallholder and SME Investment Finance Fund (SIF): IFAD is designing a new financial instrument to reach the underserved market of smallholder farmers, providing medium- and long-term blended financing for SMEs (especially in the agrifood sector), farmers' organizations, producers' associations and cooperatives by co-investing with local financial service providers. SIF will enable IFAD to facilitate the flow of both loans and equity, and will be complemented by a technical assistance facility as part of the de-risking mechanism for investments. The initial phases of SIF are expected to be based on fundraising from external sources.
21. Establishing the Smallholder and Small and Medium-Sized Enterprise Investment Finance Fund (SIF) has the potential to significantly benefit smallholder farmers. IFAD's largest impact may be made by facilitating the flow of investment financing directly to private smallholders and producers in order to alleviate the financing constraints that limit their ability to scale up their businesses. A major innovation of IFAD11 will be the establishment of the SIF, which will be a step toward providing the needed flexibility for IFAD to begin filling this market gap (see box 2). The proposed SIF will channel loans, equity investment and knowledge from private, external sources directly to private smallholders and connect them with other private-sector actors. It will also enable IFAD to support women farmers and increase its focus on youth employment and agricultural entrepreneurs.
- C. Partnerships to leverage knowledge
22. Knowledge partnerships extend IFAD's reach to support policy engagement, develop capacity and share good practices. An important dimension of IFAD's work at the country level is assisting national and local governments in designing policies for inclusive and sustainable rural transformation, strengthening the institutions to deliver those policies at the local

level and assessing the effects of those policies on economic opportunities for rural people. This has gained special relevance in the context of the 2030 Agenda and responds to the growing demand from governments looking to draw upon United Nations experiences and expertise as they build policy and institutional frameworks for achieving the SDGs. Knowledge partnerships bring visibility to IFAD and make possible its engagement in national policy processes and support for institutional capacity strengthening. They are also critical to the work of country directors. Partnerships with United Nations entities such as FAO and the International Labour Organization (ILO) add value to IFAD's knowledge products, creating tailored solutions for each country and allowing IFAD to showcase innovations and successes that can be replicated (or cofinanced) by others or scaled up nationally.

23. IFAD will deepen its non-lending collaboration, including through the use of grants. IFAD has worked with a broad range of development partners at the regional and country levels to develop synergies between its lending and non-lending work. Country-specific and regional grants have been particularly useful to support capacity-building, knowledge-sharing and innovative solutions at the country level. The development of the Policy for Grant Financing, approved in 2015, highlighted the need for grants to be used for building strategic partnerships. In recent corporate-level evaluations, IOE has underscored the need for utilizing grants for innovation, knowledge-sharing and building partnerships. During IFAD11, the increased deployment of grants is critical to furthering IFAD's non-lending collaboration with partners at the country level, which will be guided by the annual corporate priority-setting exercise for grants.
24. Growing RBA collaboration at the country level can serve as a foundation for increased joint activity. In 2015, the RBAs jointly collaborated on 26 projects in 21 countries (a 20 per cent increase over the previous year), gaining synergies across activities at the country level. There is also significant bilateral activity: FAO is supporting IFAD projects with policy formulation and implementation, building on many years of collaboration benefiting from FAO's technical capacity and policy influence. This includes scaling up successful efforts such as farmer field schools. There has also been active use of FAO's Investment Centre in designing IFAD programmes, and partnership with FAO's SSTC technical assistance facilities to embed technical assistance within IFAD projects. IFAD's collaboration with WFP (on 31 projects in 24 countries) draws on WFP's logistics network and large-scale procurement mechanisms (i.e. Purchase for Progress) to help smallholder producers to enter new markets. In addition, IFAD has joined forces on nutrition programmes such as school feeding. IFAD is deepening its collaboration with WFP in fragile situations to build stronger bridges between humanitarian and development assistance in post-conflict countries (e.g. the Congo, Djibouti and Somalia). These efforts will also be supported through the Facility for Refugees, Migrants, Forced Displacement and Rural Stability (FARMS).¹²
25. During IFAD11, the Fund will work more systematically with RBAs at the country level. Building on the foundation of ongoing RBA collaboration and the overall RBA strategy, IFAD will seek to increase the number of joint projects with RBAs. To this end, it will: (i) increase the number of joint programming exercises; (ii) dedicate efforts to increase the number of IFAD projects which benefit from FAO's technical assistance, technical expertise and implementation support; (iii) identify additional countries in most fragile situations that would benefit from WFP-IFAD collaboration to bridge from humanitarian aid to longer-term sustainable development in line with the "New Way of Working" framework that emerged from

¹² FARMS was launched in September 2016 in response to the rural dimension of the current refugee crisis. It aims to mobilize financial resources to provide livelihoods for refugees, displaced people and their host communities. FARMS also seeks to create economic opportunities for people who have left to return and give those who remain a chance to rebuild their livelihoods. The initiative has received contributions from the European Union, the Government of Switzerland and others.

the World Humanitarian Summit; and (iv) seek synergies at country level with WFP's Farm to Market Alliance.

26. Partnership with civil society is one of IFAD's strong comparative advantages, and will strengthen ownership and accountability. IFAD is viewed as a trusted partner with CSOs at the country level and it has maintained a consistent focus on empowering these groups. A longstanding partner of farmers' organizations, IFAD has worked with millions of small farmers and producers across the globe. This has enabled it to develop grassroots networks and a deep understanding of the issues smallholders and poor rural people face. IFAD also has extensive partnerships with indigenous peoples, encouraging them to be active agents of change and enabling them to lead their own development processes. This role as an honest broker for local populations, coupled with IFAD's strong participatory and people-centred approach, has allowed it to facilitate dialogue among grassroots groups, governments and other development partners. It has enabled CSOs to advocate for important issues, participate in shaping local and national policy agendas, and contribute to solutions for rural development. IFAD will continue to draw on these networks to develop and implement projects that improve community ownership. It will strive to strengthen partnerships with CSOs to tap their comparative advantages, especially in most fragile situations. The Fund will strengthen the role of CSOs in monitoring and reporting on project results, thus increasing government transparency and domestic accountability.
27. IFAD's SSTC activity has gained traction and is now poised for greater expansion. IFAD is well positioned to identify rural transformation pioneers from the South and support them in sharing, replicating and scaling up their solutions in other countries across the global South. IFAD's SSTC programme has evolved from a series of isolated national and regional initiatives to a comprehensive and coherent agenda¹³ that includes: programme design and implementation support; investment promotion; knowledge and experience sharing; and partnership-building and resource mobilization. IFAD has: engaged in dialogue with the other RBAs to lay the groundwork for a common SSTC agenda; actively participated in SSTC events; and approached Member States as partners to mobilize additional resources for SSTC.
28. IFAD will create a knowledge platform for South-South exchange. It will build a repository of SSTC experiences from the North and South. This flagship product – the rural solutions web portal – is envisaged as a demand-driven, dynamic, publicly accessible database that will allow for tracking, monitoring, evaluating, documenting and disseminating rural development solutions originating from the global South.
29. IFAD will establish a new SSTC facility to enable implementation of South-South and triangular solutions. The new facility, to be introduced in 2018, will enhance IFAD's SSTC programme and its impact on rural poverty. The facility will mobilize knowledge, expertise and resources from developing and developed countries to support inclusive and sustainable rural transformation. It will identify, share and facilitate the replication of innovative solutions, and promote investments among developing countries. The

Box 3

Scaling up SSTC activities

Grants have been a critical source of funding for prominent SSTC activities such as the Regional Programme for Rural Development Training (PROCASUR) Corporation, which developed learning routes across all five global regions starting in Latin America and the Caribbean, and the Brazilian Agricultural Research Corporation (EMBRAPA) Agricultural Innovation MKTPlace, which promotes applied agricultural research to adapt EMBRAPA's technological innovations in other countries. This initiative has funded 82 research projects – 64 in Africa and 18 in Latin America and the Caribbean. The recently approved grant SSTC to support rural transformation: promoting innovations in ICT for agriculture and rural development is another example of how innovation can be spurred through SSTC.

¹³ See EB 2016/119/R.6, IFAD's Approach to South-South and Triangular Cooperation.

facility will target smallholder agriculture and rural development, and pay special attention to rural youth employment in developing countries. This will increase the amount of SSTC activity that IFAD supports, as illustrated by past experiences with grant-funded SSTC activities (see box 3).

30. Working with the private sector will be a new area of exploration for the IFAD11 SSTC agenda. IFAD will aim to increase the flow of private resources and South-South investment among developing countries, including in sustainable agriculture and agrifood industries that have the potential to create employment opportunities for rural youth. It will look to develop mechanisms for supporting: finance facilitation; access to producer data; and business-to-business cooperation across regions to encourage cross-border investments between developing countries. IFAD will also foster South-South partnerships by mobilizing its global reach and convening power with governments, communities and – after due diligence – the private sector.

III. Influencing the global agenda through partnerships

31. IFAD's role in global dialogue and forums has increased and become more structured in recent years. The Strategic Framework reaffirms the importance of its engagement at the global level, with the goal of promoting policy outcomes that advance inclusive and sustainable rural transformation, and bring the voices of smallholder women, men and youth to the global agenda. To achieve this, IFAD has invested resources to: (i) shape global and regional policies by influencing the global dialogue; (ii) develop and share knowledge with global partners to highlight the importance of smallholder agriculture and rural development; and (iii) position IFAD as a key partner, thereby increasing its visibility and influence. IFAD played a major role in supporting Member States and engaging with partners as they shaped the 2030 Agenda by making available its knowledge, particularly on issues of rural-urban connectivity, rural people's empowerment, investment in smallholder agriculture for food security and nutrition, and resilience of rural households.
32. IFAD partners with global actors to further its priorities. Together with other United Nations entities, IFIs and other partners, IFAD has supported policy dialogue and the design of new global initiatives at forums like the G20 (for example, by co-authoring a synthesis study on rural youth employment with the World Bank) and G7, with a focus on agricultural risk management, rural youth employment, financial inclusion and smallholder agriculture. It also draws on United Nations and other expertise to further agendas on gender, climate, nutrition and youth employment as they relate to rural poverty and agriculture. It engages with the United Nations Environment Programme (UNEP) on climate and biodiversity; UN Women, multilateral development banks and the Organisation for Economic Co-operation and Development on gender issues; the other RBAs on the Accelerating Progress towards the Economic Empowerment of Rural Women forum; and ILO and the United Nations Inter-Agency Network on Youth Development. IFAD will continue to provide inputs into dialogue on implementation of the 2030 Agenda and regional and global forums including the Tokyo International Conference on African Development and the Global Alliance for Climate-Smart Agriculture.
33. IFAD also supports high-level regional institutions and research to further knowledge development. The Fund has worked with a variety of regional institutions,¹⁴ often supported by IFAD grants. For example, it supports regional private-sector forums such as the World Economic Forum's Grow Africa and Grow

¹⁴ Examples include: Asia – the South Asian Association for Regional Cooperation and Association of Southeast Asian Nations; Africa – the New Partnership for Africa's Development, World Cocoa Foundation and the Alliance for a Green Revolution in Africa; Latin America and the Caribbean – the Common Market of the South and Economic Commission for Latin America and the Caribbean; and the International Center for Agricultural Research in Dry Areas in the Near East, North Africa and Europe.

- Asia to ensure the inclusion of smallholders' and farmers' organizations' perspectives. IFAD also supports research to further the global knowledge on critical issues, including through its longstanding relationship with the CGIAR to foster food and nutrition security, sustainable management of natural resources and climate change adaptation. In addition, it is working with partners including the RBAs, the World Bank and the CGIAR to identify a research agenda for progress on SDGs 1 and 2.
34. IFAD will invest more and establish corporate priorities for its global engagement, research and partnerships. IFAD has built a foundation of global partnerships to increase its influence on global dialogue, with an approach that draws on knowledge generated across IFAD's portfolio and partnerships. It will do more to: (i) focus on key thematic areas and corporate priorities, identifying and working with select global development actors on these issues; (ii) seek out research partners to increase the knowledge base on proven solutions and good practices; and (iii) increase engagement in private-sector-led forums and networks. In recent years, IFAD has identified an annual work programme for its engagement at the global level and during IFAD10. It will build on the priorities for IFAD10 and refine them during IFAD11 – based on inputs such as the Rural Development Report – to establish a three-year plan of corporate priorities and strategic engagements. It will also increase IFAD's visibility and role in the global agenda, including through greater investment in strategic communications. Eliciting the views of Member States will be important to validate these priorities and engagements.
 35. RBAs will jointly develop and advocate for key policy issues, including by strengthening the Committee on World Food Security (CFS). As part of their joint strategy, the RBAs will collaborate on implementing and monitoring the SDGs, including at forums such as the United Nations High-level Political Forum on Sustainable Development. The RBAs are active in enhancing the effectiveness and impact of both the Rome-based United Nations System Standing Committee on Nutrition and the United Nations Network for Scaling Up Nutrition. The RBAs have agreed to jointly work on several thematic areas, including preparing the annual flagship report *The State of Food Insecurity in the World*. Efforts will be made to improve thematic dialogue and consultation on issues such as rural finance, climate change, food loss and waste, food security and gender. Perhaps the most prominent RBA collaboration is the joint work of the CFS, which provides a platform for dialogue among governments, CSOs and the private sector. Going forward, IFAD and the other RBAs will engage with the United Nations system to develop and enable policy recommendations that assist countries in achieving SDGs 1 and 2, enhancing the contributions of the CFS.
 36. Multi-stakeholder partnerships are critical to empower rural poor people. IFAD plays an important role in hosting multi-stakeholder platforms that amplify the voices of the poor rural people, including: the International Land Coalition; the Indigenous Peoples Forum; the Farmers' Forum; and the Global Forum on Remittances, Investment and Development. During IFAD11, IFAD will build on this convening role and invest in hosting and supporting multi-stakeholder platforms in areas such as youth unemployment, where the voices of poor rural people can have significant impact.
 37. IFAD will do more to amplify the voices of poor rural people in the global arena. One of IFAD's main strengths is its partnerships with farmers' organizations, indigenous peoples' groups and grassroots organizations at the country level, where IFAD is viewed as a trusted partner. The Fund has traditionally worked with diverse local groups to ensure that the voices of smallholders and poor rural people are included in local and national policy agendas. It will further the empowerment agenda by leveraging its credibility and status as an honest broker of CSOs and will connect these organizations to global forums advocating for small

farmers, rural women and indigenous people's issues (including the United Nations Permanent Forum on Indigenous Issues). IFAD aims to continue amplifying the voices of poor rural people to influence global policies and programmes, and to bring the global policy debate to the country and local levels. It has initiated the Smallholder Agriculture Finance and Investment Network (SAFIN), a major global initiative bringing together different stakeholder groups with a shared interest in bridging the finance and investment gaps faced by SMEs in rural areas, and will work to strengthen this network.

IV. Institutional partnerships for efficiency and effectiveness

38. Institutional partnerships increase IFAD's efficiency and effectiveness. IFAD has built economies of scale in a variety of its functions through partnerships, which have increased its organizational efficiency and effectiveness. IFAD collaborates with other IFIs to tap their specialized expertise and scale (such as treasury functions), and coordinates with like-minded United Nations entities on common business areas such as evaluation. IFAD has co-located most IFAD Country Offices (ICOs) with other United Nations entities including WFP, FAO, the United Nations Development Programme and the United Nations Office for Project Services (UNOPS). Various IFAD departments participate in professional networks, joining forces with other United Nations entities and IFIs in areas such as audit and investigation, legal, accounting and controls. IFAD also continues to benefit from United Nations partnerships in areas such as United Nations strategic planning. The ongoing United Nations development system reform process will create new opportunities for country-level synergies. Institutional partnerships are also important to facilitate staff exchange, build staff capacity and increase institutional collaboration.

39. RBA institutional partnerships are especially important. The greatest efficiency gains have been made through RBA collaboration (see box 4), especially in areas such as information technology procurement contracts, facilities, headquarters security, privileges and immunities, and travel. Going forward, IFAD will continue to make pragmatic choices in order to increase collaboration in areas where it has few economies of scale or expertise. It will continue to explore synergies with other RBAs and development partners at the country level for office space, security and administration. As it expands into new arenas such as borrowing on the market, it could potentially partner with other organizations with a good track record in these areas.

Box 4

RBA institutional partnerships

Senior Management: Regular high-level meetings of the RBA Senior Consultative Group; joint field visit of Executive Heads; joint informal meeting of the governing bodies.

Country offices: Shared country office space (10 hosted by FAO, seven hosted by WFP); host-country agreements with FAO and WFP facilities and administrative services.

Shared corporate services: evaluation, audit, investigation, finance and administration; common procurement team.

Platforms and information infrastructure: Joint webpage; SSTC knowledge-sharing platforms such as FAO's South-South Cooperation Gateway and IFAD's rural development solutions catalogue.

Going forward: Efforts will be made to establish more joint country hosting arrangements, joint work by independent evaluation units, joint support for audit and investigation activities, and joint corporate administrative services (e.g. travel, selective procurement, staff recruitment, security). Areas for additional consideration include information technology and crisis business continuity.

V. Measures to support partnership-building

40. Adequate staffing and expertise will be made available to improve partnership engagement and performance. Strengthened partnerships will require adequate staff capacity, time, appropriate skills and incentives for performance, but recent surveys confirm that these continue to be challenges. IOE has also underscored the need for systematic allocation of resources for

partnerships. The ongoing OpEx initiative¹⁵ will align staff and resource needs to improve IFAD's performance in non-lending activities and managing partnerships. Improving staff skills is also a priority. Recent investments in training and tools for communication and guidance have proven fruitful. But more will be done to build IFAD's institutional knowledge of partnership experiences and outcomes in order to maximize the success of IFAD's partnerships. Through the new operations academy, IFAD will build staff expertise and skills for private-sector engagement to better leverage resources. As part of the review of staff performance, achievements in delivering results and impact through partnerships will be defined.

41. Decentralization has facilitated partnerships and the capacity of IFAD Country Offices will be enhanced. IFAD has deepened its partnerships in recent years because of its extensive decentralization to ICOs. The establishment of 40 ICOs and investment in their capacity has helped to foster country-level partnerships. IFAD will accelerate decentralization of its business processes and staffing to where they are needed most. By 2019, most products and services will be planned, prepared and delivered in-country. As part of its new knowledge management strategy, IFAD will focus on improving the flow of information and expertise between headquarters and ICOs, and strengthen linkages between its global engagement and country-level work. Stronger linkages will be developed between IFAD's headquarters and country directors in order to support them in mainstreaming supplementary and global funds into country programmes.
42. Partnerships and cofinancing will be better recorded, measured and reported. Partnership-building is not fully recognized as an activity within IFAD's systems, and there is insufficient measurement of partnership achievements. IFAD will seek to improve its recording of partnership activities, and its measurement of these activities through qualitative and quantitative mechanisms. Quantitative measures of cofinancing will more accurately reflect private-sector cofinancing and better quantify and aggregate investments from design through completion. Non-financial contributions from private-sector partnerships will also be captured more accurately. The outcomes of knowledge partnerships, including institutional development and policy engagement, will be captured through feedback assessments including self-assessments, a revamped annual client survey and other qualitative measures. These measures will be integrated into IFAD's Development Effectiveness Framework and shared through the Report on IFAD's Development Effectiveness and the dissemination of experiences. A periodic knowledge publication will report on selected successful global, regional and county partnerships, and their achievements.

VI. Achieving results for scale and impact

43. IFAD will draw on its comparative advantages to produce concrete results and strengthen partnerships. As articulated in the Strategic Framework, partnerships are one of the five principles of engagement for IFAD to deliver on its mandate and contribute to the 2030 Agenda. Forging strategic partnerships – both at the national and global levels – will be crucial for IFAD to achieve its ambition of increasing its scale and impact. During IFAD11, it will build on lessons learned from past experience with partnerships, scaling up good practices and addressing areas for improvement. IFAD has many assets to deploy, including financing, expertise, grassroots networks and an empowerment agenda. It will strengthen its work with others to scale up the impacts of these assets and improve the lives of the poor rural people.

¹⁵ OpEx aims to establish IFAD as a recognized leader throughout the project cycle, from project identification to design, implementation and results reporting. It asks and seeks to answer how IFAD can consistently finance and nurture excellent projects with sustained results. It addresses all IFAD's critical functions, from traditional roles such as project design, project implementation support, monitoring and evaluation, to emerging functions such as policy engagement, knowledge management and impact assessment. It also seeks to establish the conditions for a new generation of renewal and innovation in products and processes – both internally and through partnerships.

44. IFAD has identified a comprehensive set of steps to improve partnerships at the country level. It will begin by improving RB-COSOPs for better strategic planning and management of partnerships to support countries' own strategies for achieving the SDGs. It will mobilize: increased domestic cofinancing, particularly in MICs; international cofinancing, especially through regional agreements with IFIs and multilateral institutions; and "crowding in" domestic private-sector financing and expertise to develop markets and enhance sustainability, including through establishment of the SIF. It will significantly strengthen its non-lending partnerships through more strategic deployment of grants, and scale up proven solutions through SSTC activities by creating a rural solutions web portal. In the process, it will establish a new SSTC facility and explore ways to support the South-South flow of private resources. Increasing RBA collaboration through more joint programming will be crucial. Finally, IFAD will use partnerships with civil society to increase ownership of projects, and will strengthen CSOs' role in monitoring and reporting on results for more government transparency and domestic accountability.
45. Global engagement will be defined by a three-year strategic plan. This plan will draw on the views of Member States and include investment in strategic communications to increase IFAD's visibility in the global arena. It will identify: key thematic areas and development actors to work with on these issues; research partners to increase the knowledge of proven solutions and good practices; and priority engagements in private-sector led forums. During IFAD11 there will be a focus on joint work with the other RBAs and the entire United Nations system to advocate for common issues (especially those related to SDGs 1 and 2) and enhance the contributions of the CFS. IFAD will also focus on amplifying CSO voices on the global agenda by: strengthening CSO advocacy in global forums including the United Nations; hosting multi-stakeholder partnerships where the voices of poor rural people can have significant impact; and strengthening SAFIN.
46. Measures will be taken to support decentralization, policy engagement and partnership-building to enable successful implementation. The ongoing OpEx initiative will support improved alignment of staff and resources to better engage in partnerships. Specific actions will focus on: (i) building a partnership knowledge base to provide knowledge and build staff expertise; (ii) enhancing performance reviews; (iii) accelerating decentralization of IFAD's business processes and staffing; and (iv) improving the flow of information and expertise between headquarters and ICOs. IFAD will also improve its recording of partnership activity along with its measurement and reporting on achievements using both qualitative and quantitative mechanisms.
47. By the end of IFAD11, strengthened partnerships will enable IFAD to reach more poor rural people and provide a broader range of services. They will bring knowledge and innovation to support governments in developing enabling policies and productive investments that benefit poor rural people. Going forward, IFAD will feature strategic partnerships as a cornerstone of its operations. RBA collaboration for programming and project implementation at the country level will be more frequent. IFAD will reach a significantly higher number of poor rural people through a larger programme of work by harnessing significantly more cofinancing, with more consistency across regions in the amount of resources mobilized. This will comprise both domestic cofinancing (including in MICs) and international cofinancing from IFIs and multilateral institutions.
48. Opportunities will be developed for private-sector investment in the smallholder segment, enabling farmers to: enter new markets; be included in sustainable and profitable value chains; and benefit from increased product value. This investment will also enhance employment and entrepreneurship opportunities, including for rural youth. IFAD will have greater impact on country policies and institutional capacity through its scaled up non-lending activities with partners. It will enhance

ownership, transparency and accountability at the country level by empowering poor rural people. And it will ensure that resources, knowledge, and solutions are sourced from across the globe, especially through South-South cooperation. At the global level, IFAD will gain recognition for influencing agendas, together with the other RBAs, on issues of inclusive and sustainable rural transformation. Finally, IFAD will bring the voices of civil society and poor rural people into global debate. IFAD will learn from these partnerships, and contribute its own expertise to others. Through systemic improvements in its recording and measurement of partnerships, the Fund will report on the achievements of these partnerships to its Member States.