

a

IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Consultation on the Seventh Replenishment of IFAD's Resources – Third Session
Rome, 5-7 July 2005

CONSULTATION REPORT
DRAFT OUTLINE

I. INTRODUCTION: THE MILLENNIUM DEVELOPMENT GOALS AND RURAL POVERTY

1. This section will describe the structure and evolution of rural poverty and its relation to national and global changes. It will describe how these changes necessitate new approaches and resource commitments. Sustainable and effective responses – it will be maintained – must be anchored in country-level capacities and initiatives within a supportive regional and global framework that creates opportunities for rural poor people to establish better and less vulnerable livelihoods based on their own assets and capabilities.

II. IFAD'S ROLE AND FOCUS IN THE GLOBAL EFFORT

2. This section will address IFAD's role in supporting global and national responses to rural poverty. It will describe how IFAD strengthens country capacities (of rural poor people, of governments, of civil society and of the private sector) to pursue new and effective solutions to rural poverty and further develop poverty reduction strategies. IFAD works with partners through programmes and projects – and within the framework of the coordinated national-international assistance effort – to: identify who the rural poor are and the obstacles they confront; explore – through practical investment projects – new solutions relevant to local conditions; develop the systems in which local experience and interest is inserted into national policy and programming processes; advocate and support the broad programmes and policy change that make successful innovation available to all; and mobilize the resources necessary to put solutions to work.

3. IFAD's mandate is to identify the principal groups of rural poor people and to help develop and implement collaborative activities to reduce poverty and raise food security that are relevant to their assets and opportunities. The process whereby groups and relevant activities are identified is called "targeting". This section will explain IFAD's organization of the targeting process to respond to varying local configurations of rural poverty and varying levels of development and comprehensiveness of existing poverty reduction strategies and programmes.

III. IFAD'S NEW OPERATING MODEL: COUNTRY PROGRAMME, COUNTRY PRESENCE AND SUPERVISION

4. This section will describe key elements of IFAD's new operating model, including:
- the country programme and the country team;
 - the organization of IFAD's participation in country-level processes;
 - the reconfiguration of supervision arrangements to enhance local partnerships for implementation and knowledge management;
 - developing and managing strategic partnerships;
 - quality assurance and risk management; and
 - monitoring and managing for results.

IV. INNOVATION

5. IFAD is the only international development institution focused exclusively on rural poverty reduction, and an essential element of its role is developing and disseminating new and more effective responses to rural poverty reduction bottlenecks. This section will describe IFAD's strategy for promoting innovative responses to rural poverty within the new operating model and its general interface with development processes at all levels. This includes internal processes supporting active exploration of innovation, as well as mechanisms for reflecting findings in IFAD's technical and policy dialogues with partners. A core element of IFAD's engagement is strengthening the capacity of its country partners to innovate themselves, i.e. developing a sustainable capacity to identify and respond to rural poverty challenges.

V. LEARNING AND KNOWLEDGE MANAGEMENT

6. This section will describe the role and organization of knowledge management for rural poverty reduction within IFAD's new operating model as well as IFAD's contribution to improving knowledge among key external actors. Raising development effectiveness in rural poverty reduction will be heavily dependent upon raising understanding of the true issues confronting rural poor people and tested answers. Rapid change in the global economy places a premium on constant monitoring of issues and responses; and the emergence of similar problems and opportunities in different parts of the world as a result of globalization means that issues and responses developed in one area often are valuable for other areas. IFAD will significantly strengthen its own learning and knowledge development processes, and will support learning and knowledge development among its country partners and especially among the major protagonists for rural development, including organizations of rural poor people. IFAD will pursue a partnership-based strategy, investing in long-term relations with global and regional centres of excellence to deepen analytical and communications work in rural poverty issues – and will mobilize the same partnerships to ensure that IFAD's own knowledge and policy products reflect state-of-the-art knowledge in the broader development community.

VI. POLICY AND POLICY DIALOGUE BEYOND THE COUNTRY LEVEL

7. This section will describe how IFAD will place emphasis on formal policy development in order to ensure that its own operations reflect experience and best practice and to facilitate sharing of approaches with country- and global-level development partners through policy dialogue. Regional and global dialogue and advocacy will be driven by issues identified in country-level rural poverty reduction, and will include collaboration in developing the capacities of governments and poor people's groups and networks to directly articulate inputs into global processes bearing on rural opportunities for rural poor people in developing countries.

VII. THE GRANT COMPONENT IN IFAD'S ASSISTANCE

8. Drawing on the experience of the fourteenth replenishment of resources of the International Development Association (IDA-14) and the tenth replenishment of the African Development Fund (AfDF-10), this section will describe how IFAD will enhance its grants policy with regard to debt sustainability, fragile states, and post-conflict and post-disaster situations.

VIII. ROLE OF THE EXECUTIVE BOARD IN IFAD'S DEVELOPMENT EFFECTIVENESS

9. This section will describe the contribution of the Executive Board to guiding and assessing IFAD's development effectiveness under the new operating model.

IX. IFAD'S GOVERNANCE STRUCTURE¹

X. MANAGING HUMAN RESOURCES

10. This section will describe the management of the change process and the enhancement of the capacity of IFAD staff to face challenges arising from adoption of the new operating model – and the principal steps that will be taken to empower them to do so. This will include provisions relating to the geographical composition of IFAD's staff as well as opportunities for young professionals from developing countries.

XI. FINANCIAL RESOURCES

11. This section will present information on the agreements on the definition of IFAD's committable resources under the asset liability management framework and the Seventh Replenishment target, as well as the procedures for contributing to the replenishment and the conditions for declaration of its effectiveness.

ANNEXES

Annex 1. Replenishment Action Plan

Annex 2. Replenishment Resolution

¹ Modalities for addressing this issue are under discussion among IFAD's Convenors and Friends.