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Investing in rural people

## Draft IFAD12 Results Management Framework

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Consultation on the Twelfth Replenishment of IFAD's Resources —  
Third Session

Rome, 19-21 October 2020

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For: **Review**

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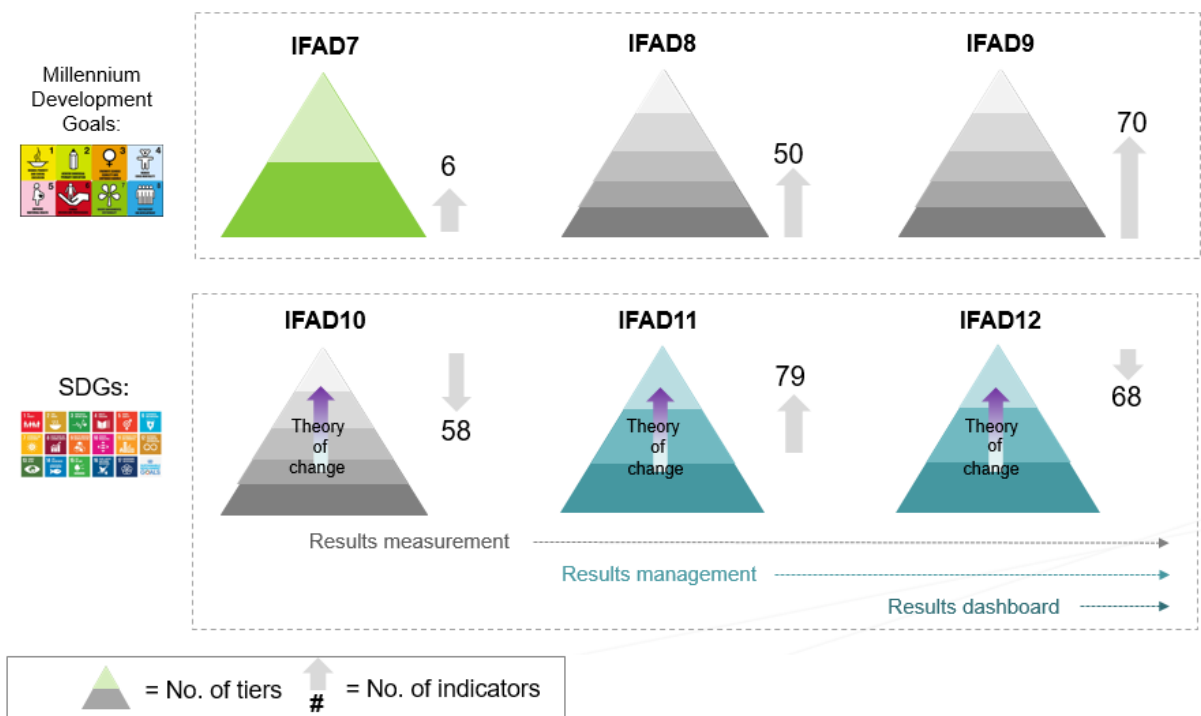
## **I. Introduction**

1. IFAD's Results Management Framework (RMF) for the Twelfth Replenishment of IFAD's Resources (IFAD12) is designed in light of the urgency and importance of contributing to the Sustainable Development Goals (SDGs), and is informed by IFAD's Development Effectiveness Framework. The use of evidence-based decision-making to improve performance is essential in order to expand and deepen IFAD's impact in support of the rural poor. Improved results management means the Fund can provide more inclusive, effective and sustainable support to the most vulnerable communities.
2. Focusing on clear development objectives, well-articulated blueprints for results and better monitoring allows IFAD to increase accountability and integrate lessons learned into present and future operations. It also sets the basis for the results-based management of IFAD and its programme of loans and grants (PoLG), and allows Members to track institutional progress on an ongoing basis.
3. This document includes the proposed RMF for IFAD12, covering the period 2022-2024. An earlier draft has already been submitted for the September 2020 intersessional meeting with Members for feedback and guidance. Taking into account Members' feedback, this document is an updated version which will be presented with the draft Report of the Consultation on the Twelfth Replenishment of IFAD's Resources at the third session of the Consultation in October 2020.
4. This draft RMF evolves from the IFAD11 RMF and reflects the priorities indicated by Member States during the IFAD12 Consultation. It is therefore adapted to the IFAD12 business model, includes new or enhanced indicators on mainstreaming themes, jobs and other areas, and demonstrates ambition to integrate new initiatives like private sector engagement into IFAD's traditional PoLG. Its overarching aim is to support monitoring and reporting of IFAD's contributions to the achievement of IFAD strategic objectives (SOs) and the 2030 Agenda for Sustainable Development.
5. The ongoing consultation has highlighted several issues that are now reflected in the IFAD12 RMF. One is the need to continue to focus on, and to promote, innovative approaches to IFAD's mainstreaming themes – climate change, rural youth, gender and nutrition. Another is the importance of continuing to increase the Fund's agility and proactivity as it decentralizes and moves closer to stakeholders and partners.
6. The document provides relevant context, principles and methodological considerations for the design of the IFAD12 RMF. Following on this introduction, section II describes how IFAD's corporate results management has evolved and what has driven its progress. Section III discusses the focus and the proposed modifications and additions for the 2022-2024 period. Section IV explains the structure of the framework, the theory of change (ToC) and the framework's alignment on the business model and financial framework. That section also discusses the main indicator categories within each tier and the new core indicators. Section V explains the process of monitoring and reporting on the framework. Finally, section VI details the comprehensive set of indicators proposed for the IFAD12 period and section VII elaborates the definitions for each indicator.

## **II. IFAD's path to better results management**

7. The IFAD RMF has continued to evolve since it was first adopted in IFAD7. Changes in the RMF have had two important drivers: learning from experience, and adopting best global practices. This dynamic and continuous process has resulted in major adjustments being made to this instrument, as illustrated in figure 1.

Figure 1  
Evolution of the IFAD RMF



Note: This does not reflect adjustments to types of indicators.

### Adapting from lessons learned in IFAD

8. **Early frameworks.** Over time, the structure – i.e. the number of tiers (or levels) and the number and type of indicators – of IFAD’s RMFs has evolved significantly. This is particularly true of IFAD’s earliest versions of the framework. In IFAD7, it contained only two tiers and six indicators. The IFAD8 framework included 50 indicators and a five-tier structure. The framework for IFAD9 maintained the five tiers, but increased to 70 indicators.
9. As highlighted in a corporate-level evaluation on IFAD’s replenishments<sup>1</sup> in 2014, these early results frameworks had critical gaps. For example, they were more suited to reporting, rather than managing, results. The evaluation also noted that they lacked an explicit ToC, that the number of indicators varied too much to be really useful, and that indicators generally faced challenges in comprehensiveness, timeliness and data consistency.
10. IFAD addressed these shortcomings in the frameworks for IFAD10 and IFAD11, and has built on lessons learned to further refine the framework for IFAD12.
11. **IFAD10.** The IFAD10 RMF retained a structure similar to IFAD9’s, but lowered the number of indicators from 70 to 58. Importantly, it also included a ToC for the first time. However, the IFAD10 results framework predated the 2016-2025 Strategic Framework and the SDGs. This resulted in relatively poor linkages between the two frameworks and with the 2030 Agenda. This was partially addressed by a revision of the RMF in December 2016, which fell in line with the adoption of the IFAD10 Report, in which the Governing Council envisaged that the framework would be adjusted during the IFAD10 period.<sup>2</sup> The two main points of adjustments were: (i) aligning the Strategic Framework’s focus on SDGs 1 and 2; and (ii) adding four new indicators to the RMF at impact level to measure progress towards IFAD’s

<sup>1</sup> Independent Office of Evaluation of IFAD (EB 2014/111/R.3/Rev.1) (April 2014).

<sup>2</sup> <https://webapps.ifad.org/members/eb/119/docs/EB-2016-119-R-13-Rev-1.pdf>.

overarching goal and the Strategic Framework's three SOs.<sup>3</sup> Further revisions ensured that the RMF referred to the SDGs instead of the Millennium Development Goals.

12. **IFAD11.** The IFAD11 RMF built on the IFAD10 framework and retained the new impact indicators and focus on SDGs 1 and 2. It also contained indicators to measure the Strategic Framework's five principles of engagement.<sup>4</sup> Finally, the link between the IFAD11 RMF and the agreements included in the replenishment commitments matrix was strengthened by ensuring that commitments explicitly stated how they contributed to the framework's indicators. The complete roll-out of the Operational Results Management System also allowed IFAD to track results in real time, as demonstrated in the IFAD11 Midterm Review, presented to the first session of the IFAD12 Consultation in February 2020.
13. **Lessons learned going forward.** As described in more detail below, the IFAD12 RMF builds upon these foundations. IFAD has continued to refine its indicators to better reflect actual results, tying results to a specific ToC, to the Strategic Framework and to the SDGs. Up-to-date data on indicators will be made available through the RMF dashboard, which will be launched in December 2020 on IFAD's website. Coordination between the RMF and the commitments matrix has been increased, and any indicators that can be measured are included in the RMF rather than the matrix. The commitments matrix thus focuses on monitorable actions and the RMF on results to be achieved. The IFAD12 RMF is designed to further increase IFAD's ability to use the framework beyond reporting in order to manage its operations better and with greater transparency.

#### **Adopting best global practices**

14. **Benchmarking with other organizations.** In 2017, in order to further strengthen the IFAD11 RMF, IFAD drew on a desk review of the results frameworks developed by the seven members of the Managing for Development Results Working Group<sup>5</sup> and other Rome-based agencies. The review showed that organizations' frameworks varied widely in terms of terminology, content and number of indicators; but that they faced similar challenges, including moving beyond results reporting to results management. Other common issues included how to attribute development results (which are typically just contributions to global, collective efforts), and how to obtain and report accurate, recent data.
15. The review also demonstrated that most institutions use a similar three- or four-tier structure, following a similar pyramid sequence from top to bottom of development objectives, development results, to operational and organizational performance, with an increasing number of indicators and attributability to the organization while moving down the tiers.
16. A comparative analysis of a subset of those organizations using similar methodologies was carried out by IFAD in 2020, to update the characteristics for these organizations. This analysis is presented in table 1. To better understand how comparable organizations are measuring impact on IFAD's target groups, a sector-specific comparison has been added (column 6) to reflect the approximate number of indicators directed at the measurement of transformation in rural communities and food systems.

<sup>3</sup> Increasing the productive capacities of poor rural people; increasing their benefits from market participation; strengthening the environmental sustainability and climate resilience of their economic activities.

<sup>4</sup> Targeting; empowerment; gender equality; innovation, learning and scaling up; and partnerships. It was not, however, designed to be a complete results framework for the Strategic Framework since it only covers the 2019–2021 period of IFAD11.

<sup>5</sup> IFAD, the World Bank, the African Development Bank (AfDB), the Asian Development Bank (ADB), Inter-American Development Bank (IDB), Islamic Development Bank, European Bank for Reconstruction and Development, and the Caribbean Development Bank (CDB; observer).

Table 1  
**Comparative analysis of the results frameworks of various international financial institutions**

| <i>Institution</i> | <i>Name</i>                   | <i>Framework years</i> | <i>Number of tiers</i>   | <i>Number of indicators</i>              | <i>Indicators related or identified to track rural transformation and food systems</i> |
|--------------------|-------------------------------|------------------------|--------------------------|--|--|
| <b>ADB</b>         | Corporate Results Framework   | 6 years (2019-2024)    | 4 (2 sections, 4 levels) | 60                                       | 4  |
| <b>AfDB</b>        | Results Measurement Framework | 10 years (2016-2025)   | 4                        | 105                                      | 12   |
| <b>CDB</b>         | Results Monitoring Framework  | 5 years (2020-2024)    | 4                        | 69                                       | 6 (3 indicators, and 3 indicators disaggregated by rural target groups)                |
| <b>IDA*</b>        | Results Measurement System    | 3 years (2018-2020)    | 3                        | 84                                       | 5  |
| <b>IDB</b>         | Corporate Results Framework   | 4 years (2020-2023)    | 3                        | 55 main, 76 with 21 auxiliary indicators | 4  |
| <b>IFAD</b>        | Results Management Framework  | 3 years (2022-2024)    | 3                        | 68                                       | 29   |

\* International Development Association.

17. During IFAD11, IFAD adopted best global practices and consolidated from a five-tier to a three-tier structure, with a near-median number of the indicators used by the other organizations. During IFAD12, the Fund proposes to maintain the three tiers and reduce the number of indicators, while also making space for the reporting of priorities such as employment creation, climate financing and proactivity in portfolio management.
18. While the overall number of indicators IFAD reports on is similar to that of other multilateral development banks (MDBs), IFAD's RMF, reflecting the Fund's unique mandate, includes more indicators for monitoring its contribution to transforming rural communities and food systems. This comprehensive focus on SDG 2, and food and agricultural more broadly, is one of the distinct strengths of IFAD's RMF.
19. **Additional best practices.** Beyond the structural adjustments to the number of tiers and indicators in its results framework, IFAD is undertaking further improvements to adopt best institutional practices and contribute to global reporting.
20. For instance, international development organizations including the MDBs and other United Nations agencies are looking to better understand individual contributions to overall SDG progress, and map their indicators and financing accordingly. Similarly, IFAD is focusing its own efforts and working closely with others, including the Managing for Development Results Working Group of the MDBs, to improve monitoring and reporting towards SDG targets.
21. Furthermore, development institutions are seeking ways to track their results more concretely. One approach is to begin reducing reliance on assessment-based ratings, and develop stronger output and outcome indicators. The World Bank, for example, uses project ratings at completion only to assess the achievement of development outcomes, World Bank performance (including quality at design and quality of supervision support) and borrower performance. Since ratings-based assessments relate to performance, these indicators appear in the performance tier and not in the results tier of the World Bank's corporate results framework. This streamlined approach to assessing performance at completion not only allows a deeper reflection on one's performance but also generates clearer lessons on shortcomings and areas for improvement.
22. Nonetheless, ratings continue to be useful in several cases, e.g. at the design stage, when overall quality, rather than concrete results, outcomes or impact, is being assessed. They can also be of value as a performance management

mechanism during implementation, allowing country programme teams familiar with projects and providing self-assessments of its performance to identify problems early on and monitor progress against actions taken. As such, the IFAD12 RMF continues to include such metrics, but proposes reducing reliance on them over time to align with the practice at other MDBs.

23. **Looking ahead.** The IFAD12 RMF will help IFAD make a stronger contribution to international results reporting and evidence-based decision-making. For instance, IFAD is including or revising indicators used by other development partners such as job creation and beneficiaries gaining access to land; concentrating on indicators that it can concretely measure, thus accumulating more evidence for the development of future projects; working to more closely measure contributions to SDG progress through its core indicators; and subsequently automating SDG mapping of its output indicators. The following section presents more detail on this process, along with information on how IFAD is continuing to build upon lessons learned from past experiences.

### III. IFAD12 RMF rationale

24. IFAD will follow two main principles as it adapts lessons learned under the IFAD11 RMF and more tightly integrates development impacts into global results reporting:
- (i) **Refining the improvements started in previous replenishments.** The RMF will enhance its results management function through the use of specific, measurable, achievable, relevant and time-bound (SMART) indicators, more real-time data, and the introduction of the RMF dashboard. The latter will allow Management, Members and the public to track progress against targets in real time.
  - (ii) **Aligning more precisely and closely to IFAD's own commitments during IFAD12 and the global progress it achieves.** To become better integrated and understand IFAD's contributions to the 2030 Agenda, the IFAD12 RMF will improve harmonization of IFAD reporting practices with those of other MDBs and more closely report on its contribution towards the SDGs, using established links to IFAD's core indicators.

#### Refining

25. The quality and availability of indicators remain central to the tracking and reporting of development results. While indicators do not necessarily paint a perfect picture or include context, they are critical evidence for decision-making and improved accountability. As such, IFAD remains committed to following SMART criteria and to including a balance of situational, strategic and results indicators (impact, outcome and output indicators) to paint a fuller picture of IFAD's specific contributions. IFAD is also working to improve how it relays results to its own Management and to Member States.
26. **Reducing reliance on ratings-based assessments and concentrating on outcomes and outputs.** In prior frameworks, IFAD has relied more heavily than other organizations on ratings-based assessments. IFAD also included ratings-based findings (project completion report [PCR] ratings) in the results tier (Tier II) instead of the performance tier (Tier III). The peer review of the evaluation function in IFAD highlighted the limitations inherent in the use of subjective ratings. While both the independent and self-evaluation ratings follow criteria of the Organisation for Economic Co-operation and Development's Development Assistance Committee, they inevitably rely on the subjectivity of individual reviewers, despite the quality assurance processes and peer review mechanisms put in place to avoid biases.
27. In contrast, impact assessments conducted by IFAD's Research and Impact Assessment Division use a robust methodology to assess and project the impact of IFAD-supported interventions. Similarly, the core indicators measuring outputs and

outcomes at project level reveal concrete results achieved (for example, people trained, land brought under climate-resilient practices, people reporting improved nutrition), which also equips IFAD with baselines and benchmarks for the development and evaluation of future operations. Outputs and outcomes reported in IFAD12 will help to inform designs for IFAD13.

28. Nonetheless, to ensure a balance of evaluation methods and continue to measure progress on projects under implementation during IFAD12, the Fund is including a number of ratings-based indicators measured during supervision or at completion such as those that focus on mainstreaming themes or areas of weakness for IFAD – including government performance, efficiency and sustainability. Looking ahead, IFAD will seek to align with the Independent Office of Evaluation of IFAD (IOE) as these changes are incorporated into the system. The methodology for completion report ratings will be updated jointly by Management and IOE when revising the evaluation manual in 2021, in advance of IFAD12.
29. **Increased ambition towards mainstreaming themes and cross-cutting areas.** IFAD remains committed to closely monitoring its ambitious corporate mainstreaming priorities – environment and climate, gender, youth and nutrition. Consequently, IFAD is increasing its focus on mainstreaming themes in the IFAD12 RMF, and supplementing increased tracking with further reporting on mainstreaming indicators and targets in a separate annual report.<sup>6</sup> IFAD is also strengthening its ability to track and eventually report on other cross-cutting themes.
- (i) **Environment and climate change.** As underscored during the IFAD11 Consultation, the priority the Fund places on improving rural communities' resilience to climate change is demonstrated through its six Tier II indicators, including four to track outputs and outcomes and two for monitoring project performance through the percentage of PCRs rated 4+ for (i) climate change adaptation and (ii) environment and natural resource management. In IFAD12, the Fund will retain these indicators and increase its ambition by raising its targets for all output and outcome indicators, and for the percentage of PCRs rated 4+ for climate change.
- In addition, IFAD is increasing its accountability and commitment to measuring how climate change is addressed through its programme of work (PoW). It has included two new Tier III indicators. It has incorporated indicator 3.2.4, measuring climate finance in the PoLG, thus honouring a commitment first made in IFAD11. While IFAD already commits to a higher share (25 per cent) of IFAD climate finance than many other MDBs,<sup>7</sup> the Fund's ambition to leverage both its own and external sources of climate finance continues to rise, with a minimum of 35 per cent set for IFAD12. The newly added indicator 3.2.5 will measure the percentage of projects strengthening resilience by building adaptive capacity to climate change by tracking relevant activities in projects.
- (ii) **Gender.** Reducing the gender productivity gap and accelerating women's empowerment remain critical to achieving the SDGs and improving production and value chains in rural communities. IFAD will maintain the sex disaggregation of 10 person-based indicators under Tier II to show the share of women reached. Furthermore, to better track its operational progress towards empowerment, IFAD has newly incorporated indicator 3.2.3 into the framework to reflect the share of projects designed to be **gender**

<sup>6</sup> Relevant indicators and targets that will be tracked in the annual report can be found in IFAD12: Deepening Impact and Building Resilience through Mainstreaming, <https://webapps.ifad.org/members/repl/12/02/docs/IFAD12-2-R-3-Rev-2-Tracked.pdf?attach=1>.

<sup>7</sup> MDBs 2020. 2019 Joint MDB Report on Climate Finance. <https://www.isdb.org/pub/reports/2019/2019-joint-mdb-report-on-climate-finance>.



- transformative.**<sup>8</sup> This measurement utilizes the International Food Policy Research Institute's (IFPRI) project-level Women's Empowerment in Agriculture Index (pro-WEAI), which has been adapted to be included in core outcome indicator surveys at project design, midterm and completion.
- (iii) **Nutrition.** Central to IFAD's mission of transforming rural food systems and increasing the incomes and well-being of the rural poor is the Fund's focus on nutrition. For a better understanding of a project's impact and of the global trends towards improving nutrition, IFAD is tracking two SDG sub-indicators – prevalence of food insecurity and malnutrition in Tier I (1.2.1–1.2.3) – as well as three Tier II indicators on: people with improved nutrition reported through an increase of 10 per cent or more in dietary diversity (2.1.5); persons receiving targeted support (2.2.14); and the percentage of women reporting dietary diversity (2.2.15).
- (iv) **Youth.** The relatively higher level of vulnerability of young people and the need to provide them with productive and sustainable employment is increasingly recognized as a priority. The IFAD11 RMF introduced the possibility of disaggregating 10 persons-based indicators by youth status (young/not young) in the second tier, and all youth-sensitive projects are required to disaggregate their outreach indicator by youth status. This disaggregation will be maintained in the IFAD12 RMF for persons-based indicators. Additionally, recognizing that youth are two to three times more likely to be unemployed than adults,<sup>9</sup> IFAD has added a job creation indicator (2.2.8) to better track IFAD's support to increasing quality employment. In the case of youth-sensitive projects approved in IFAD12, reporting on this indicator and disaggregating it by youth status will be obligatory.
- (v) **Cross-cutting areas.** Although the IFAD12 RMF does not yet directly report on indigenous peoples or persons with disabilities (PwD), steps are being taken to improve the reporting in these areas for relevant projects. Already, certain projects are disaggregating data by indigenous peoples and including indicators relevant to the sociocultural specificities of indigenous peoples. As regards PwD, in IFAD11 the Fund committed to assess the links between PwD and IFAD interventions. In 2019, Management presented to the Executive Board evidence of the link between PwD and employment in rural areas. The assessment concluded that IFAD's interventions can serve as a pathway out of poverty for PwD. Following up on such findings and in alignment with the "leaving no one behind" 2030 Agenda, the operational guidelines on targeting were updated in 2019 and clearly identify PwD as one of IFAD's vulnerable target groups. Furthermore, in 2020 Management presented to the Board a methodology for collecting and disaggregating data on PwD across the IFAD portfolio.<sup>10</sup> For projects approved in IFAD12, IFAD has committed to systematically collect data on this group.<sup>11</sup> Management has also undertaken that all country strategic opportunities programmes (COSOPs) designed in IFAD12 will provide a framework for incorporating PwD in IFAD-financed projects, and will identify them as a specific target group in coordination with government counterparts. Updates on the progress of these themes will be provided in the IFAD12 Midterm Review. Finally, while the RMF does not propose any specific targets with regards to biodiversity, the IFAD12

<sup>8</sup> Gender-transformative projects require measuring the change in women's empowerment through an IFAD empowerment index that draws on key elements of the pro-WEAI. The WEAI was developed by the International Food Policy Research Institute, the Oxford Poverty and Human Development Initiative, and the United States Agency for International Development to monitor progress on women's inclusion in the agricultural sector (Alkire et al. 2013; Malapit et al. 2017).

<sup>9</sup> 2019 Rural Development Report. IFAD.

<sup>10</sup> More details in Disaggregating Data on Persons with Disabilities in IFAD Projects, EB 2020/130/R.15.

<sup>11</sup> This will be done using the short set of disability questions (SSDQs) as per the United Nations Washington Group on Disability Statistics methodology. The SSDQs will be incorporated in IFAD's core outcome indicator survey guidelines.

commitments matrix makes specific reference to the need to undertake a study on how to approach this topic moving forward.

30. **RMF dashboard available online.** Following its launch in 2020, the full IFAD12 RMF period will include for the first time a fully operational online dashboard, which Members and Management can consult to monitor IFAD's results more closely. The dashboard will be accessible through IFAD's website, and will provide stakeholders with the most up-to-date results and the progress made towards targets. It will be a valuable tool in directing IFAD's ambition towards more proactive results management.
31. The dashboard is also part of IFAD's efforts to consolidate best global practices and join others such as the World Bank in automating information flows. This encourages transparency and information-sharing among stakeholders and other development actors. The dashboard shows the indicator, its definition, the source of information and relevant figures for tracking, such as the targets, baselines, actual data and progress towards target achievement. Of course, the dashboard is only as useful as the quality and accessibility of its data, and IFAD will focus its efforts on ensuring timely and accurate data input.
32. **Links to commitments matrix.** In general, in order to maintain a "SMART" RMF, indicators that can be measured and monitored in quantitative terms are included in the RMF, while qualitative commitments are instead included in the linked IFAD12 commitments matrix.

#### **Aligning**

33. **Mapping IFAD's contributions to the 2030 Agenda.** Achieving the SDGs requires additional international, domestic, public and private financial support. Countries and international institutions are aligning their processes and priorities with the goals and grappling with the full implications of the 2030 Agenda. In part, organizations are examining how they can measure their contributions to SDGs and SDG targets at the output, outcome and financing levels by aligning their corporate results frameworks with the goals.
34. IFAD's core indicators have already been mapped to specific SDG indicators, as reflected in the reform of IFAD's Results and Impact Management System.<sup>12</sup> IFAD is currently undertaking an internal review of its mapping to ensure that SDG sub-indicators are best matched with core indicators and accurately reflect IFAD's contributions to the 2030 Agenda. This undertaking includes tracing how any new, existing or updated indicators contribute to SDG targets and ensuring that links to SDG impact are clearly defined and consistent. Of course, many indicators are multifaceted and cover various goals – for example monitoring the nutrition levels of women can yield information about SDG 2 (reduction of hunger) and SDG 5 (improving gender equality). However, this exercise aims to elaborate and tighten these links.
35. Once the review is completed, IFAD intends to automate the linking of core indicators to SDG indicators / sub-indicators in its online Operational Results Management System (ORMS). This would allow IFAD to track every projects' contribution to the SDGs via the core indicators, and to report this information to the public, and to the Executive Board, marking a significant step forward in assessing the links between IFAD projects' outputs and outcomes, and progress on specific SDGs.

## **IV. Theory of change and proposed RMF outline**

36. The IFAD12 ToC was presented in July 2020 during the second session of the IFAD12 Consultation, as part of discussions on the IFAD12 business model and financial framework. It is being included in the draft IFAD12 Report. It was outlined

<sup>12</sup> <https://webapps.ifad.org/members/ec/96/docs/EC-2017-96-W-P-7.pdf>.

during the discussion of IFAD's strategic direction, in leveraging its proximity to clients and better adapt to respond to needs of those it supports by strengthening its country programmatic approach, which will be supported by its transformative financial framework and institutional change.

37. This section makes explicit the ToC and highlights the type of indicators that are used in each tier to measure IFAD's priorities and transformations.

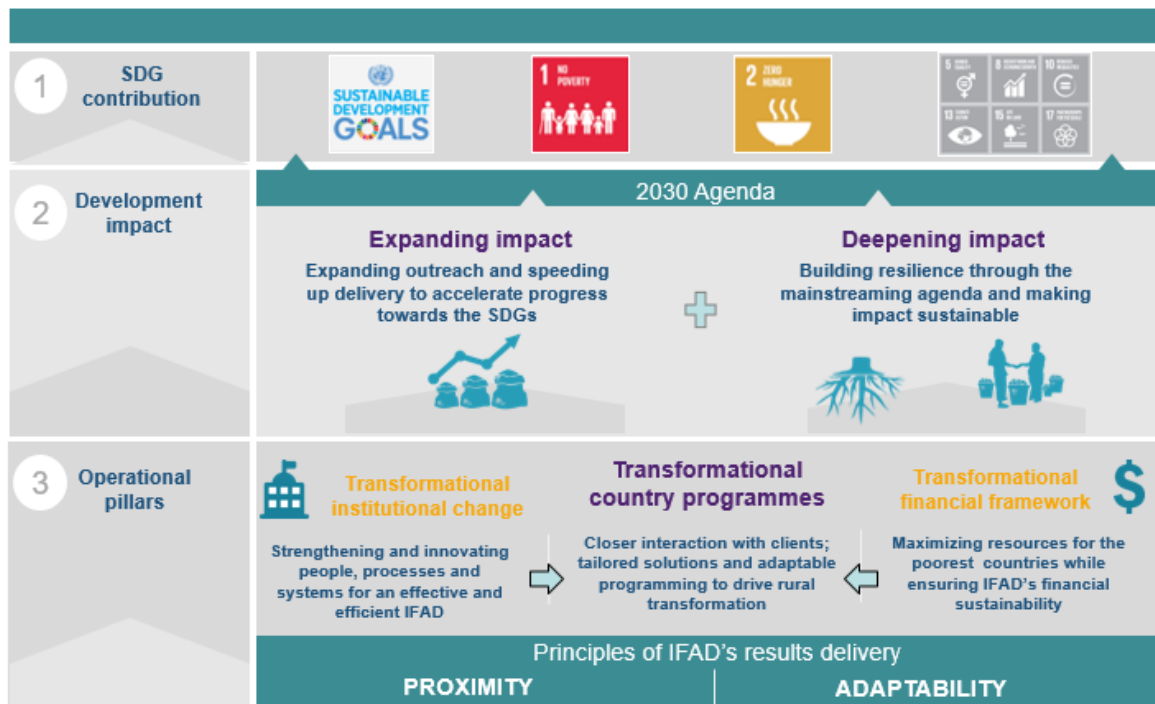
### **Theory of change**

38. The organization and objectives of the IFAD12 business model are captured in figure 2 below, which outlines the ToC for IFAD12. Proximity and adaptability underpin the ToC and are cross-cutting principles for results delivery.
39. At the highest level, Tier I maintains IFAD's ambition to make a significant contribution to SDG 1 and 2, while also positively impacting other goals such as gender equality and women's empowerment, climate and justice. Tier I will be aligned with the apex tiers of prior business models and with the Strategic Framework.
40. In the second tier, the focus is on expanding and deepening impact towards the 2030 Agenda by increasing outreach, speeding up delivery, building resilience through mainstreaming and making sure the impacts of IFAD actions are more sustainable.
41. In the third pillar, operational results, IFAD seeks to consolidate, strengthen and innovate on its previous delivery model by putting transformational country programmes at the centre. These programmes will involve closer interaction with an array of partners and tailored solutions, including new ways of working through the Rural Resilience Programme umbrella with its three pillars (ASAP+, 3S and GGWI)<sup>13</sup> and the private sector facility. Underpinning these changes will be the transformation of the institution itself (People, Processes and Systems) and of its financial architecture (ensuring IFAD's financial sustainability while maximizing resources for the poorest countries and people).

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<sup>13</sup> Adaptation for Smallholder Agriculture Programme +, the Sustainability, Stability and Security Initiative and the Great Green Wall Initiative.

Figure 2  
Theory of change for IFAD12



### Tier I: Sustainable Development Goals

42. **Tier I includes SDG indicators that are relevant to IFAD’s mandate.** This level includes indicators that are matched with SDG 1 and SDG 2 sub-indicators, as they reflect IFAD’s core business and IFAD’s value proposition. They are tracked at the global level and included as references in the RMF.

Table 2

#### Tier I: Goals and context

| <i>Indicators</i>                              | <i>Source</i>                             | <i>Note</i>  |
|--|---|--|
| 1.1. IFAD's contribution to SDG 1: No Poverty  | United Nations Statistics Division (UNSD) | These are the SDG indicators approved for the 2030 Agenda that are most relevant to IFAD's mandate |
| 1.2. IFAD's contribution to SDG 2: Zero Hunger |   |  |

43. As shown in table 3, one SDG sub-indicator has been introduced into the framework. SDG sub-indicator 2.3.1, tracking the productivity of small-scale food producers, has been added due to its centrality in reducing hunger, but also because it reflects global progress stemming from IFAD’s first SO – increasing the productive capacity of poor rural people.

Table 3

#### Indicators proposed for inclusion in the IFAD12 RMF (Tier I)

| <i>Indicators</i>   | <i>Source</i> | <i>SDG sub-indicator</i> |
|---|---------------|--------------------------|
| 1.2. SDG 2: Zero hunger                                       |               |                          |
| 1.2.3. Productivity of small-scale food producers (SDG 2.3.1) | UNSD          | 2.3.1                    |

### Tier II: Development impact and results

44. **Tier II corresponds to delivering impact and results, and reports on specific IFAD indicators at the impact, outcome and output levels.** It is important to point out that these are country-level development results that are affected by exogenous events, and whose achievement is the joint responsibility of IFAD and national governments. Innovations have been added under Tier II at the level of impact, outcome and output indicators.

Table 4

#### Tier II: Development impact and results

| <i>Indicators</i>  | <i>Source</i>   | <i>Note</i>   |
|--|---|---|
| 2.1. Impact  | IFAD impact assessments   | These indicators are aligned with the 2016-2025 Strategic Framework   |
| 2.2. Outreach, outcomes and outputs                          | Core indicators from IFAD's ORMS                                      | These indicators will be used to monitor IFAD's results by thematic focus: outreach, access to agricultural technologies and production services; inclusive financial services; diversified rural enterprises and employment opportunities; rural infrastructure; environmental sustainability and climate change; nutrition; and access to natural resources |
| 2.3. Project-level development outcome ratings at completion | PCR ratings and IOE PCR validations / project performance assessments | These criteria will be used for PCRs prepared on completion of IFAD-financed projects   |

45. **Impact.** Impact indicators for IFAD12 are the same as those for IFAD11. They directly relate to IFAD’s attributable impact measured through IFAD’s rigorous impact assessments. Targets for these are articulated as ranges, based on financial scenarios C-E in the IFAD12 business model and financial framework. These targets will be finalized for the final Consultation session, and will depend on the level of replenishment contributions provided by Members.
46. **Outcomes and outputs.** The indicators in this tier have been organized according to the SDG targets they support as well as the thematic area of focus under IFAD’s 2016-2025 Strategic Framework. The targets for these have also been provided as ranges, to be determined depending on the resources mobilized from Member States, and will be finalized for the final Consultation session. The targets reflect

relevant changes to the business model, such as the proposed financial framework, and the achievement of synergies between the PoLG and new instruments such as ASAP+, the Rural Resilience Programme and the Private Sector Financing Programme. For the core indicators at the outcome level, IFAD has developed a standard measurement methodology to enhance outcome-level results reporting.

47. Based on the discussions during the replenishment consultations, and as part of IFAD's undertaking to include more results, two output/outcome-level core indicators have been introduced into the framework. They measure:
- (i) **Job creation.** IFAD already tracks the number of new jobs created in some projects as a core indicator. Now, IFAD has added this core indicator to the RMF, recognizing its importance in reducing poverty and increasing poor rural people's benefits from market participation (SO2). This indicator is particularly important for understanding what IFAD is doing to provide increased opportunities for rural youth, who face the greatest risk of being unemployed. As undertaken for indicators relating to people, this metric will be disaggregated by gender and youth.
  - (ii) **Land tenure.** While land tenure was designated as one of the core indicators in the IFAD 11 RMF, experience has demonstrated that reporting on this indicator has been challenging, as data rely on official records of the supported land administration or other relevant formal institutions supported by the project. Therefore, the land tenure indicator is being updated to allow IFAD to better track its formal and informal contribution to equitable access to land. This will be done by counting beneficiaries supported in gaining formal ownership or use rights over land, water or water bodies as recognized by land information systems accessible to the public. This reformulation follows on emerging best practice in a number of institutions.
48. Tier II also includes results from outcome ratings assessed at completion. This section includes two new indicators, the first measuring government performance and the second tracking IFAD's performance in projects overall. Other indicators have been dropped in an effort to reduce reliance on subjective measurements of performance. As explained above, the methodology for completion report ratings will be updated jointly by Management and IOE in the context of revising the evaluation manual in 2021.

49. Table 5 below summarizes those indicators added in Tier II.

**Table 5**  
**Tier II – Indicators proposed for inclusion in the IFAD12 RMF**

| <b>2.2. Outreach, outcomes and outputs</b>  |                 |                                     |   |                                 |
|---|-----------------|-------------------------------------|---|---------------------------------|
| <i>Indicators</i>   | <i>Source</i>   | <i>Baseline</i> <sup>14</sup>       | <i>IFAD12 target (end-2024)</i> <sup>15</sup> | <i>IFAD11 target (end-2021)</i> |
| 2.2.8. Number of beneficiaries with new jobs/employment opportunities <sup>16</sup> | Core indicators | N/A                                 | Tracked <sup>17</sup>                         | N/A                             |
| 2.2.16. Number of beneficiaries gaining increased secure access to land             | Core indicators | N/A                                 | Tracked                                       | N/A                             |
| <b>2.3 Project-level development outcome ratings at completion</b>                  |                 |                                     |   |                                 |
| <i>Indicators</i>   | <i>Source</i>   | <i>Baseline (2016-2018) (RIDE)*</i> | <i>IFAD12 target (end-2024)</i>               | <i>IFAD11 target (end-2021)</i> |
| 2.3.2. Government performance (ratings 4 and above) (percentage)                    | PCR ratings     | 80                                  | 80  | 80                              |
| 2.3.3. IFAD's performance (ratings 4 and above) (percentage)                        | PCR ratings     | N/A                                 | 90  | N/A                             |

\* Report on IFAD's Development Effectiveness.

### **Tier III. Delivering impact through operational and organizational performance**

50. **Tier III corresponds to delivering impact and reports on organizational and operational performance.** At this level, the indicators are organized around the three proposed pillars of the IFAD12 business model: transformational country programmes, transformational institutional change and transformational financial framework. Tier III indicators are those where IFAD has the highest ownership and accountability as they measure the performance of the Fund, rather than the joint performance of the Fund and national governments.

<sup>14</sup> See the full IFAD12 RMF for explanation of baselines.

<sup>15</sup> The IFAD12 targets have been provided as ranges, based on financial scenarios C-E in the IFAD12 business model and financial framework, and will ultimately depend upon the scenario chosen by Members.

<sup>16</sup> Number of new full-time or recurrent seasonal on-farm and off-farm jobs created since project start-up, either as independent individuals (self-employed) or as employees of micro, small and medium-sized enterprises. Jobs created in farmers' organizations that received project support are also included, but temporary jobs created for a limited period (e.g. for road construction) are excluded. As with all persons-based indicators, this will be disaggregated by youth status (youth and not youth), gender, and indigenous person status.

<sup>17</sup> This is a new outcome indicator without any historical data. It will use new calculation methodologies.

Table 6  
Tier III: Delivering impact

| <i>Indicators</i>                            | <i>Source</i>  | <i>Note</i>  |
|--|--|--|
| <b>Transformational country programmes</b>   |  |  |
| 3.1. Performance of country programmes       | Stakeholder survey, COSOP completion reviews (CCRs), and corporate databases               | Aggregate indicators are based on results of the annual IFAD stakeholder survey and CCRs                             |
| 3.2. Designing for impact                    | Quality Assurance Group (QAG), corporate validation and corporate databases                | These are indicators provided by QAG and corporate sources or validation on the design of new IFAD-financed projects |
| 3.3. Proactive portfolio management          | Corporate databases and supervision ratings  | These indicators are related to IFAD's proactivity and implementation of its PoLG/PoW                                |
| <b>Transformational financial framework</b>  |  |  |
| 3.4. Resources                               | Grants, Grant and Investment Projects System (GRIPS) and corporate databases               | These indicators are used to monitor the cofinancing and size of IFAD's investments                                  |
| <b>Transformational institutional change</b> |  |  |
| 3.5. Institutional efficiency                | Corporate databases  | These indicators will be used to monitor the performance of IFAD's administrative budget                             |
| 3.6. Decentralization                        | Corporate databases  | These indicators will be used to monitor IFAD's decentralization   |
| 3.7. Human resource management               | Corporate databases  | These indicators relate to IFAD's human resources performance  |
| 3.8. Transparency                            | Programme Management Department (PMD) and International Aid Transparency Initiative (IATI) | These indicators are used to monitor IFAD's performance in enhancing transparency                                    |

51. **Transformational country programmes.** This pillar contains the largest number of indicators. Refinements and innovations under this pillar are foreseen to better capture IFAD's portfolio design, management approaches and proactivity. During IFAD12, Management proposes the inclusion of indicators to fully capture the extent of the Fund's engagements with the private sector, and others that better measure innovation, partner engagement and commitment to mainstreaming themes in project designs. Additionally, two new indicators are proposed to track IFAD's proactivity and agility, in line with other development institutions.

- (i) As IFAD expands its engagements with the **private sector** to strengthen its country programmes, the Fund proposes to monitor this through the inclusion of indicator 3.1.6 (see table 7) measuring COSOPs that integrate private sector interventions. During IFAD12, the Fund will target 50 per cent of its country programmes.
- (ii) Several new indicators have been included in order to verify the quality of IFAD's project design as the Fund embraces more targeted and innovative operations. As mentioned above, three new metrics are included to measure **mainstreaming ambitions** to track gender-transformative projects, climate finance and projects building capacity for climate adaptation (indicators 3.2.3 to 3.2.5). To better understand other valued instruments and mechanisms, IFAD is measuring the quality of grant-funded projects (indicator 3.2.1), the quality of its South-South and Triangular Cooperation (SSTC) operations (indicator 3.2.8), and the percentage of projects incorporating information and communication technology for development (ICT4D) solutions (indicator 3.2.9).
- (iii) To ensure IFAD is responsive to changes to its portfolio during implementation, the Fund will report on **overall implementation progress** (indicator 3.3.2), based on ratings given during supervision of its projects. Also, the **proactivity index** (indicator 3.3.3) has been added to help monitor



IFAD's proactive portfolio management. This indicator includes a standard methodology, used by the MDBs, which measures the number of problem projects restructured or with their status changed (e.g. from "problem project" to "projects not at risk"). This index is often an indication of improved project efficiency or government ownership within a project.

52. **Transformational financial framework.** Indicators under this pillar include metrics needed to monitor IFAD's financial sustainability and the allocation commitments agreed with Member States. Despite setbacks from COVID-19, IFAD has maintained its cofinancing ambition, and has broadened its commitment to engage with the private sector.
- (i) IFAD proposes to introduce the measurement of its **deployable capital** into the framework. This indicator (3.4.2) is fundamental to IFAD's leverage capacity, and links up with the other drivers of its financial sustainability, namely concessionality and related replenishment volumes and lending categories. This will be an important metric as IFAD gradually increases its borrowing.
  - (ii) As in the IFAD11 RMF, **cofinancing** will be separated between domestic and international, though during IFAD12 each section will be consolidated into one indicator that reflects each component (indicator 3.4.3). The overall target ratio will remain at 1:1.4 as it was in IFAD11, implying that for every United States dollar IFAD invests in IFAD12, at least 1.4 United States dollars will be invested by partners. While recognizing that cofinancing is highly driven by individual projects and despite the uncertainties of international and domestic financing that may come in a post-pandemic context, IFAD has maintained its targeted ambition for international cofinancing of 1:0.6. It has also kept the relatively higher domestic target ratio of 0.8, as it remains central to IFAD's focus of improving government ownership and sustainability, reoccurring challenges in IFAD's portfolio.
  - (iii) Paralleling IFAD's increasing ambition in its engagement with the **private sector**, the Fund is proposing to better monitor its engagement by tracking the leverage effect of private sector investments across the portfolio (indicator 3.4.4).
53. **Transformational institutional change.** This pillar contains indicators related to IFAD's institutional performance such as organizational efficiency, decentralization and human resources management. Changes to this pillar include the continuation of decentralization progress by increasing its target and strengthened monitoring of the institution's zero-tolerance of sexual harassment, sexual exploitation and abuse (SH/SEA).
- (i) For IFAD12 the target for **decentralization** of budgeted staff in IFAD Country Offices (ICOs) and regional hubs will increase to 45 per cent, to continue the strong momentum during IFAD11 (16 per cent during the IFAD11 Consultation to 32 per cent at present).
  - (ii) Performance of IFAD's management of **SH/SEA prevention** will be tracked through a new two-part indicator that seeks to ensure highest ethical and professional standards, and maintain a working environment that ensures well-being at the institution and during the implementation of IFAD projects. The first part of the indicator will measure the percentage of staff completing online training and the second will track the percentage of new project management units (PMUs) receiving training related to SH/SEA.

54. New indicators to be included in the IFAD12 RMF are shown in the table below.

Table 7  
Indicators proposed for inclusion in the IFAD12 RMF (Tier III)

|  | Source   | Baseline<br>(2019)  | IFAD12<br>Target (end-<br>2024) | IFAD11<br>target<br>(end-2021) |         |
|--|--|---|---------------------------------|--------------------------------|---------|
| <b>Transformational country programmes</b>   |  |   |                                 |                                |         |
| 3.1  | Performance of country programmes  |   |                                 |                                |         |
| 3.1.6  | COSOPs integrating private sector interventions complementing the PoLG (percentage)              | Quality assurance review  | N/A                             | 50                             | N/A     |
| 3.2  | Designing for impact   |   |                                 |                                |         |
| 3.2.2  | Overall rating for quality of grant-funding projects at entry (ratings 4 and above) (percentage) | Quality assurance ratings   | 100                             | 95                             | 90      |
| 3.2.3  | Projects designed to be gender transformative (percentage)                                       | Corporate validation  | 32                              | 35                             | 25      |
| 3.2.4  | Climate finance: Climate-focused PoLG (percentage)   | Corporate validation based on <i>MDB Methodologies for Climate Finance Tracking</i> | 34                              | 35                             | 25      |
| 3.2.5  | Climate capacity: Projects designed to build adaptive capacity (percentage)                      | Quality assurance ratings   | N/A                             | 90                             | N/A     |
| 3.2.7  | Quality of project target group engagement and feedback (ratings 4 and above) (percentage)       | Supervision ratings   | N/A                             | 80                             | N/A     |
| 3.2.8  | Overall quality of SSTC in COSOPs (ratings of 4 and above) (percentage)                          | Quality assurance ratings   | N/A                             | 90                             | N/A     |
| 3.2.9  | Projects with ICT4D solutions at design (percentage)   | Quality assurance review  | N/A                             | 20                             | N/A     |
| 3.3  | Proactive portfolio management   |   |                                 |                                |         |
| 3.3.2  | Overall implementation progress (ratings 4 and above) (percentage)                               | Supervision ratings   | 89                              | 85                             | N/A     |
| 3.3.3  | Proactivity index (percentage)   | Corporate databases   | 55                              | 70 <sup>18</sup>               | N/A     |
| <b>Transformational financial framework</b>  |  |   |                                 |                                |         |
| 3.4  | Resources  |   |                                 |                                |         |
| 3.4.2  | Deployable capital (percentage)  | Corporate databases   | 40.3                            | Tracked                        | Tracked |
| 3.4.4  | Leverage effect of IFAD private sector investments <sup>19</sup> (average leverage factor)       | Corporate databases   | N/A                             | 5                              | N/A     |
| <b>Transformational institutional change</b> |  |   |                                 |                                |         |
| 3.6  | Decentralization   |   |                                 |                                |         |
| 3.6.2  | Decentralization effectiveness (placeholder)   |   |                                 |                                |         |
| 3.7  | Human resource management  |   |                                 |                                |         |
| 3.7.3  | Percentage of staff completing SH/SEA online training  | Corporate databases   | N/A                             | 98                             | N/A     |
|  | Percentage of PMUs receiving training on SH/SEA for new projects                                 | Corporate databases   | N/A                             | 50                             | N/A     |
| 3.7.4  | Performance management   | Corporate databases   | N/A                             | 50                             | N/A     |

## V. Accountability, revision and reporting

55. The effectiveness of the IFAD12 RMF depends both on the quality of data and IFAD's use of feedback in adapting its operations. Both remain critical if IFAD is to use the framework as both a reporting tool and a mechanism for better results management.

<sup>18</sup> The target reflects a new definition in line with other international financial institutions, which includes restructuring of ongoing projects.

<sup>19</sup> This is defined as the aggregate size of public and private sector resources mobilized thanks to IFAD's own investment and support to non-sovereign projects, across the portfolio.

## Data

56. The data source for Tier I is the SDG database maintained by the UNSD. This data allows IFAD to align the monitoring of SDG targets relevant to its mandate with the 2030 Agenda. The primary limitation of this data is that they are not available on a timely basis. According to recent United Nations estimates, most countries do not regularly collect data for more than half of the SDG global indicators; proxies, such as data reported through the annual State of Food Security and Nutrition in the World, will be used as a proxy for progress.<sup>20</sup>
57. Reporting against the five impact indicators in Tier II (2.1.1–2.1.5) will be based on impact assessments from approximately 15 per cent of the projects included in IFAD’s Impact Assessment Initiative. Project-level outreach, outcome and output indicators will be produced through the ORMS, which is currently being strengthened to include automatic aggregation for outputs, and automated quality checks. The project-level development outcome ratings will continue to come from PCRs.
58. As with Tier III, data will largely be sourced from corporate databases such as workforce analytics and GRIPS. Other sources of data include: CCRs and the revamped stakeholder survey responses on the performance of country programmes (3.1); quality assurance ratings at design; and supervision and completion ratings to measure proactive portfolio management (3.3).

## Monitoring and reporting

59. As with previous frameworks, the IFAD12 RMF will be reported on through the annual RIDE. The RIDE will be complemented by the Annual Report on Results and Impact, issued by the IOE.
60. As in IFAD9 and IFAD10, a consolidated synthesis report on the outcomes of IFAD’s impact assessments will be presented to the Executive Board in early 2022. Through this initiative, IFAD continues to be the only international financial institution to systematically assess the development results attributed to the operations it finances.
61. To take stock of progress made over IFAD11 and during the first part of IFAD12, an IFAD12 Midterm Review will be presented to Member States in 2023. This Midterm Review will also be an opportunity to reflect on IFAD’s ability to expand and deepen its impact and deliver on its country programme approach. Related to the framework itself, it will also provide an opportunity to discuss any necessary revisions to the RMF.

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<sup>20</sup> Oldfiend, J. “The Problem of Lagging Data for Development – and What to Do About It.” *UN Chronicle*, 2 March 2020. <https://www.un.org/en/un-chronicle/persistent-problem-lagging-data%E2%80%94and-what-do-about-it>.

## VI. IFAD12 Results Management Framework indicators

Table 8

### Tier I: Goals and context

|            |   | Source | SDG Sub-indicator | Baseline (year) | Results (year) |
|------------|---|--------|-------------------|-----------------|----------------|
| <b>1.1</b> | <b>SDG 1: No poverty</b>  |        |                   |                 |                |
| 1.1.1      | Proportion of population below the international poverty line of US\$1.90 a day (SDG 1.1.1) | UNSD   | 1.1.1             | N/A             |                |
| <b>1.2</b> | <b>SDG 2: Zero hunger</b>   |        |                   |                 |                |
| 1.2.1      | Prevalence of food insecurity (SDG 2.1.2)   | UNSD   | 2.1.2             | N/A             |                |
| 1.2.2      | Prevalence of malnutrition among children under 5 years of age (SDG 2.2.2)                  | UNSD   | 2.2.2             | N/A             |                |
| 1.2.3      | Productivity of small-scale food producers (SDG 2.3.1) <b>(new)</b>                         | UNSD   | 2.3.1             | N/A             |                |
| 1.2.4      | Average income of small-scale food producers (SDG 2.3.2)                                    | UNSD   | 2.3.2             | N/A             |                |
| 1.2.5      | Government expenditure on agriculture (index) (SDG 2.a.1)                                   | UNSD   | 2.A.1             | N/A             |                |

Table 9

**Tier II – Development impact and results<sup>21</sup>**

| <b>2.1. Impact</b>  |                    |                        |  |                              |                                    |  |                                 |
|---|--------------------|------------------------|--|------------------------------|------------------------------------|--|---------------------------------|
| <i>Strategic objective</i>  | <i>SDG targets</i> | <i>IFAD12 RMF code</i> | <i>Indicator</i>   | <i>Source</i>                | <i>Baseline (IFAD10 2016-2018)</i> | <i>IFAD12 target (end-2024)<sup>22</sup></i> | <i>IFAD11 target (end-2021)</i> |
|   | 1.2 and 2.3        | 2.1.1                  | Number of people with increased income (millions) (SDGs 2.3 and 1.2)   | IFAD impact assessment (IIA) | 62                                 | 60 - 75                                      | 44                              |
| SO1   | 2.3.2              | 2.1.2                  | Number of people with improved production (millions) (SDG 2.3.2)   | IIA                          | 47                                 | 46 - 57                                      | 47                              |
| SO2   | 2.3                | 2.1.3                  | Number of people with improved market access (millions) (SDG 2.3)  | IIA                          | 50                                 | 49 - 61                                      | 46                              |
| SO3   | 1.5                | 2.1.4                  | Number of people with greater resilience (millions) (SDG 1.5)  | IIA                          | 26                                 | 25 - 32                                      | 24                              |
|   | 2.1                | 2.1.5                  | Number of people with improved nutrition (millions) (SDG 2.1)  | IIA                          | N/A                                | 9 - 13                                       | 12                              |
| <b>2.2. Outreach, outcomes and outputs</b>                        |                    |                        |  |                              |                                    |  |                                 |
| <i>Areas of thematic focus in Strategic Framework 2016 - 2025</i> | <i>SDG target</i>  | <i>IFAD12 RMF code</i> | <i>Indicator</i>   | <i>Source</i>                | <i>Baseline<sup>23</sup></i>       | <i>IFAD12 target (end-2024)<sup>24</sup></i> | <i>IFAD11 target (end-2021)</i> |
| Outreach  | 1.4                | 2.2.1                  | Number of persons receiving services promoted or supported by the project (millions)                                     | Core indicators              | 110                                | 110 – 145                                    | 120                             |
| Access to agricultural technologies and production services       | 1.4, 2.3 and 2.4   | 2.2.2                  | Number of hectares of farmland under water-related infrastructure constructed/rehabilitated                              | Core indicators              | 450 000                            | 550 000 – 770 000                            | 70 000                          |
|   |                    | 2.2.3                  | Number of persons trained in production practices and/or technologies (millions)   | Core indicators              | 2.7                                | 2.8 – 4.2                                    | 3.5                             |
| Inclusive financial services                                      | 1.4, 2.3 and 8.3   | 2.2.4                  | Number of persons in rural areas accessing financial services (savings, credit, insurance, remittances, etc.) (millions) | Core indicators              | 18                                 | 19 - 26                                      | 23                              |

<sup>21</sup> All people-based indicators will be disaggregated by sex and youth status (young and not young).

<sup>22</sup> Impact target ranges include the expected impact determined from the IFAD12 financial scenarios C-E as defined in the business model and financial framework, which use an assumed cofinancing target of 1.4 and create a PoW of between US\$7.9 billion and US\$9.8 billion.

<sup>23</sup> The IFAD12 RMF baselines are the forecasted results that IFAD is expected to achieve by 2021 (estimated figures of the RIDE 2022). The RIDE reporting is highly sensitive to changes in the sample of projects, and IFAD expects large shifts in its major contributors by the end of IFAD11. Projections can help reduce the variability and increase precision.

<sup>24</sup> The IFAD12 targets have been provided as ranges, based on the financial scenarios C-E in the IFAD12 business model and financial framework, and will ultimately depend upon the scenario chosen by Members.

|  |  |        |   |                 |         |                       |         |
|--|--|--------|---|-----------------|---------|-----------------------|---------|
| Diversified rural enterprises and employment opportunities | 8.2, 8.3 and 10.2                      | 2.2.5  | Number of rural enterprises accessing business development services   | Core indicators | 600 000 | 735 000 – 1 260 000   | 100 000 |
|  |  | 2.2.6  | Number of persons trained in income-generating activities or business management (millions)   | Core indicators | 2.7     | 2.7 – 3.6             | 3.2     |
|  |  | 2.2.7  | Number of supported rural producers that are members of a rural producers' organization (millions)  | Core indicators | 0.7     | 0.9 - 1.2             | 1.2     |
|  |  | 2.2.8  | Number of beneficiaries with new jobs/employment opportunities. <sup>25</sup> (new)   | Core indicators | N/A     | Tracked <sup>26</sup> | N/A     |
| Rural infrastructure                                       | 2.3                                    | 2.2.9  | Number of kilometres of roads constructed, rehabilitated or upgraded  | Core indicators | 12 000  | 14 300 – 22 000       | 20 000  |
| Environmental sustainability and Climate change            | 2.4, 5.4, 7.2, 13.1-13.3 and 15.1-15.3 | 2.2.10 | Number of hectares of land brought under climate-resilient management (millions)  | Core indicators | 1.5     | 1.5 – 2.1             | 1.5     |
|  |  | 2.2.11 | Number of groups supported to sustainably manage natural resources and climate-related risks  | Core indicators | 10 000  | 10 000 – 14 700       | 10,000  |
|  |  | 2.2.12 | Number of households reporting adoption of environmentally sustainable and climate-resilient technologies and practices                       | Core indicators | 300 000 | 305 000 – 420 000     | 300,000 |
|  |  | 2.2.13 | Number of tons of greenhouse gas emissions (carbon dioxide equivalent [CO2e]) avoided and/or sequestered (million tons of CO2e over 20 years) | Core indicators | 65      | 95 – 100              | 65      |
| Nutrition  | 2.2                                    | 2.2.14 | Number of persons provided with targeted support to improve their nutrition (millions)  | Core indicators | 5       | 5 – 7.4               | 5       |
|  |  | 2.2.15 | Percentage of women reporting minimum dietary diversity (MDDW)  | Core indicators | 20      | 20 – 32               | N/A     |
| Access to natural resources                                | 1.4, 5.a                               | 2.2.16 | Number of beneficiaries gaining increased secure access to land (new)   | Core indicators | N/A     | Tracked               | N/A     |

<sup>25</sup> Number of new full-time or recurrent seasonal on-farm and off-farm jobs created since project start-up, either as independent individuals (self-employed) or as employees of micro, small and medium-sized enterprises. Jobs created within farmers' organizations that received project support are also included, but temporary jobs created for a limited period (e.g. for road construction) shall be excluded. As with all persons-based indicators measuring by individuals, this will be disaggregated by youth status (youth and not youth), gender, and indigenous people status.

<sup>26</sup> This is a new outcome indicator without any historical data and will employ new calculation methodologies.

| 2.3. Project-level development outcome ratings at completion <sup>27</sup> |  |             |   |                             |                             |
|--|--|-------------|---|-----------------------------|-----------------------------|
| IFAD12<br>RMF<br>code  | Indicator  | Source      | Baseline<br>(2016-2018)<br>(RIDE<br>2019) | IFAD12 Target<br>(end-2024) | IFAD11 target<br>(end-2021) |
| 2.3.1  | Overall project achievement (ratings 4 and above) (percentage)               | PCR ratings | N/A                                       | 90                          | 90                          |
|  |  | IOE ratings | N/A                                       | Tracked                     | N/A                         |
| 2.3.2  | Government performance (ratings 4 and above) (percentage) (new)              | PCR ratings | 80  | 80                          | 80                          |
| 2.3.3  | IFAD's performance (ratings 4 and above) (percentage) (new)                  | PCR ratings | N/A                                       | 90                          | N/A                         |
| 2.3.4  | Efficiency (ratings 4 and above) (percentage)                                | PCR ratings | 67  | 80                          | 80                          |
| 2.3.5  | Sustainability of benefits (ratings 4 and above) (percentage)                | PCR ratings | 71  | 85                          | 85                          |
| 2.3.6  | Scaling up (ratings 4 and above) (percentage)                                | PCR ratings | 88  | 95                          | 95                          |
| 2.3.7  | Gender equality (ratings 4 and above) (percentage)                           | PCR ratings | 88  | 90                          | 90                          |
|  | Gender equality (ratings 5 and above) (percentage)                           | PCR ratings | N/A                                       | 60                          | 60                          |
| 2.3.8  | Environment and natural resource management (ratings 4 and above) percentage | PCR ratings | 84  | 90                          | 90                          |
| 2.3.9  | Climate change adaptation (ratings 4 and above) percentage                   | PCR ratings | 83  | 90                          | 85                          |

<sup>27</sup> Some of these indicators' definitions may be revised in the context of the revision of the evaluation manual; namely, potential to scale up and likelihood of sustainability of benefits.

Table 10  
Tier III – Delivering impact

|  |   | Source  | Baseline (2019) | IFAD12 Target (end-2024) | IFAD11 target (end-2021) |
|--|---|---|-----------------|--------------------------|--------------------------|
| <b>Transformational country programmes</b> |   |   |                 |                          |                          |
| <b>3.1</b>                                 | <b>Performance of country programmes</b>  |   |                 |                          |                          |
| 3.1.1                                      | Relevance of IFAD country strategies (ratings of 4 and above) (percentage)                                    | Stakeholder survey  | 93              | 90                       | 90                       |
|  |   | COSOP completion reviews (CCRs)   | N/A             | 80                       | 80                       |
| 3.1.2                                      | Effectiveness of IFAD country strategies (ratings of 4 and above) (percentage)                                | Stakeholder survey  | 89              | 90                       | 90                       |
|  |   | CCRs  | N/A             | 80                       | 80                       |
| 3.1.3                                      | Partnership-building (ratings of 4 and above) (percentage)  | Stakeholder survey  | 91              | 90                       | 90                       |
|  |   | CCRs  | N/A             | 80                       | 80                       |
| 3.1.4                                      | Country-level policy engagement (ratings of 4 and above) (percentage)   | Stakeholder survey  | 83              | 90                       | 90                       |
|  |   | CCRs  | N/A             | 80                       | 80                       |
| 3.1.5                                      | Knowledge management (ratings of 4 and above) (percentage)  | Stakeholder survey  | 93              | 90                       | 90                       |
|  |   | CCRs  | N/A             | 80                       | N/A                      |
| 3.1.6                                      | COSOPs integrating private sector interventions complementing the PoLG (percentage) <b>(new)</b>              | Quality assurance review  | N/A             | 50                       | N/A                      |
| <b>3.2</b>                                 | <b>Designing for impact</b>   |   |                 |                          |                          |
| 3.2.1                                      | Overall rating for quality of project design (ratings 4 and above) (percentage) <sup>d</sup>                  | Quality assurance ratings   | 93              | 95                       | 95                       |
| 3.2.2                                      | Overall rating for quality of grant-funding projects at entry (ratings 4 and above) (percentage) <b>(new)</b> | Quality assurance ratings   | 100             | 95                       | 90                       |
| 3.2.3                                      | Projects designed to be gender transformative (percentage) <b>(new)</b>                                       | Corporate validation  | 32              | 35                       | 25                       |
| 3.2.4                                      | Climate finance: Climate-focused PoLG (percentage) <b>(new)</b>   | Corporate validation based on <i>MDB Methodologies for Climate Finance Tracking</i> | 34              | 35                       | 25                       |
| 3.2.5                                      | Climate capacity: Projects designed to build adaptive capacity (percentage) <b>(new)</b>                      | Quality assurance ratings   | N/A             | 90                       | N/A                      |
| 3.2.6                                      | Appropriateness of targeting approaches in IFAD investment projects (percentage)                              | Quality assurance ratings   | 93              | 90                       | 90                       |
| 3.2.7                                      | Quality of project target group engagement and feedback (ratings 4 and above) (percentage) <b>(new)</b>       | Supervision ratings   | N/A             | 80                       | N/A                      |
| 3.2.8                                      | Overall quality of SSTC in COSOPs (ratings of 4 and above) (percentage) <b>(new)</b>                          | Quality assurance ratings   | N/A             | 90                       | N/A                      |
| 3.2.9                                      | Projects with ICT4D solutions at design (percentage) <b>(new)</b>   | Quality assurance review  | N/A             | 20                       | N/A                      |
| <b>3.3</b>                                 | <b>Proactive portfolio management</b>   |   |                 |                          |                          |
| 3.3.1                                      | Disbursement ratio (percentage)   | Oracle FLEXCUBE   | 17.9            | 15                       | 17                       |
| 3.3.2                                      | Overall implementation progress (ratings 4 and above) (percentage) <b>(new)</b>                               | Supervision ratings   | 89              | 85                       | N/A                      |



|  |  |                     |        |                  |         |
|--|--|---------------------|--------|------------------|---------|
| 3.3.3  | Proactivity index (percentage) <b>(new)</b>  | Corporate databases | 55     | 70 <sup>28</sup> | N/A     |
| <b>Transformational financial framework</b>  |  |                     |        |                  |         |
| <b>3.4</b>                                   | <b>Resources</b>   |                     |        |                  |         |
| 3.4.1  | Debt-to-equity ratio (percentage)  | Corporate databases | 8.1    | Tracked          | Tracked |
| 3.4.2  | Deployable capital (percentage) <b>(new)</b>   | Corporate databases | 40.3   | Tracked          | Tracked |
| 3.4.3  | Cofinancing ratio  | GRIPS               | 1:1.37 | 1:1.4            | 1:1.4   |
|  | Cofinancing ratio (international)  | GRIPS               | 1:0.61 | 1:0.6            | 1:0.6   |
|  | Cofinancing ratio (domestic)   | GRIPS               | 1:0.76 | 1:0.8            | 1:0.8   |
| 3.4.4  | Leverage effect of IFAD private sector investments <sup>29</sup> (average leverage factor) <b>(new)</b>  | Corporate databases | N/A    | 5                | N/A     |
| <b>Transformational Institutional Change</b> |  |                     |        |                  |         |
| <b>3.5</b>                                   | <b>Institutional efficiency</b>  |                     |        |                  |         |
| 3.5.1  | Ratio of IFAD's administrative expenditure to the PoLG (including IFAD-managed funds) (percentage)       | Corporate databases | 11.2   | 12.5             | 12.9    |
| 3.5.2  | Ratio of the administrative budget to the ongoing portfolio of loans and grants                          | Corporate databases | 2.1    | 2.1              | 2.1     |
| <b>3.6</b>                                   | <b>Decentralization</b>  |                     |        |                  |         |
| 3.6.1  | Ratio of budgeted staff positions in ICOs/regional hubs (percentage)                                     | Corporate databases | 32     | 45               | 33      |
| 3.6.2  | Decentralization effectiveness [placeholder] <b>(new)</b>  |                     |        |                  |         |
| <b>3.7</b>                                   | <b>Human resource management</b>   |                     |        |                  |         |
| 3.7.1  | Percentage of women in P-5 posts and above   | Corporate databases | 33.9   | 35               | 35      |
| 3.7.2  | Time to fill Professional vacancies (days)   | Corporate databases | 94     | 90               | 100     |
| 3.7.3  | Percentage of staff completing SH/SEA online training <b>(new)</b>                                       | Corporate databases | N/A    | 98               | N/A     |
|  | Percentage of PMUs completing training on SH/SEA for new projects <b>(new)</b>                           | Corporate databases | N/A    | 50               | N/A     |
| 3.7.4  | Performance management <b>(new)</b>  | Corporate databases | N/A    | 50               | N/A     |
| <b>3.8</b>                                   | <b>Transparency</b>  |                     |        |                  |         |
| 3.8.1  | Percentage of PCRs submitted within six months of completion, of which the percentage publicly disclosed | PMD                 | 67/74  | 85/90            | 85/90   |
| 3.8.2  | Comprehensiveness of IFAD's publishing to IATI standards (percentage)                                    | IATI                | 86     | 75               | 75      |

<sup>28</sup> The target reflects a new definition in line with other international financial institutions, which includes restructuring of ongoing projects.

<sup>29</sup> This is defined as the aggregate size of public and private sector resources mobilized thanks to IFAD's own investment and support to non-sovereign projects, across the portfolio.

## VII. Definitions and data sources for IFAD12 RMF indicators

Table 11

### Tier I – Goals and context

| Code       | Indicator name  | Source | Definition  |
|------------|---|--------|---|
| <b>1.1</b> | <b>SDG 1: No poverty</b>  |        |   |
| 1.1.1      | Proportion of population below the international poverty line of US\$1.90 a day (SDG 1.1.1) | UNSD   | SDG indicator 1.1.1 – The indicator is defined as the percentage of the population living on less than US\$1.90 a day at 2011 international prices. The international poverty line is currently set at US\$1.90 a day at 2011 international prices.   |
| <b>1.2</b> | <b>SDG 2: Zero hunger</b>   |        |   |
| 1.2.1      | Prevalence of food insecurity (SDG 2.1.2)   | UNSD   | SDG indicator 2.1.2 – Prevalence of moderate or severe food insecurity in the population, based on the Food Insecurity Experience Scale.  |
| 1.2.2      | Prevalence of malnutrition among children under 5 years of age (SDG 2.2.2)                  | UNSD   | SDG indicator 2.2.2 – Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the World Health Organization's Child Growth Standards) among children under 5 years of age, by type (wasting and overweight).   |
| 1.2.3      | Productivity of small-scale food producers (SDG 2.3.1) <b>(new)</b>                         | UNSD   | SDG Indicator 2.3.1 – Volume of agricultural production of small-scale food producer in crop, livestock, fisheries and forestry activities per number of days. The indicator is computed as a ratio of annual output to the number of working days in one year.   |
| 1.2.4      | Average income of small-scale food producers (SDG 2.3.2)                                    | UNSD   | SDG indicator 2.3.2 – Average income of small-scale food producers, by sex and indigenous status.   |
| 1.2.5      | Government expenditure on agriculture (index) (SDG 2.a.1)                                   | UNSD   | SDG indicator 2.a.1 – The indicator is defined as the agriculture share of government expenditures, divided by the agriculture share of GDP, where agriculture refers to the agriculture, forestry, fishing and hunting sector. The measure is in a currency-free index, calculated as the ratio of these two shares. |

Table 12

**Tier II – Development impact and results<sup>30</sup>**

| <i>Code</i>                                | <i>Indicator name</i>  | <i>Source</i>   | <i>Definition</i>  |
|--|--|-----------------|--|
| <b>2.1 Impact</b>                          |  |                 |  |
| 2.1.1                                      | Number of people with increased income (millions) (SDGs 2.3 and 1.2)   | IIA             | Projection from IFAD impact assessments of the number of rural people with changes in economic status (10 per cent or more) including income, consumption and wealth (depending on COVID and other global shocks). The indicator will be reported in 2025.   |
| 2.1.2                                      | Number of people with improved production (millions) (SDG 2.3.2)   | IIA             | Projection from IFAD impact assessments of the number of people with substantial gains (20 per cent or more) in production of agricultural products (depending on COVID and other global shocks). The indicator will be reported in 2025.  |
| 2.1.3                                      | Number of people with improved market access (millions) (SDG 2.3)  | IIA             | Projection from IFAD impact assessments of the number of people with greater value of product sold (20 per cent or more) in agricultural markets (depending on COVID and other global shocks). The indicator will be reported in 2025.   |
| 2.1.4                                      | Number of people with greater resilience (millions) (SDG 1.5)  | IIA             | Projection from IFAD impact assessments of the number of people with improved resilience (20 per cent or more) (depending on COVID and other global shocks). The indicator will be reported in 2025.   |
| 2.1.5                                      | Number of people with improved nutrition (millions) (SDG 2.1)  | IIA             | Projection from IFAD impact assessments of the number of people with improved nutrition (increase in dietary diversity of 10 per cent or more) (depending on COVID and other global shocks). The indicator will be reported in 2025.   |
| <b>2.2. Outreach, outcomes and outputs</b> |  |                 |  |
| 2.2.1                                      | Number of persons receiving services promoted or supported by the project (millions)                                     | Core indicators | Number of individuals who have directly received or used services promoted or supported by the project.  |
| 2.2.2                                      | Number of hectares of farmland under water-related infrastructure constructed/rehabilitated                              | Core indicators | Water-related infrastructure includes dams and ditches, irrigation and drainage infrastructure; infrastructure for rainwater harvesting; and wells and other water points that have been constructed or rehabilitated with project support.  |
| 2.2.3                                      | Number of persons trained in production practices and/or technologies (millions)   | Core indicators | Number of persons who have been trained at least once in improved or innovative production practices and technologies. Training topics may concern crop production, livestock production, forestry production or fish production.  |
| 2.2.4                                      | Number of persons in rural areas accessing financial services (savings, credit, insurance, remittances, etc.) (millions) | Core indicators | Refers to the number of individuals who have accessed a financial product or service specifically supported by the project and its partner financial service provider. Such services include loans and microloans, savings funds, microinsurance/insurance, remittances, and membership of a community-based financial organization (e.g. a savings and loan group).   |
| 2.2.5                                      | Number of rural enterprises accessing business development services  | Core indicators | Refers to the number of rural enterprises that have accessed business development services promoted by the project. Rural enterprises are structured businesses that have a well-defined physical location, normally with legal status, a bank account and some employees. They also include pre-entrepreneurial activities such as self-employment initiatives, and microenterprises with semi-structured activities. Both formal and informal enterprises can be considered, but only non-farm upstream and downstream activities (processing and marketing) are to be included. Production activities are excluded. As generally defined, business development services aim to improve the performance of the enterprise, its market access and its ability to compete. |
| 2.2.6                                      | Number of persons trained in income-generating activities or business management (millions)                              | Core indicators | Refers to the number of persons who have received training in topics related to income-generating activities, including post-production handling, processing and marketing. Such activities include cheese-making; small-scale processing of fruit, and meat and milk products; handicrafts such as weaving, embroidery, knitting, tailoring and woolspinning; conservation of agricultural products and agroprocessing techniques, product handling in compliance with safety standards (use of chemicals, pesticides) and other quality requirements, packaging, and market information and  |

<sup>30</sup> All people-based indicators will be disaggregated by sex and youth status (young and not young).

|        |   |                 |   |
|--------|---|-----------------|---|
|        |   |                 | procedures. Vocational training is also included (blacksmithing, carpentry, dressmaking, tailoring, hairstyling, masonry and welding). Business management training includes organizational management, accounting and bookkeeping, cash flow management and marketing.   |
| 2.2.7  | Number of supported rural producers that are members of a rural producers' organization (millions)  | Core indicators | The number of rural producers that belong to a rural producers' organization, whether or not formally registered.   |
| 2.2.8  | Number of beneficiaries with new jobs/employment opportunities ( <b>new</b> )   | Core indicators | Number of new full-time or recurrent seasonal on-farm and off-farm jobs created since project start-up, either as independent individuals (self-employed) or as employees of micro, small and medium-sized enterprises. Jobs created within farmers' organizations that received project support are also included, but temporary jobs created for a limited period (e.g. for road construction) shall be excluded.   |
| 2.2.9  | Number of kilometres of roads constructed, rehabilitated or upgraded  | Core indicators | The total length, in kilometres, of roads that have been fully constructed, rehabilitated or upgraded (e.g. from feeder road to asphalt road) by the project. All types of roads should be included, such as feeder, paved, primary, secondary or tertiary roads.   |
| 2.2.10 | Number of hectares of land brought under climate-resilient management (millions)  | Core indicators | Refers to the number of hectares of land in which activities were started to restore the productive and protective functions of the land, water and natural ecosystems and/or reverse degradation processes.  |
| 2.2.11 | Number of groups supported to sustainably manage natural resources and climate-related risks  | Core indicators | Refers to the number of groups (whether or not formally registered and including indigenous peoples' communities) involved in the management of natural resources (rangelands, common property resources, water resources, forests, pastures, fishing grounds and other natural resources) for agricultural production that have received project support to improve the sustainability of services provided to the resource base and to manage climate-related risks. Natural resource management groups involved in promoting technologies and practices for environmental protection, combating deforestation and desertification, or promoting soil/water conservation initiatives to prevent or increase resilience to climate-related risks should also be considered. Climate-related risks are those resulting from climate changes that affect natural and human systems and regions. Direct climate change risks are expected especially for productive sectors that rely heavily on natural resources, such as agriculture, fishing and forestry. The aim of such engagement is ultimately to enable these individuals/groups to take better and more resilient decisions that can avoid losses and damage to their livelihoods resulting from climate-related events. |
| 2.2.12 | Number of households reporting adoption of environmentally sustainable and climate-resilient technologies and practices                     | Core indicators | Refers to the percentage of surveyed project beneficiaries who were trained in environmentally sustainable practices and/or the management of climate-related risks, and who claim that: (a) they have fully mastered these practices; and (b) they are now routinely using these technologies and practices.   |
| 2.2.13 | Number of tons of greenhouse gas emissions (CO <sub>2</sub> e) avoided and/or sequestered (million tons of CO <sub>2</sub> e over 20 years) | Core indicators | Refers to the potential of projects to avoid or reduce greenhouse gas emissions (CO <sub>2</sub> e) over 20 years as a result of the introduction and uptake of technologies and practices promoted by the project. The indicator is measured in tons of carbon dioxide equivalent (CO <sub>2</sub> e) using internationally recognized greenhouse gas accounting tools based on Intergovernmental Panel on Climate Change methodologies, in particular the Ex-Ante Carbon Balance Tool (EX-ACT) and the Global Livestock Environmental Assessment Model interactive (GLEAM-i).   |
| 2.2.14 | Number of persons provided with targeted support to improve their nutrition (millions)  | Core indicators | Refers to the number of persons in projects that have been classified as "nutrition-sensitive" who have directly participated in project-supported activities designed to help improve nutrition.   |
| 2.2.15 | Percentage of women reporting minimum dietary diversity (MDDW)  | Core indicators | Applies to projects classified as "nutrition-sensitive", or projects with specific activities to improve or diversify the diet and nutrition of targeted households, particularly woman-headed households. Refers to the percentage of women surveyed claiming that the quality and diversity of their diet have improved (i.e. they are consuming more varied and more nutritious food) as compared to the previous year.  |
| 2.2.16 | Number of beneficiaries gaining increased secure access to land ( <b>new</b> )  | Core indicators | Refers to the number of beneficiaries who have been supported in gaining increased tenure security over land (forests, farmland, pasture), water (for livestock, crop, domestic and drinking use) or over water bodies (for capture fisheries or fish farming).   |

| 2.3 Project-level development outcome ratings at completion <sup>31</sup> |  |             |   |
|---|--|-------------|---|
| 2.3.1   | Overall project achievement (ratings 4 and above) (percentage)               | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for overall project achievement. The measurement of this indicator is the overarching assessment of the intervention.  |
|   |  | IOE ratings | Percentage of projects rated moderately satisfactory (4) or better for overall project achievement by IOE in their project completion report validation (PCRVs) and project performance evaluations (PPEs). The overarching assessment of the intervention draws upon the analysis of and ratings for rural poverty impact, relevance, effectiveness, efficiency, sustainability of benefits, gender equality and women's empowerment, innovation and scaling up, environment and natural resources management, and adaptation to climate change. |
| 2.3.2   | Government performance (ratings 4 and above) (percentage) <b>(new)</b>       | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better on the borrower's overall performance while implementing the project. This relates to the performance of the main implementing agency, the borrower's representative responsible for managing the special account, of the project steering committee and of the national authority in charge of audit.   |
| 2.3.3   | IFAD's performance (ratings 4 and above) (percentage) <b>(new)</b>           | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better on the overall IFAD's performance while designing the project, supervising project implementation and providing implementation support.  |
| 2.3.4   | Efficiency (ratings 4 and above) (percentage)                                | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for efficiency. The definition for this indicator is the measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results.   |
| 2.3.5   | Sustainability of benefits (ratings 4 and above) (percentage)                | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for sustainability of benefits. The definition for this indicator is the likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.  |
| 2.3.6   | Scaling up (ratings 4 and above) (percentage)                                | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for scaling up. The definition for this indicator is the extent to which IFAD development interventions have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and other agencies.   |
| 2.3.7   | Gender equality (ratings 4 and above) (percentage)                           | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for gender equality. The definition for this indicator is the extent to which IFAD interventions have contributed to gender equality and women's empowerment, for example, in terms of women's access to and ownership of assets, resources and services; participation in decision-making; workload balance; and impact on women's incomes, nutrition and livelihoods.  |
|   | Gender equality (ratings 5 and above) (percentage)                           | PCR ratings | Percentage of projects rated satisfactory (5) or better for gender equality using the above definition.   |
| 2.3.8   | Environment and natural resource management (ratings 4 and above) percentage | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for environment and natural resource management. The definition for this indicator is the extent to which IFAD development interventions contribute to resilient livelihoods and ecosystems. The focus is on the use and management of the natural environment, specifically natural resources – defined as raw materials used for socioeconomic and cultural purposes – and ecosystems and biodiversity used for the goods and services they provide.                         |
| 2.3.9   | Climate change adaptation (ratings 4 and above) percentage                   | PCR ratings | Percentage of projects rated moderately satisfactory (4) or better for adaptation to climate change. The definition for this indicator is the project's contribution to reducing the impact of climate change through adaptation or risk reduction measures.  |

<sup>31</sup> Some of these indicators' definitions may be revised in the context of the revision of the evaluation manual, namely potential to scale up; and likelihood of sustainability of benefits.

Table 13

**Tier III – Delivering impact**

| Code                                       | Indicator Name   | Source                   | Definition   |
|--|--|--------------------------|--|
| <b>Transformational country programmes</b> |  |                          |  |
| <b>3.1</b>                                 | <b>Performance of country programmes</b>   |                          |  |
| 3.1.1                                      | Relevance of IFAD country strategies (ratings of 4 and above) (percentage)                       | Stakeholder survey       | Refers to the average of the percentage of responses rated favourably (3+ on a 4 point scale) for all questions specific to relevance of country programmes on the stakeholder survey during the relevant period.  |
|  |  | CCRs                     | Assessment of the alignment and coherence of the: (i) SOs; (ii) geographic priority; (iii) subsector focus; (iv) main partner institutions; (v) targeting approach used, including emphasis on selected social groups; (vi) mix of instruments in the country programme (loans, grants and non-lending activities); and (vii) the provisions of the country programme and COSOP management. The emphasis is on the strategy pursued by the country programme, whether or not it is clearly outlined in the COSOP.        |
| 3.1.2                                      | Effectiveness of IFAD country strategies (ratings of 4 and above) (percentage)                   | Stakeholder survey       | Refers to the average of the percentage of responses rated favourably (3+ on a 4 point scale) for all questions specific to effectiveness of IFAD country strategies on the stakeholder survey for the relevant period.  |
|  |  | CCRs                     | Determines the extent to which the overall SOs (as per the COSOP) were achieved, whether other significant – but originally unforeseen – results were attained at the programme level, and whether a credible logical nexus can be established between the partners, the IFAD-supported initiatives (lending, non-lending, programme management) and the observed results. Particular attention will be paid to the role played by the government and IFAD in managing the overall country programme to achieve results. |
| 3.1.3                                      | Partnership-building (ratings of 4 and above) (percentage)                                       | Stakeholder survey       | Refers to the average of the percentage of responses rated favourably (3+ on a 4 point scale) for all questions specific to partnership-building on the stakeholder survey for the relevant period.  |
|  |  | CCRs                     | Refers to the ongoing process of strategically exploring, developing, maintaining and strengthening partnerships (as defined in the IFAD Partnership Strategy), and involves a wide range of tangible and less tangible activities. The indicator shows the extent to which partnership-building efficiently and effectively contributed to the achievement of IFAD's goals and objectives.  |
| 3.1.4                                      | Country-level policy engagement (ratings of 4 and above) (percentage)                            | Stakeholder survey       | Refers to the average of the percentage of responses rated favourably (3+ on a 4 point scale) for all questions specific to country-level policy engagement on the stakeholder survey for the relevant period.   |
|  |  | CCRs                     | The extent of IFAD collaboration with partner governments and other country-level stakeholders to influence policy priorities or the design, implementation and assessment of policies that shape the opportunities for inclusive and sustainable rural transformation.  |
| 3.1.5                                      | Knowledge management (ratings of 4 and above) (percentage)                                       | Stakeholder survey       | Refers to the average of the percentage of responses rated favourably (3+ on a 4 point scale) for all questions specific to knowledge management on the stakeholder survey for the relevant period.  |
|  |  | CCRs                     | The definition for knowledge management will be provided once the new evaluation manual is agreed with IOE, however, the indicator shows the extent to which knowledge management effectively contributed to the achievement of IFAD's goals and objectives.   |
| 3.1.6                                      | COSOPs integrating private sector interventions complementing the PoLG (percentage) <b>(new)</b> | Quality assurance review | Share of new approved COSOPs over the IFAD12 cycle including description of private sector opportunities that IFAD could consider to implement over COSOP duration to complement its menu of interventions.  |

| 3.2   | Designing for impact  |   |   |
|-------|---|---|---|
| 3.2.1 | Overall rating for quality of project design (ratings 4 and above) (percentage) <sup>d</sup>                  | Quality assurance ratings   | A summary rating provided during the quality assurance process across several dimensions including: (i) alignment with country context; (ii) assessment of national/local institutional capacities; (iii) consistency of the proposed objectives, activities and expected outputs and outcomes; (iv) implementation readiness; (v) likelihood of achieving development objectives; and (vi) extent to which quality enhancement recommendations have been addressed. The ratings are reported on a 12-month average basis.  |
| 3.2.2 | Overall rating for quality of grant-funding projects at entry (ratings 4 and above) (percentage) <b>(new)</b> | Quality assurance ratings   | A summary rating provided during the quality assurance process across several dimensions related to relevance, effectiveness and efficiency at entry, including: (i) strategic alignment; (ii) linkages; (iii) relevance of the ToC; (iv) targeting; (v) innovation; (vi) knowledge management; (vii) monitoring and evaluation; (viii) partnerships; and (ix) cofinancing. The ratings are reported on a 12-month average basis.   |
| 3.2.3 | Projects designed to be gender transformative (percentage) <b>(new)</b>                                       | Corporate validation  | A percentage of IFAD projects that actively seek to transform gender power dynamics by addressing social norms, practices, attitudes, beliefs and value systems that represent structural barriers to women's and girls' inclusion and empowerment. They seek to ensure equal access for women to productive assets and services, employment and market opportunities, as well as supportive national policies and laws. It is obligatory for gender-transformative projects to report on the IFAD empowerment index, which is based on IFPRI's project level Women's Empowerment in Agriculture Index (pro-WEAI). This indicator is measured at design, based a range of design criteria verified in the project design reports of approved IFAD operations. |
| 3.2.4 | Climate finance: Climate-focused PoLG (percentage) <b>(new)</b>   | Corporate validation based on <i>MDB Methodologies for Climate Finance Tracking</i> | A United States dollar value reported as a percentage share of total IFAD approvals, calculated based on the internationally recognized <i>MDB Methodologies for Climate Change Adaption and Mitigation Tracking</i> . Climate finance is calculated at design, based on the final cost tables and project design reports of approved IFAD operations.  |
| 3.2.5 | Climate capacity: Projects designed to build adaptive capacity (percentage) <b>(new)</b>                      | Quality assurance ratings   | Percentage of IFAD projects that include activities aiming to build climate-related adaptive capacity across multiple dimensions (e.g. increasing incomes; improved access to productive resources; empowerment of vulnerable groups). This indicator is measured at design, based on the project design reports of approved IFAD operations.   |
| 3.2.6 | Appropriateness of targeting approaches in IFAD investment projects (percentage)                              | Quality assurance ratings   | A rating provided during the quality assurance process based on the following dimensions: (i) alignment of the project's target population with IFAD's target group as described in the targeting policy and corresponding operational guidelines; and (ii) the adequacy of the proposed targeting approach in reaching the identified target group in a given project context. The ratings are reported on a 24-month average basis.   |
| 3.2.7 | Quality of project target group engagement and feedback (ratings 4 and above) (percentage) <b>(new)</b>       | Supervision ratings   | Percentage of projects rated moderately satisfactory (4) or better for quality of target group engagement and feedback. Elements assessed include, for example, the extent to which planned target group engagement and feedback activities are implemented consistently well and on time, including measures to promote social inclusion and participation of vulnerable, marginalized and disadvantaged groups, and to 'close the feedback loop'; and the extent to which project grievance redress processes are efficient, responsive and are easily accessible to target groups.   |
| 3.2.8 | Overall quality of SSTC in COSOPs (ratings of 4 and above) (percentage) <b>(new)</b>                          | Quality assurance ratings   | A summary rating provided during the quality assurance process across several dimensions, including an assessment of the extent to which the SSTC strategy: (i) is tailored the country context; (ii) contributes to COSOP's SOs, in synergy with other lending and non-lending activities; (iii) is based on a clear identification of needs, opportunities, partnerships, areas, resources and monitoring mechanisms. The ratings are reported on a 12-month average basis.   |

|   |   |                          |  |
|---|---|--------------------------|--|
| 3.2.9                                       | Projects with ICT4D solutions at design (percentage) <b>(new)</b>                         | Quality assurance review | Share of new investment projects approved during IFAD12 that include specific ICT4D activities or components.  |
| <b>3.3</b>                                  | <b>Proactive portfolio management</b>   |                          |  |
| 3.3.1                                       | Disbursement ratio (percentage)   | Oracle FLEXCUBE          | The total amount disbursed over the review period from the PoLG, divided by the undisbursed balance of loans and grants that have been approved and signed, and their entry into force or disburseable status at the beginning of the review period.   |
| 3.3.2                                       | Overall implementation progress (ratings 4 and above) (percentage) <b>(new)</b>           | Supervision ratings      | Percentage of projects rated 4 or above for this key supervision and implementation support rating, which is calculated based on progress on a mix of indicators on project management and financial management and execution. Includes scores on quality of project management, quality of financial management, disbursement, procurement, etc.  |
| 3.3.3                                       | Proactivity index (percentage) <b>(new)</b>   | Corporate databases      | Percentage of ongoing projects rated as 'actual problem' in the previous approved performance ratings that have been upgraded, restructured, completed/closed, cancelled or suspended in the most recent approved performance ratings.   |
| <b>Transformational financial framework</b> |   |                          |  |
| <b>3.4</b>                                  | <b>Resources</b>  |                          |  |
| 3.4.1                                       | Debt-to-equity ratio (percentage)   | Corporate databases      | In line with the Integrated Borrowing Framework (see EB 2020/130/R.31), the ratio is defined as the principal portion of total outstanding debt divided by initial capital available (ICA) expressed in percentage terms. The ICA is defined as: total equity less contributions and promissory notes receivable plus allowance for loan losses. Total equity is defined as: contributions plus general reserves less accumulated deficit. The ratio will be calculated as of 31 December of each year.  |
| 3.4.2                                       | Deployable capital (percentage) <b>(new)</b>  | Corporate databases      | In line with the Capital Adequacy Policy (see EB 2019/128/R.43) the deployable capital ratio is defined as ICA plus total resources required plus buffer ICA divided by the ICA. The ICA is defined as: total equity less contributions and promissory notes receivable plus allowance for loan losses. Total equity is defined as: contributions plus general reserves less accumulated deficit. The ratio will be calculated as of 31 December of each year.   |
| 3.4.3                                       | Cofinancing ratio   | GRIPS                    | The amount of cofinancing from international and domestic sources (government and beneficiary contributions) divided by the amount of IFAD financing for projects approved in a given three-year period (current United States dollar amounts used). The ratio indicates the US\$ amount of cofinancing per US\$ of IFAD financing (36-month rolling average).   |
|   | Cofinancing ratio (international)   | GRIPS                    | The amount of cofinancing from only international sources divided by the amount of IFAD financing for projects approved in a given three-year period (current United States dollar amounts used). The ratio indicates the US\$ amount of cofinancing per US\$ of IFAD financing (36-month rolling average).  |
|   | Cofinancing ratio (domestic)  | GRIPS                    | The amount of cofinancing from only domestic sources (government and beneficiary contributions) divided by the amount of IFAD financing for projects approved in a given three-year period (current US\$ amounts used). The ratio indicates the US\$ amount of cofinancing per US\$ of IFAD financing (36-month rolling average).  |
| 3.4.4                                       | Leverage effect of IFAD private sector investments (average leverage factor) <b>(new)</b> | Corporate databases      | Value of IFAD investment to a private sector project divided by total cost of the project.<br>For projects entailing support to financial intermediaries, total project cost is defined as follows:<br>For investment funds and vehicles: total resources mobilized by the fund or investment vehicle. At early development stage of such funds/vehicles, target size of the fund or vehicle will be used as proxy.<br>For banks, and other financial institutions: total cost of the projects funded by the financial institution thanks to IFAD financial support. |



| <b>Transformational institutional change</b> |  |                     |   |
|--|--|---------------------|---|
| <b>3.5</b>                                   | <b>Institutional efficiency</b>  |                     |   |
| 3.5.1  | Ratio of IFAD's administrative expenditure to the PoLG (including IFAD-managed funds) (percentage)                             | Corporate databases | Actual expenses incurred under the administrative budget and other resources under IFAD's management (excluding IOE) divided by PoLG funds committed by IFAD inclusive of loans, Debt Sustainability Framework (DSF) and other grants, and ASAP and other (supplementary) funds managed by IFAD in the reporting period (36-month rolling average).   |
| 3.5.2  | Ratio of the administrative budget to the ongoing portfolio of loans and grants  | Corporate databases | Actual expenses incurred under the administrative budget and other resources under IFAD's management (excluding IOE), divided by the current PoLG (from approval to closing) inclusive of loans, DSF and other grants, and ASAP and other (supplementary) funds managed by IFAD (36-month rolling average).   |
| <b>3.6</b>                                   | <b>Decentralization</b>  |                     |   |
| 3.6.1  | Ratio of budgeted staff positions in ICOs/regional hubs (percentage)   | Corporate databases | Ratio of total positions in ICOs and regional hubs divided by total number of positions (administrative budget only).   |
| 3.6.2  | Decentralization effectiveness [placeholder] <b>(new)</b>  | TBD                 | TBD   |
| <b>3.7</b>                                   | <b>Human resource management</b>   |                     |   |
| 3.7.1  | Percentage of women in P-5 posts and above   | Corporate databases | Number of women in the national and international Professional category holding fixed-term or indefinite appointments from National Professional Officer (NPO) D-level (NOD) / P-5 to Vice-President, out of total number of national and international Professional staff holding fixed-term or indefinite appointments in the same grade range. Staff included in the calculation must hold positions under the IFAD administrative budget, IOE budget or Credit Union budget. Exclusions: the President, Director of IOE; short-term staff; locally recruited staff (General Service [GS] staff in headquarters and liaison offices, national GS staff), junior professional officers (JPOs), special programme officers (SPOs), partnership agreements, staff on loan to IFAD, staff on supplementary-funded positions, staff on coterminous positions, individuals hired under a non-staff contract (consultants, fellows, special service agreements [SSAs], interns, etc.) and staff from hosted entities. |
| 3.7.2  | Time to fill Professional vacancies (days)   | Corporate databases | Average number of days from the closing date of a vacancy announcement to the date on which the selection decision is made (i.e. by the Appointments and Promotions Board) for all finalized recruitment processes for international Professional positions in a given one-year period (12-month rolling average).  |
| 3.7.3  | Percentage of staff completing SH/SEA online training <b>(new)</b>   | Corporate databases | Persons completed training organized by the Ethics Office on SH/SEA prevention and reporting.   |
|  | Percentage of PMUs completing training on SH/SEA for new projects <b>(new)</b>   | Corporate databases | Percentage of project management units implementing new projects which receive training organized by the Ethics Office on SH/SEA prevention and reporting.  |
| 3.7.4  | Performance management <b>(new)</b>  | Corporate databases | Number of successful performance improvement plan (PIP) outcomes out of total PIPs during one performance evaluation system (PES) cycle.  |
| <b>3.8</b>                                   | <b>Transparency</b>  |                     |   |
| 3.8.1  | Percentage of project completion reports submitted within six months of completion, of which the percentage publicly disclosed | PMD                 | Share of PCRs that were submitted within six months of project completion. Of these, share of PCRs published on IFAD's website.   |
| 3.8.2  | Comprehensiveness of IFAD's publishing to International Aid Transparency Initiative (IATI) standards (percentage)              | IATI                | Score assigned by IATI to its publishers on the IATI "Comprehensiveness" tab. Weighted average of "Core", "Financials" and "Value Added" scores [ <a href="http://dashboard.iati-standard.org/comprehensiveness.html">http://dashboard.iati-standard.org/comprehensiveness.html</a> ].  |