



Twelfth Replenishment

**RURAL
PROSPERITY.
FOOD.
RESILIENCE.**

2019 Annual Report on Results and Impact of IFAD Operations (ARRI)

Consultation on the Twelfth Replenishment

13 February 2020

ARRI – a systematic overview of results and impact of IFAD operations since 2003

- The 2019 ARRI is based on a robust sample of ratings from independent evaluations.

IOE databases	Sample	Time period
All evaluations	344 projects (3,807 ratings)	2002-2017
Project evaluations & validations	228 projects (2,634 ratings)	2007-2017
Country-level	50 country programmes (949 ratings)	2006-2017

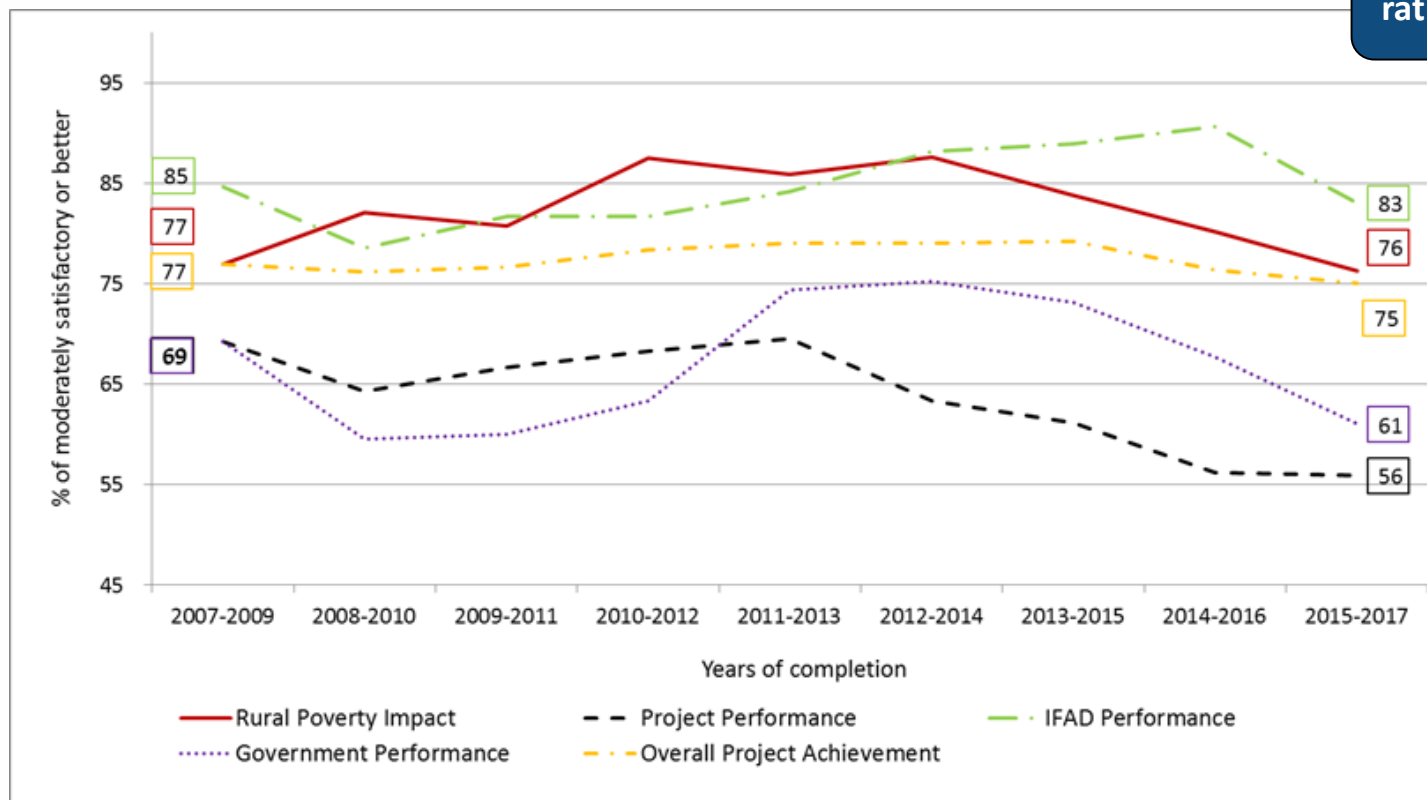
- Compared and contrasted with Management's full sample of self-assessment ratings to-date.

Most ratings are positive, though recent trends in performance are **flat** or declining

Overview of main evaluation criteria

% projects rated moderately satisfactory or better

75% of all ratings MS+



Decline in project performance driven by efficiency and sustainability of benefits

Evaluation criteria assessment of IOE and Management - % projects rated moderately satisfactory or better

Outcome indicators	IOE PCR/V/PPE ratings 2015-2017 (59 projects)	Management PCR ratings 2016-2018 (73 projects)
Relevance	83	93
IFAD performance as partner	83	88
ENRM	81	84
Innovation	80	88
Rural Poverty Impact	76	83
Effectiveness	75	82
Adaptation to climate change	73	87
GEWE	71	88
Scaling-up	68	88
Government performance as partner	61	79
Sustainability	59	70
Efficiency	51	67

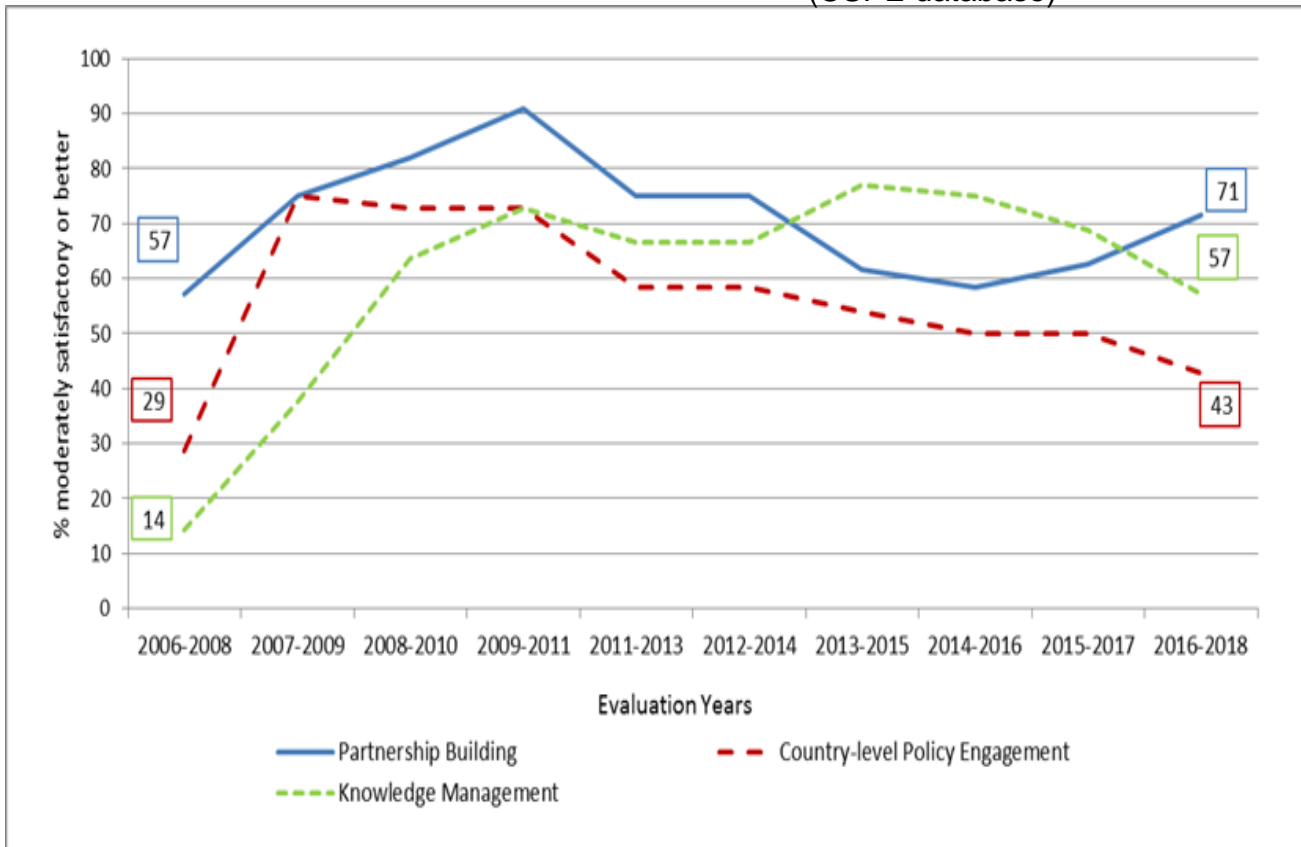


Performance related to the four priority (mainstreaming) areas

- **Gender:** More gender-sensitive project designs; specific gender strategy for more effectiveness and long-term sustainability remain issues.
- **Adaptation to climate change:** Emphasis on training for resilient practices; weak support from governments in adopting policies and few assessments on climate change impact.
- **Nutrition:** Increased awareness-raising activities and access to new food sources; lack of robust evidence and data on nutritional values and child malnutrition.
- **Youth:** Emerging support to young entrepreneurs in portfolio; lack of youth-disaggregated data is impeding analysis.

After a peak in 2009-11, trends in non-lending activities are declining, except in partnership building

Performance of all non-lending activities: 64% of projects MS+ (CSPE database)



Enablers

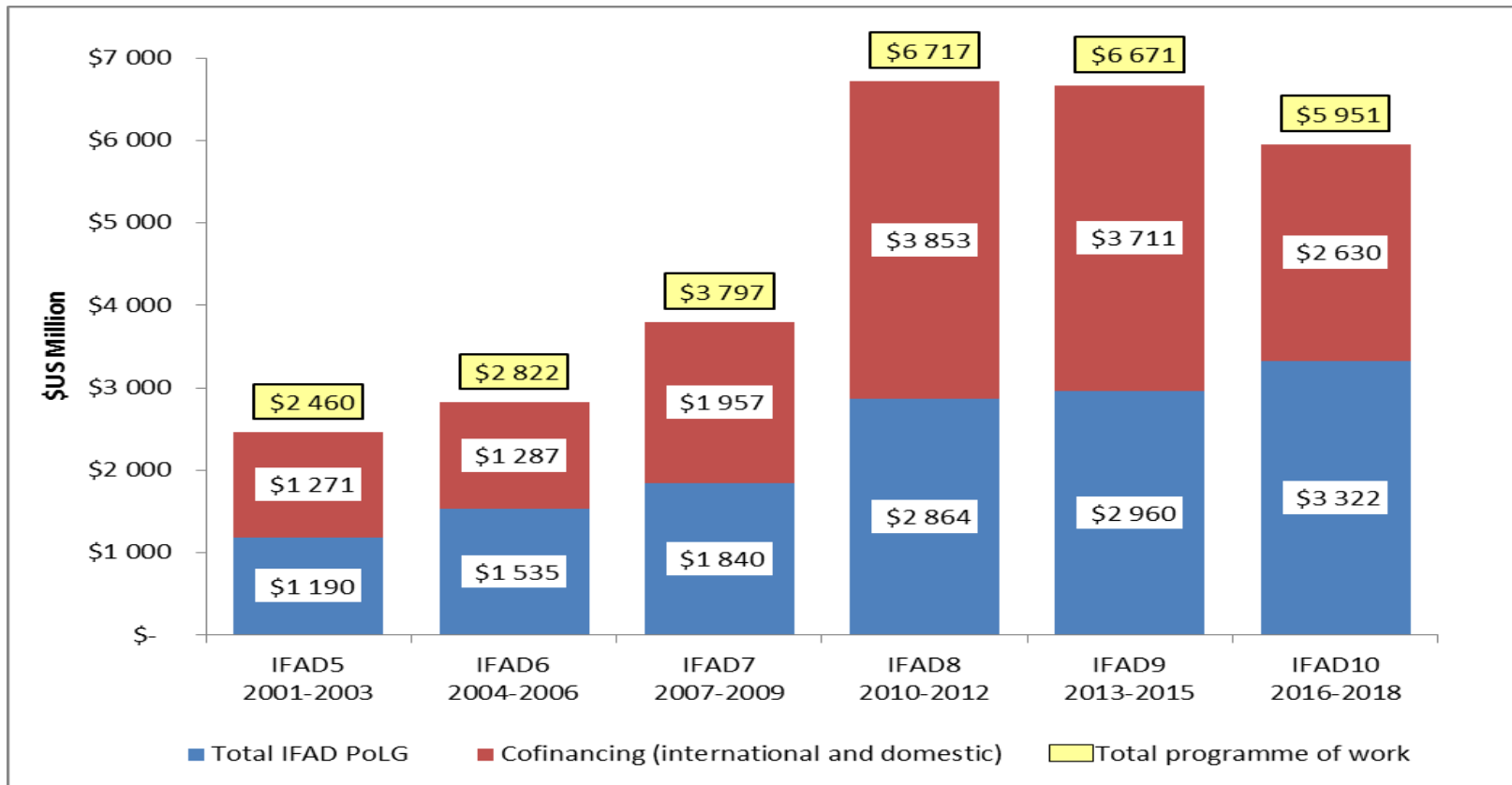
- Capitalizing good practices, innovations and lessons learned from projects
- Supporting systematically dialogue and accountability between government and other stakeholders
- Engaging actors to go beyond the project's life

Obstacles

- Limited resources, capacities and technical knowledge at country level
- Absence of functional frameworks and clear objectives in country strategies
- Inadequate levels of stakeholder representation

IFAD10 project investments remained big with bigger approved project sizes...

IFAD approved Programme of Work (PoW) by replenishment period (US\$ million)



Smarter in terms of reduced budgetary resources and improved timeliness

- IFAD has also attempted to be Smarter by reducing budgeted resources for IFAD Country Programmes.
- Between IFAD9 and IFAD10, there was an attempt to improve efficiency through a reduction in the administrative budget allocated to country programme delivery (by 14 per cent).
- Similarly, disbursement lags were shorter and there were fewer project extensions.
- However, the ratio of supervision missions per project declined from 2.1 to 1.7 between IFAD8 and IFAD10.



However, the initial **better** performance in IFAD9 has not been sustained in IFAD10

- Initially, average IOE ratings improved between IFAD8 and IFAD9 for all criteria.
- Significant improvement was found for Environment and Natural Resources Management.
- However, the 2019 ARRI reports declining trends in ratings between IFAD9 and IFAD10 in both independent evaluation and self-assessment ratings.

Conclusions

- Increased average project size and decreased budget for project implementation introduces challenges such as **maintaining the quality** of the overall project portfolio.
- Limited resources and large, complex projects put **country offices** under pressure in managing lending and non-lending activities.
- The **capacity of government** is critical for a pro-poor policy environment and appropriate project delivery.
- Ensuring the **continued relevance** of a project intervention requires adapting the design throughout the implementation.

2019 ARRI Recommendations

1. Dedicate more **resources** for “**better**” country programme performance.
2. Design projects based on **country capacities** and ensure appropriate **implementation arrangements**.
3. Develop **government capacities** to design and implement country programmes.
4. Decide earlier to **adjust project designs** for "continued relevance".
5. Devise a **comprehensive and coherent system** to better **mitigate risks** in IFAD projects.

Thank you.