IFAD11 Mid-Term Review

Vision, Ambition and Action

First session of the Consultation on the Twelfth Replenishment

13 February 2020
IFAD11 main messages

1. Business as usual is not sufficient to reach SDG1 and SDG2
2. IFAD has an important role to play in leaving no one behind
3. IFAD has the capacity to deliver bigger, better and smarter
4. IFAD will leverage development finance
5. IFAD’s investments will target the poorest people and the poorest countries
6. IFAD will streamline and leverage partnerships to respond to country needs
7. IFAD will mainstream key issues to multiply the impacts
8. IFAD will tailor its operations to better support rural transformation processes
9. IFAD will enhance its Value for Money across all four dimensions
10. Thus, IFAD will achieve its full potential to contribute to the 2030 Agenda
Strong delivery on IFAD’s core mandate, however, challenges remain:
Continued focus on initiatives to improve quality, efficiency and sustainability in line with IOE recommendations

Building towards IFAD12: Consolidate, strengthen, and innovate around the business model

75% of commitments delivered: Positive progress after one year as well as clear areas where further actions are needed
Adoption of DEF paved way for access and availability of real time data

Front-loaded delivery of IFAD11 commitments in 2018 and 2019 (37 out of 50 commitments delivered)

US$1.7 billion of PoLG and accompanying country strategies approved in 2019
Completing IFAD10: Maximizing impact in a challenging context

- **62 million** people experienced economic mobility
- **47 million** with improved production
- **50 million** with improved market access
- **26 million** with improved resilience
Resource mobilization
Assembling development finance to maximize impact

Progress: 50% of commitments delivered (3/6)

On track: 1. (Continuous) Secure replenishment contributions and DSF compensation for IFAD11.
2. (Continuous) Present proposals for CPLs and sovereign borrowing to the Executive Board.
3. Implement the agreed actions in the roadmap for IFAD’s financial strategy.
Becoming an assembler of development finance through high cofinancing in 2019

Domestic and international cofinancing mobilized in 2019 particularly in countries with the highest needs

Total: 1 : 2.05

Domestic 0.9

International 1.15
Revamping IFAD’s financial architecture: IFAD 11 successes and actions

IFAD11 Successes

- Initiation of credit rating process
- Strengthening of IFAD’s financial sustainability
  - DSF reform
  - Capital Adequacy Policy
  - ALM framework
  - Liquidity Policy
  - Forward Looking impairment (IFRS9)
  - Internal Control Framework
  - Anti Money Laundering and Counter Terrorism Financing Policy

Actions to fund IFAD11

- Strengthened effort for resource mobilization through targeted outreach to bilateral sovereign lenders
- Active portfolio management through close approval and disbursement planning
- Potential prepayment of outstanding loans to boost liquidity
Resource allocation
Focusing on the poorest people in the poorest countries

Progress: 80% of commitments delivered (4/5)

On track: 11. (Q2 2020) Provide a proposal for disaggregating data on people with disabilities in IFAD projects which has been piloted in at least 5 projects following the methods used by the United Nations Washington Group on Disability Statistics, such as the Short Set of Disability Questions.
More Selective
Effectively applied Country Selectivity Framework:

IFAD10: 102 countries
IFAD11: 80 countries

Larger Projects
Average IFAD financing:

IFAD9: $28m
IFAD10: $31m
IFAD11: $40m
Channelling more resources to countries with highest needs through the PBAS

The Vulnerability Factors are:
- Fragility (World Bank)
- Severely Off-Track to End Extreme Poverty by 2030 (Brookings Institute)
- Low Income Country (LIC) (World Bank)
- Weak Capacity of State Functions (40 Weakest from the Public Services Indicator of the Fragile States Index – The Fund for Peace)
- Highly Vulnerable to Climate Change (40 Weakest from the ND-GAIN Country Index – Notre Dame Global Adaptation Initiative)

Number of Vulnerability Factors Identified:
- 5
- 4
- 3

Added in IFAD11:

Percentage Increase in Allocation from IFAD10 to IFAD11:
- Less than 50%
- 50% - 100%
- More than 100%

59% SSA
- Target: 45% Above target

90% LICs & LMICs
- Target: 90% On target

25% Fragile Situations
- Target: 25-30% On target
On track: 

22. (Q2 2020) Provide a report that analyses IFAD’s gender-transformative approach using appropriate qualitative and quantitative approaches.


33. (Continuous) Increase investment in strategic communication to raise awareness of IFAD’s unique brand and improve the visibility of its work to support poor rural people and assess effectiveness of these investments through periodic measurement of IFAD's profile among target audiences.

36. (Q2 2020) Develop a proposal to pilot RBL for consideration by the Executive Board, and explore other lending and risk management products, including options for regional lending operations.
Adopting a country level programmatic approach and expanding IFAD’s toolkit

- New COSOPs following new procedures
- COSOPs in fragile situations including fragility assessments
- RTAs approved or in process
- Joint country strategies with RBAs underway
- Results based lending approved or in planning
- Regional projects under preparation

- Longer term transition strategies with tailored support
- Diversified products responding to sophisticated demands and needs
Agile delivery and efficiency improvements

Actual and projected programme of work, IFAD9-IFAD11
(Billions of United States dollars)

- IFAD PoLG
- Domestic
- International
- Total POW

Source: Grants and Investment Projects System as at 22 October 2019

US$ 1.7 billion PoLG delivered in 2019 – in 2019 PoW delivered US$5 billion

34 new projects funded; 13 additional financing

Average time from concept note to approval down to **10 months** from 17 in 2016

Average time from entry into force to 1st disbursement down to **8.1 months** in 2019 from 12.5 in 2016
Achieving targets for mainstreaming themes at project design

<table>
<thead>
<tr>
<th>Theme</th>
<th>Target</th>
<th>Achieved</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Gender Transformative</td>
<td>25%</td>
<td>32%</td>
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<td>Youth Sensitive</td>
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<td>Climate Financing</td>
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<td>34%</td>
<td>US$568 mil</td>
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<tr>
<td>Nutrition Sensitive</td>
<td>50%</td>
<td>61%</td>
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All areas are ahead of targets for 2019
Closing the loop: performance and learning at completion

Key Message: Projects closed in IFAD11 show improved ratings at closure compared to IFAD 10 and 2019 ARRI ratings, however, continuous efforts are required to meet the ambitious end IFAD11 targets.
Transforming resources
Embracing a culture of results and innovation

Progress: 70% of commitments delivered (9/13)

On track:  
41. (Continuous) Continue fine-tuning the Results Management Framework, in cooperation with Member States, to enable optimal reporting of the outcomes/impact of their contributions to IFAD, and submit any proposed updates to the Executive Board.  
42. (Continuous) Fully operationalize the Transparency Action Plan, including publication of IFAD’s travel policy and quarterly reporting to the International Aid Transparency Initiative.  
46. (Q3 2020) Implement the value-for-money scorecard and report annually on its implementation through the RIDEx.  
49. (Q2 2021) Present a midterm review of the IFAD Strategic Framework 2016-2025 to the Executive Board.
Working differently as an organization…

Institutional efficiency

- Evaluated IFAD’s human capital, skills mix, and policy flexibility
- Business process re-engineering exercise

Streamlining systems and processes

- Provided with training on decentralization in Operations Academy
- Project cycle tracking

Changing institutional behaviors and cultures

- Online training, training in all regions, 20 staff selected as focal points
- Reforming enterprise risk management
- Decentralization: staff in field
  - IFAD10: 15%
  - 2019: 30%
Working differently with our partners...

Leveraging Technology

2016: 0%
2019: 63%
Countries using IFAD Client Portal

ICT4D
First strategy approved

2016: 0%
2019: 63%

2016: 0%
2019: 73%

Strengthening institutions and capacities at the country level

Investing in capacity building on financial management and procurement

First strategy approved

PRiME
Trained and certified 164 project staff in M&E

Promoting Transparency

Operations geo-tagged and made available

Stakeholder feedback framework approved

PCRs publicly disclosed

2016: 0%
2019: 73%

Slateholder feedback framework approved

2016: 0%
2019: 73%

Slateholder feedback framework approved

2016: 0%
2019: 73%

Slateholder feedback framework approved
Looking ahead: Implementing IFAD11 and preparing for IFAD12
1. Deliver a high-quality PoLG with a focus on climate, gender, youth and nutrition while maintaining quality implementation.

2. Ensuring new instruments and approaches, including the ASAP+ and Private Sector Financing Program, complement and enhance the development impact of the PoLG.

3. Invest in the reinvigoration of workforce and skills as IFAD engages in new areas of work.

4. Step up resource mobilization efforts and work with Members States to increase core contributions to ensure delivery of impact at scale.

5. Continued attention to changing institutional behaviours and cultures in line with IFAD’s reform agenda to be more client focused.
Thank you