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Enabling poor rural people
to overcome poverty

Collaboration and partnerships for increased impact and effectiveness

Consultation on the Eighth Replenishment of IFAD's
Resources — Fourth Session
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For: **Review**

Note to Consultation members

This document is submitted for review by the Consultation on the Eighth Replenishment of IFAD Resources.

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Contents

Abbreviations and acronyms	ii
Executive summary	iii
I. Introduction	1
II. Why are partnerships important to IFAD?	1
III. IFAD'S collaboration and partnerships	2
IV. Current partnership priorities	6
V. Partnership performance	8
VI. Approaches of other institutions	9
VII. Partnership strategy and priorities for the Eighth Replenishment	10
VIII. The way forward: key actions	12

Abbreviations and acronyms

AfDB	African Development Bank
AsDB	Asian Development Bank
CGIAR	Consultative Group on International Agricultural Research
COMPAS	Common Performance Assessment
COSOP	country strategic opportunities programme
FAO	Food and Agriculture Organization of the United Nations
IFI	international financial institution
UNDG	United Nations Development Group
WFP	World Food Programme

Executive summary

“This is a moment of opportunity ... We are committed to eradicating poverty, and promoting peace and prosperity by building stronger, more effective partnerships that enable developing countries to realize their development goals.”

Accra Agenda for Action, endorsed on
4 September 2008 at the Third High-level
Forum on Aid Effectiveness, Accra, Ghana

1. Partnerships are central to IFAD’s organizational model, mission and core business. They are essential to IFAD’s effectiveness because of the need for multi-sectoral, multi-functional approaches to address increasingly complex challenges to agricultural and rural development. Stronger partnerships are required to link research, innovation, adaptation and delivery systems to bring on line critical technological breakthroughs. Partnerships are also needed for sharing experiences, insights and good practices to improve programme impact and to bring ground-level concerns and perspectives to bear on policymaking processes. Finally, given the scale of resources needed to address current challenges, collective arrangements are essential for optimizing the value of investments.
2. IFAD was created to play a catalytic role, achieving its mission by mobilizing and facilitating collaboration among a wide range of actors. Partnership is one of the principles of engagement in the IFAD Strategic Framework 2007-2010 and is thus critical to achieving IFAD’s strategic objectives. Partnerships enable IFAD to: improve the enabling environment for country progress in key development outcomes; enhance access to resources and strengthen the capacity of rural poor people to benefit from those resources; enhance its operational effectiveness; and improve its organizational effectiveness. Programme and project cofinancing is a critical form of partnership, which will be increasingly important with the anticipated upturn in global investment in agriculture.
3. Partnership priorities during the Seventh Replenishment period have included integrating partnership measures into IFAD’s operating model and new corporate policies, participation in the Delivering as One United Nations pilots, and exploring the scope for collaboration with new development actors. IFAD has also established a limited number of strategic partnerships with organizations that share its values, have closely aligned goals, are committed to a medium- to long-term partnership and that IFAD has identified as playing a potentially important role in helping it to deliver the objectives set out in its strategic framework. During this period, IFAD’s strategic partnerships have been those with the Food and Agriculture Organization of the United Nations and the World Food Programme – the other two members of “the Rome Three” – the International Food Policy Research Institute, farmers’ organizations through the Farmers’ Forum, and the African Development Bank.
4. The 2006 and 2008 surveys undertaken to monitor progress against the Paris Indicators^a both indicate that IFAD’s performance against these indicators is better than the United Nations as a whole for all nine indicators or sub-indicators measured, and better than other multilateral financial institutions for a majority of them. The results of IFAD’s first client and partner survey, conducted in 22 countries in 2008, were also broadly positive: respondents rated 85 per cent of IFAD country programmes as satisfactory or better in terms of their contribution to national efforts to increase poor rural people’s incomes, food security and empowerment; and 79 per cent in terms of their adherence to the aid effectiveness agenda. Recent

^a 2006 Survey on Monitoring the Paris Declaration, <http://www.oecd.org/dataoecd/28/17/38745765.pdf> and 2008 Survey on Monitoring the Paris Declaration: Effective Aid by 2010? What It Will Take, <http://siteresources.worldbank.org/ACCRAEXT/Resources/Full-2008-Survey-EN.pdf>.

evaluations by IFAD's Office of Evaluation identify areas for further improving IFAD's performance. The evaluation of IFAD's Field Presence Pilot Programme found that IFAD was better at developing effective partnerships at country level in countries with a field presence than in countries without. Nearly three quarters of the projects approved between 1978 and 2007 have included some kind of cofinancing arrangement.

5. During the Eighth Replenishment period, IFAD will continue to strengthen its capacity for effective collaboration and partnership in priority areas and will build on its experience to undertake a more systematic and strategic overall approach to partnership. It will continue to develop its strategic partnerships. It will work to increase the volume and effectiveness of cofinancing. It will also strengthen partnerships and participate in networks to link ground-level innovations and best practices with actors that can replicate and scale up initiatives for greater results. Its collaboration with the Consultative Group on International Agricultural Research will greatly expand as part of the larger effort to strengthen the delivery system for agriculture-related global public goods. IFAD will continue to collaborate with others to inform and influence policy, strengthen harmonization and improve standards, norms, and measures of development effectiveness. It will also continue to participate in the Delivering as One United Nations pilots and the United Nations Development Group.
6. Finally, IFAD will better equip itself to make strategic choices regarding partnership and collaboration. It will review existing partnerships and, based on the findings of the review, will develop a framework to provide clearer definitions, objectives, criteria and indicators for IFAD partnerships. It will enhance staff skills in identifying, selecting, establishing, and maintaining effective engagement in networks and partnerships. The Fund will strengthen systems to support partnership management, monitoring and evaluation, and facilitate learning about good partnership practices.
7. Partnership results will be measured through the cofinancing indicator and the partnership survey in the Results Measurement Framework and through IFAD's performance on the Paris Declaration indicators, to be reported to the Fourth High-level Forum on Aid Effectiveness in 2011.

Collaboration and partnerships for increased impact and effectiveness

I. Introduction

1. In 2008, world leaders issued calls for urgent and sustained action to address unprecedented problems stemming from rising food prices, climate change and decades of underinvestment in agricultural development.¹ The call emphasized the need for coordinated action through effective partnerships, specifically that:

“All efforts by governmental and non-governmental organizations to strengthen immediate humanitarian and development assistance should be synergized with those of the multilateral organizations, and made coherent, to deal with the continuum from urgent to longer term assistance.”²
2. IFAD was created 30 years ago as a unique global partnership of the Organisation for Economic Co-operation and Development (OECD), the Organization of the Petroleum Exporting Countries (OPEC) and other developing countries. As such, it provides a solid foundation for the kind of inclusive partnership needed to meet today’s challenges. Building on this foundation, IFAD must hone its approach to partnership to contribute most effectively to renewed actions to increase rural incomes, overcome poverty and improve food security.
3. The purpose of this paper is to describe IFAD’s proposed approach to partnerships and collaboration during the Eighth Replenishment period (2010-2012).

II. Why are partnerships important to IFAD?

4. There are several reasons why partnerships are essential to the effectiveness of IFAD’s work:
 - (i) IFAD’s business model requires it to work with others to deliver the combination of factors needed to achieve development effectiveness on the ground. IFAD supports government projects and programmes, and seeks to contribute to the development of enabling policy frameworks for agricultural and rural development at the national level. In doing so, it works as a partner of those governments, local civil society – particularly organizations of poor rural people – as well as the private sector and other international agencies.
 - (ii) Many of the challenges to agricultural and rural development are becoming vastly more complex because of scientific and technological advances, social and economic developments, and environmental changes, among other factors. Traditional single-sector approaches to agricultural development are giving way to multidisciplinary and trans-disciplinary approaches to address new complexities. No single institution can possess the expertise and infrastructure needed to address these. Collaboration has become a prerequisite for success.
 - (iii) It has become increasingly clear over the past few years – and especially as awareness of the impact of climate change has risen – that new technological breakthroughs in the form of drought-resistant crop varieties will be essential to agriculture in general, and especially to the food security needs of poor farmers. Achieving such breakthroughs will require strong and effective linkages between research, innovation, adaptation and delivery systems that

¹ See the Declaration of the High-level Conference on World Food Security: The challenges of climate change and bioenergy (Rome, 5 June 2008); the communiqué of the 34th Group of Eight Annual Summit (Hokkaido, Japan, 7-9 July 2008); and the Accra Agenda for Action endorsed at the Third High-level Forum on Aid Effectiveness (Accra, Ghana, 2-4 September 2008).

² Declaration of the High-level Conference on World Food Security, *ibid*, page 2.

can respond to new and rapidly changing needs in real time. New and systematic partnership arrangements between development actors are no longer a matter simply of efficiency gains; they have become the keys to relevance and effectiveness.

- (iv) Linkages are needed for sharing experiences, insights and good practices to improve programme impact and to bring ground-level concerns and perspectives to bear on policymaking processes. Partnerships that facilitate such collaboration can contribute to more relevant and responsive practices and policies and strengthen the capacity of poor rural people to influence decisions that affect their lives and livelihoods.
 - (v) The scale of financial, technical and infrastructural resources required to address the challenges indicated above almost certainly exceed those currently available. Collective, “joined-up” arrangements are essential to optimize the value of investments. The sum must become greater than the total of its component parts.
5. For these reasons, it is clearer than ever before that partnerships are essential for aid effectiveness and for preparing and responding adequately to the new challenges of the twenty-first century.

III. IFAD’S collaboration and partnerships

6. IFAD was created to play a catalytic role, achieving its mission by mobilizing and facilitating cooperation among a wide range of actors. Over the years, collaboration and partnership have remained distinguishing features of IFAD’s institutional orientation and culture. This distinctive orientation helps to define IFAD’s position within the global aid architecture, which derives from its sharp focus on women and men smallholder farmers and poor rural producers; its dual identity as a specialized United Nations agency and an international financial institution (IFI); its programme and project operations; its people-centred, location-specific approach; and its focus on leveraging results through cofinancing, innovation, knowledge management, and policy dialogue and advocacy.
7. Partnership is one of the principles of engagement in the IFAD Strategic Framework 2007-2010. Partnerships enable IFAD to:
- (i) Improve the enabling environment for country progress in key development outcomes;
 - (ii) Improve access to resources and strengthen the capacity of poor rural people;
 - (iii) Enhance its operational effectiveness; and
 - (iv) Improve organizational effectiveness.
8. To achieve these objectives, IFAD engages in different types of partnerships, which may be considered along a continuum. At one end, relationships are more informal, independent and flexible, with less conscious division of labour and shared decision-making. At the other end, relationships are defined by formal structures and processes that are characterized by carefully defined roles and responsibilities, more interdependent actions and shared decision-making.
9. As this suggests, some partnerships may be more central to IFAD’s work than others. The Fund’s partnerships are dynamic and may change over time, moving along the continuum.

Defining partnership and identifying partnership principles

A definition of partnership is useful for developing a more strategic approach to collaboration and partnerships. For the purposes of this paper, the definition below will be used:

Partnership is a dynamic relationship among diverse actors, based on mutually agreed objectives, pursued through shared understanding of the most rational division of labour based on the respective comparative advantages of each partner. This relationship results in mutual influence, with a careful balance between synergy and respective autonomy, which incorporates mutual respect, equal participation in decision making, mutual accountability, and transparency.³

Numerous studies point to international development partnerships that have led to high transaction costs, role confusion and limited or even negative outcomes.⁴ From these and from the lessons IFAD has learned from its own experience of partnerships, IFAD will endeavour to apply best practices principles, as appropriate, such as:

- Written and mutually endorsed understanding of shared objectives;
- Stipulation and agreement on mutual expectations and the mechanisms for dispute resolution;
- Specification of end points, milestones and a framework for ongoing evaluation;
- Inclusion of exit strategies and the conditions for their enactment; and
- Where finances are part of a partnership, advance understandings on resource allocations, accountability and management standards.

10. IFAD's most critical collaboration is with the governments of the Member States – especially those in which it finances programmes and projects. The principle of country ownership was enshrined in article 2 of the Agreement Establishing IFAD, which states that IFAD financing shall be within the framework of national priorities and strategies. It has led, over the years, to relationships largely characterized by confidence, respect and trust.
11. The matrix below illustrates the types of partnership, across a continuum of collaboration, that IFAD undertakes in relation to its four partnership objectives. Examples of the partnerships for achieving these objectives are described below.
- (i) **Improving the enabling environment for country progress in key development outcomes.** IFAD works with partners to engage in policy dialogue, advocacy and knowledge management on the basis of the concerns, insights and experiences arising from its programme and project operations. Examples of partners include the International Federation of Agricultural Producers; the United Nations System Chief Executives Board for Coordination; the International Land Coalition; the Global Mechanism of the United Nations Convention to Combat Desertification; and the Alliance for a Green Revolution in Africa.

³ Brinkerhoff, Jennifer M. 2002. *Partnership for International Development: Rhetoric or Results?* Boulder, Colorado: Lynne Rienner Publishers, Inc.

⁴ For examples, see: *Assessing the Impact of Global Health Partnerships – Synthesis of findings from the 2004 DFID Studies: Global Health Partnerships: Assessing the Impact*, the Department for International Development (United Kingdom), London, 2005. *Addressing the Challenges of Globalization: An Independent Evaluation of the World Bank's Approach to Global Programs*, World Bank, Operations Evaluation Department, Washington, D. C., 2004.

- (ii) **Improving access to resources and strengthening the capacity of poor rural people.** This covers, for example, consultation while preparing country strategic opportunities programmes (COSOPs), coordination to enhance efficiency and effectiveness by identifying potential synergies and avoiding duplication, and coordination for effective and ongoing harmonization and policy dialogue. More intensive engagement includes joint project design and implementation, supervision and implementation support, finance, and monitoring and evaluation. Examples of partners include: multilateral and bilateral cofinancing partners, the Consultative Group on International Agricultural Research (CGIAR), the Global Environment Facility, and the Belgian Survival Fund (see also paragraphs 9 and 10).
 - (iii) **Enhancing operational effectiveness.** Collaboration and partnerships improve IFAD's development methods and practices, and contribute to better knowledge management and shared learning. Examples include the Consultative Group to Assist the Poor, the Global Donor Platform for Rural Development, and country-level donor coordination groups.
 - (iv) **Improving organizational effectiveness.** Partnerships help the Fund achieve greater administrative and financial efficiency. Such collaboration takes place both at the corporate and country levels. IFAD also collaborates at this level to influence the establishment of operating norms, indicators and standards, and coherent, efficient and cost-effective management across the United Nations and IFI system. Examples include the harmonization of business practices with United Nations partners, especially the sister agencies in Rome, participation in the United Nations Development Group (UNDG) and the Delivering as One pilots, and – with other IFIs – in the Common Performance Assessment System (COMPAS).
12. In support of improving access to resources and strengthening the capacity of poor rural people, **programme and project cofinancing** is an important form of collaboration and one that will be especially important during the Eighth Replenishment period, when a significant upturn in global investment in agriculture is expected. Cofinancing mobilizes increased investment and expanded geographic or sectoral coverage; can enable IFAD to influence (and be influenced by) the priorities, practices and approaches of other institutions; and can help ensure sustainability of projects and programmes.
 13. Since IFAD's establishment, its largest cofinancing partners have been the World Bank and the International Development Association, the African Development Bank and Fund and the OPEC Fund for International Development (OFID). IFAD's cofinancing with financial institutions backed by the members of the Gulf Cooperation Council has led to investment in programmes and projects in member states of the Organization of the Islamic Conference, amounting to more than 40 per cent of IFAD's total grant and loan resources.

IFAD's partnerships

<i>Objectives</i>	<i>Consultation</i> (exchanging information, insights and experience)	<i>Coordination</i> (deliberately modifying plans and activities for greater efficiency or effectiveness)	<i>Cooperation</i> (sharing resources such as staff, work space, training, information or funding)	<i>Co-action</i> (sharing goals/objectives, risks, resources, responsibilities and rewards)
Improving the enabling environment for country progress in key development outcomes	Inter-Agency Network on Women and Gender Equality; United Nations Permanent Forum on Indigenous Issues; Via Campesina; International Federation of Agricultural Producers	United Nations System Chief Executives Board for Coordination	Regional and global grant partners; Specialized Meeting on Family Agriculture; Network of Farmers' Organizations and Agricultural Producers in West Africa; Alliance for a Green Revolution in Africa; Women Organizing for Change in Agriculture and Natural Resource Management; the Alliance of Agri-agencies	International Land Coalition; Global Mechanism; Food and Agriculture Organization of the United Nations (FAO); World Food Programme (WFP)
Improving access and strengthening capacity of poor rural people	Rural Development and Poverty Reduction in Western and Central Africa Network (FIDAfrique); Internet-based network of organizations and projects working with the rural poor in Latin America and the Caribbean, FIDAmerica); Knowledge Networking for Rural Asia/Pacific (ENRAP); Knowledge Access in Rural Inter-connected Areas Network (KariaNet)		CGIAR, Global Forum on Agricultural Research; Africa Enterprise Challenge Fund; Global Environment Facility; parallel project cofinancing partners	Belgian Survival Fund; joint project cofinancing partners; International Food Policy Research Institute; FAO Investment Centre; World Bank
Enhancing operational effectiveness	Global Donor Platform for Rural Development	Donor coordination groups; informal IFI networks on performance-based allocation system and Highly Indebted Poor Countries Initiative/Debt Sustainability Framework	Joint assessments and preparatory studies; Consultative Group to Assist the Poor	Joint project partners; joint country strategies; sector-wide approaches; Farmers' Forum
Improving organizational effectiveness	Working Party on Aid Effectiveness; United Nations Evaluation Group	High Level Committee on Management; UNDG, COMPAS	One United Nations pilots, United Nations counterparts in IFAD country presence offices; COMPAS partners; FAO; WFP	

IV. Current partnership priorities

14. This section reviews priority activities carried out during the Seventh Replenishment period to strengthen IFAD's partnership capacity. These include strengthening strategic partnerships; integrating partnership measures into IFAD's operating model and new corporate policies; participating in the One United Nations pilots; and exploring the scope for collaboration with new development actors.

Strategic partnerships

15. In recent years, IFAD has developed and strengthened a range of important partnerships – including with the CGIAR system, the United Nations Permanent Forum on Indigenous Issues, the World Bank, OFID, the regional development banks and some bilateral donors. It has also established a limited number of strategic partnerships with organizations that share IFAD's values, have closely aligned goals, are committed to a medium- to long-term partnership and that IFAD has identified as playing a potentially important role in helping it to deliver the objectives set out in its strategic framework. The establishment and management of such strategic partnerships involves a significant investment of human and financial resources. They provide an important source of knowledge and require regular review to determine the extent to which they are contributing to the achievement of IFAD's goals. During the current replenishment period, IFAD has focused its efforts on four strategic partnerships in particular:

- (i) **The Rome Three.** The objectives of IFAD's strategic partnership with FAO and WFP are to provide more effective leadership within the United Nations system on agriculture and food issues by working together on policy development and advocacy, achieve greater impact on the ground by working together in operations, and improve efficiency through shared administrative and financial systems.

The three organizations have identified four areas for deepening existing collaboration:⁵ (i) agricultural investment; (ii) policy formulation, capacity-building, knowledge management and advocacy; (iii) emergency and rehabilitation, including disaster risk management; and (iv) administration. They are now refining their strategic approach to partnership, based on the comparative advantage of each organization.

- (ii) **International Food Policy Research Institute (IFPRI).** The strategic partnership being developed with IFPRI will enable both institutions to quicken the pace at which they identify, develop and implement innovative policy solutions to support poor farmers. It will link research with operations to identify and test innovations; engage farmers, policymakers and other actors in dialogue to translate insight and findings into concrete actions; and tap other synergies for scaling operations up and out, including collaboration with other CGIAR institutions and IFAD's cofinancing partners. Finally, it will strengthen the capacity of IFAD's in-country partners for policy dialogue and IFAD's own knowledge base for programme and project design; and help ground IFPRI's research more firmly in smallholder farmers' priority needs and the opportunities available to them.
- (iii) **Farmers' organizations involved in the Farmers' Forum.** The Farmers' Forum, which was launched at the request of regional and international farmers' networks, provides a space and process for consultation and dialogue. It helps strengthen the capacity of farmers' and other rural producers' organizations and thereby improves their ability to empower their members. It also serves as an instrument with which farmers' organizations

⁵ EB 2007/92/R.52/Rev.1. Collaboration among the three Rome-based United Nations agencies: IFAD collaboration with FAO and WFP.

can hold IFAD accountable for the effectiveness of its programmes and projects. The engagement, exchange and collaboration fostered through the Forum are helping improve the quality and sustainability of IFAD-supported operations. They are also contributing to more effective policy dialogue and greater collaboration between farmers' organizations and governments.

- (iv) **African Development Bank (AfDB).** This strategic partnership reflects the determination of IFAD and AfDB to improve their development effectiveness in Africa by harmonizing and aligning policies and operations, and fostering greater country ownership of projects and programmes. The independent joint evaluation of their agricultural and rural development policies and operations currently under way will provide insights and elements for shared learning, and identify ways to improve operations and strengthen future collaboration and division of labour.

IFAD's business processes

16. Partnerships are relevant to each of IFAD's strategic objectives and have been integrated into its basic business processes. Various elements of IFAD's operating model equip it to be a more effective partner and collaborator, particularly at the country level. Guidelines for results-based COSOPs call for clear identification of potential partnerships for each strategic objective. They also call for joint preparatory studies, whenever possible. Partnership is included as an element of the key success factors that constitute the criteria for assuring project quality. This means that a project's approach to partnership will be considered at all stages – from project design to implementation, to monitoring and evaluation. IFAD's Results Measurement Framework includes a survey of its programme and project partners. Survey results should provide useful guidance in helping IFAD to be a better partner. As these new processes become more deeply rooted, this should be reflected in improved scores on relevant indicators of the Paris Declaration on Aid Effectiveness.
17. Several recently approved corporate policies address critical dimensions of IFAD's approach to partnership. The IFAD Policy on Supervision and Implementation Support encourages partnership and collaboration in overseeing and supporting implementation of IFAD-supported projects and programmes. The IFAD Policy on Targeting calls for "innovative and complementary partnerships with actors that can reach target groups that IFAD cannot reach with the instruments at its disposal." IFAD's Private-Sector Development and Partnership Strategy sets out broad lines of action to enable IFAD to support local private-sector development more effectively, including private-sector partnerships to leverage investments and tap knowledge and expertise.

Delivering as One

18. As a specialized United Nations agency, IFAD is committed to participating as fully as possible in the Delivering as One United Nations pilots. IFAD's participation in this process, and in the development of United Nations Development Assistance Frameworks (UNDAFs), has helped enhance the priority given to agriculture and rural development within some country strategies. It has also spurred increased interaction with other United Nations agencies, which has led to closer collaboration or joint programming in some countries. The Delivering as One United Nations approach also promises greater opportunity for effective policy dialogue at the country level, which may be of particular benefit for organizations such as IFAD that do not yet have a strong country presence in all countries.
19. During its first year, the country-level Delivering as One United Nations process generated a very heavy workload for IFAD, as well as for other organizations. Again, this is a particular challenge for IFAD, which is generally staffed in-country with a light or proxy country presence. During 2008, UNDG is mapping and assessing transaction costs with an eye to reducing them. It is also looking to apply lessons

learned from the pilots in countries that have requested more coherent United Nations programming and in countries in which new UNDAFs are being prepared.

New development actors

20. IFAD has also taken steps to strengthen its capacity to collaborate with new development actors. Within IFAD programmes and projects, these efforts are often focused on the corporate sector, as discussed in the replenishment paper on the private sector.⁶ To expand its capacity to test innovative solutions that, if successful, may be scaled up and replicated, IFAD has been exploring collaboration with private foundations. For instance, it has recently received a grant from the Bill & Melinda Gates Foundation to work with WFP to develop a plan for the establishment of a weather risk management facility. This joint facility will develop replicable models of weather risk insurance for smallholder farmers, for eventual scaling up.

V. Partnership performance⁷

21. Evaluations by IFAD's Office of Evaluation are a particularly useful source of information on IFAD's past collaboration and partnership performance.⁸ While some evaluations identify areas of strength, others suggest that IFAD's in-country collaboration with governments, farmers' organizations, civil society and the private sector has not always been adequate. IFAD's interactions with other multilateral and bilateral donors at country level have also been inadequate in some cases. In some instances, partnerships envisioned in COSOPs failed to materialize in project implementation. The evaluations note a lack of documentation and monitoring of partnerships and collaboration, which has prevented a clear assessment of their enhanced impact.
22. Some evaluations suggest that recent changes to IFAD's operating model are facilitating improvement in partnership performance. The evaluation of IFAD's Field Presence Pilot Programme found that IFAD's effectiveness in partnership development was greater in countries with a field presence than in countries without. The evaluation of the Direct Supervision Pilot Programme found that direct supervision may improve the quality of IFAD's country partnerships as a result of more frequent contact with country programme managers and timelier follow-up on implementation concerns.
23. Paris Declaration indicators are now a widely accepted benchmark for assessing partnership performance. The newly released 2008 Paris Indicator Survey⁹ provides new data points for reviewing how well institutions are translating their commitments into practice, and it suggests that IFAD has improved its performance in this area. It found that IFAD's performance was better than the United Nations as a whole for all nine indicators or sub-indicators measured, and better than other MFIs for a majority of them. It gained high scores for strengthening capacity with coordinated support, for using countries' public financial management and procurement systems, and for joint missions and country analysis, though it scored less well on aligning its support with national procedures, aid predictability and use of common procedures.
24. As part of IFAD's commitment to mutual accountability – one of the partnership commitments of the Paris Declaration – the Fund has initiated a client and partner survey as a means for obtaining in-country perceptions on the performance of IFAD's

⁶ Document REPL.VIII/4/R.6, IFAD's response to the emerging role of the private sector.

⁷ Elements for assessing IFAD's partnership performance can be drawn from the Office of Evaluation's country programme evaluations (in, for instance, Bangladesh, Benin, Bolivia, Egypt, Mali, Mexico, Morocco and Rwanda) and regional strategy evaluations (in Asia and the Pacific, and in the Near East and North Africa); the findings of the Independent External Evaluation of IFAD; the 2006 Survey on Monitoring the Paris Declaration; the Partnerships in Progress report to the 2008 Farmers' Forum; the evaluation of the IFAD/NGO Extended Cooperation Programme; feedback from One United Nations Pilot country programme managers; and a review of trends in cofinancing.

⁸ It is useful to note that the programmes and strategies being evaluated were designed and implemented prior to recent reforms.

⁹ 2008 Survey on Monitoring the Paris Declaration: Effective Aid by 2010? What It Will Take, <http://siteresources.worldbank.org/ACCRAEXT/Resources/Full-2008-Survey-EN.pdf>.

(ongoing) country programmes. The survey was used for the first time in 2008, when it was sent to all 22 countries in which IFAD had an ongoing results-based country programme. In each country, it was sent to a range of stakeholders familiar with IFAD (representatives of government agencies and of the development community, including United Nations agencies, civil society and/or the private sector). The perceptions of these stakeholders is broadly positive: 85 per cent of IFAD country programmes were rated 4 or better for their contribution to national efforts to increase poor rural people's incomes, food security and empowerment; while 79 per cent were rated 4 or better for their adherence to the aid effectiveness agenda.

25. With respect to programme and project cofinancing, nearly three quarters of projects approved between 1978 and 2007 have included some kind of cofinancing arrangements.¹⁰ In many countries, there is evidence of well-established cofinancing partnerships, with such collaboration occurring in multiple projects over a number of years. In countries in conflict or post-conflict situations, the number of cofinancing partners is often higher than average. In general, it is difficult to identify patterns in cofinancing across countries, and, overall, cofinancing arrangements may reflect the distinct institutional relationships in specific countries or the collaboration cultivated by individual country programme managers.

VI. Approaches of other institutions

26. The World Bank and regional IFIs have all endorsed the Paris Declaration and are undertaking actions to improve their partnership capacities. To guide its efforts, the Operations Evaluation Department of the Asian Development Bank (AsDB) conducted an evaluation of the Bank's harmonization activities in the context of the Paris Declaration.¹¹ Based on the evaluation's findings, the AsDB is now developing specific provisions on partnership and harmonization within its operations manual.
27. Other IFIs are also identifying specific actions that will improve their partnership performance. The World Bank, for example, has recognized the need to reduce its reliance on parallel administrative units for programme and project implementation. AfDB is harmonizing its procurement rules and standard bidding documents with those of the World Bank. It also plans to expand its participation in joint country assistance strategies. The Inter-American Development Bank (IDB) is improving its country-level coordination with other donors by simplifying information and reporting requirements, and conducting joint assessments of national systems.
28. Several of these institutions have highlighted as a particular challenge the transaction costs that harmonization and partnership entail. The World Bank plans to seek agreement on harmonization of legal requirements as a way to lower the transaction costs of joint financing operations. AsDB has also noted the constraints it faces in forging partnerships with multilateral agencies whose memberships differ from its own. There is growing concern among some member countries about the proliferation of global and regional partnerships on a plethora of thematic issues. The Independent Evaluation Group of the World Bank is examining a range of partnerships to assess their effectiveness and role within the global aid architecture.
29. Cofinancing is also a key partnership issue for each IFI. The IDB's volume of cofinancing is increasing, with a major share supporting multisectoral programmes

¹⁰ Multilateral sources account for the majority of IFAD's cofinancing, comprising 70 per cent of the total cofinancing to date. Overall, the World Bank has provided the greatest volume of cofinancing – in nearly one third of cofinanced projects. Other top cofinancers, based on amount of resources, include AfDB, the OPEC Fund for International Development, the Arab Fund for Economic and Social Development, WFP, the Islamic Development Bank, the West African Development Bank, and the United Nations Development Programme. Cofinancing from bilateral agencies accounts for 20.5 per cent of the total. Among these, the top four, by amount of cofinancing, are Belgium, Germany, Netherlands and the United Kingdom.

¹¹ AsDB Evaluation Study, 2007. The Asian Development Bank's Approaches to Partnering and Harmonization: In the Context of the Paris Declaration on Aid Effectiveness.

and projects and the World Bank as its principal cofinancing partner. The AfDB has agreed to track its cofinancing levels as part of its results framework for AfDF's 11th resource replenishment. The AsDB has an extensive cofinancing strategy, which was first approved in 1995. The AsDB and World Bank each have dedicated offices responsible for managing cofinancing partnerships.

30. World Bank member countries have affirmed the Bank's role in providing a platform for donor harmonization, and the Bank recognizes that it sometimes needs to play a supporting, rather than a lead role, at the country level. It is also working to ensure that vertical funds are more effectively engaged in country-level analysis and operations. Thanks to enhanced country presence, the AfDB looks forward to playing a more active role in improving donor coordination and achieving an effective division of labour. The AsDB uses partnerships to leverage its impact in sectors where it has a limited engagement, relying on programme and sector-wide approaches, cofinancing and parallel financing partnerships.

VII. Partnership strategy and priorities for the Eighth Replenishment

31. During the replenishment period, IFAD will continue to strengthen its capacity for effective collaboration and partnership in priority areas, and will build on its existing strengths and experience to undertake a more systematic and strategic overall approach to partnership. It will give top priority to developing and strengthening the strategic partnerships identified above.
32. The calls issued this year for urgent collective actions for food security – including for a global partnership on agriculture and food – have given rise to a number of informal but highly focused forms of collaboration. IFAD is actively participating in some of these networks and partnerships to ensure that perspectives, interests and expertise related to rural poverty and smallholder agricultural development are taken into account. The premier example of such collaboration, at present, is the High-Level Task Force on the Global Food Security Crisis convened by Secretary-General Ban Ki-moon, which produced the Comprehensive Framework for Action.
33. IFAD will work to increase the volume and effectiveness of its cofinancing partnerships. A proactive approach will allow the Fund to make strategic choices in the context of increased interest and availability of resources from cofinancing partners. Increased cofinancing may also be achieved through expanded resources from the Global Environment Facility and enhanced collaboration with the private sector. IFAD will seek ways to increase the harmonization of cofinancing procedures to reduce the administrative burden on partner countries, an issue of particular concern in fragile states.
34. IFAD will strengthen partnerships and participate in networks to link ground-level innovations and best practices with actors that can replicate and scale up initiatives for greater results. This includes implementation of the IFAD Strategy for Knowledge Management and the IFAD Innovation Strategy. In the case of civil society organizations, a more systematic approach to identifying strategic apex organizations with which to collaborate may be useful. IFAD grants are an important tool for a proactive approach of this kind. In the context of the revised grants policy to be presented to IFAD's Executive Board in September 2009, further consideration could also be given to establishing as a criterion the need for grants to foster partnerships of particular strategic value for IFAD.

35. IFAD will further expand its linkages with CGIAR. The challenges of climate change mean that new technologies must be produced, adapted and applied with increased timeliness and effectiveness. This will require much stronger linkages between research in the international centres, adaptation at national and regional levels, and effective take-up and application at local levels. IFAD's partnership with CGIAR, further strengthened by the European Commission's recent decision to entrust IFAD with managing its financial support to CGIAR by channelling its contribution through IFAD, needs to be an integral component of a strengthened international public goods delivery system. This should translate into better linkages between IFAD-financed and CGIAR-led research and loan projects. IFAD has helped steer the institutional process that is driving this change. Once this process is complete, there may be scope for a strategic partnership with the CGIAR system as a whole.
36. IFAD will continue to collaborate with others to inform and influence policy and strengthen harmonization and improved standards, norms and measures of development effectiveness. As part of the corporate management results process, a limited number of institutional priorities for policy advocacy at the international level will be adopted each year, and IFAD will engage in advocacy on those issues in collaboration with its strategic partners and with other key organizations including the Permanent Forum on Indigenous Issues, the International Land Coalition, and Women Advocating for Change in Agriculture and Natural Resource Management.
37. IFAD will also continue to participate in a range of global and regional partnerships and initiatives focused on improving development effectiveness. Key among these are the Working Party on Aid Effectiveness, the Global Donor Platform for Rural Development, COMPAS, and informal IFI networks on the performance-based allocation system and the Debt Initiative for Heavily Indebted Poor Countries/Debt Sustainability Framework. Through active engagement, IFAD can also share the insights from its own experience and help shape the norms and standards for improved operational policies and practices. IFAD has a particular contribution to make to informal exchanges among United Nations organizations and IFIs on insights and lessons learned regarding the organizational reform process. It will review its performance on the 2008 Survey on Monitoring the Paris Declaration and identify actions, where necessary, to ensure that it can meet the Declaration's indicator targets for 2010. IFAD will support the World Bank's initiative to harmonize legal requirements, to the extent possible, and is committed to simplifying its legal instruments.
38. IFAD's contribution to the United Nations reform and the improvement of the development effectiveness of the United Nations system will continue through its ongoing participation in the the Chief Executives Board and its three principle committees.¹² It will report annually to the Executive Board on the progress made in implementing its commitments through the Triennial Comprehensive Policy Review (TCPR).¹³ It will also take any steps necessary to meet the 2010 targets for Paris Declaration indicators and will implement relevant TCPR provisions. It will also continue to work actively in the Delivering as One pilots to improve the operational effectiveness of the United Nations system.
39. Finally, IFAD will better equip itself to make strategic choices regarding partnership and collaboration, enabling it to determine – in a given situation – whether, with whom and how to collaborate to achieve greater results at an affordable cost. It will review existing partnerships at all levels, including all ongoing cooperation agreements and memorandums of understanding. Based on the findings of the review, it will:

¹² The High-level Committee on Programmes (HLCP), the High-level Committee on Management (HLCM) and UNDG.

¹³ Document EB 2008/93/INF.8. Progress in IFAD's implementation of the 2007 triennial comprehensive policy review.

- (i) Develop a framework to provide clearer definitions, objectives, criteria and indicators for IFAD partnerships, grounding it in the Fund's core values;
 - (ii) Develop greater partnership know-how, by enhancing staff skills in identifying, selecting, establishing and maintaining effective engagement in networks and partnerships;
 - (iii) Strengthen partnership systems to support partnership management, monitoring and evaluation; and
 - (iv) Build on insights regarding partnerships emerging from the joint AfDB/IFAD evaluation and facilitate learning about good partnership practices from both internal and external sources, including its partner feedback survey, to increase understanding of what current partners value about IFAD and to identify additional areas for improvement.
40. Partnership results will be measured through the cofinancing indicator and the results of the partnership survey in the Results Measurement Framework, and through continued improvement in IFAD's performance on the Paris Declaration indicators, to be reported to the Fourth High-level Forum on Aid Effectiveness in 2011. Progress will also be reflected in the performance results on the eighth corporate management result: more strategic international engagement and partnership.

VIII. The way forward: key actions

41. By the end of 2010, IFAD will have reviewed all major existing partnerships, including all ongoing cooperation agreements and memorandums of understanding. Based on the findings of the review, it will develop a framework to provide clearer definitions, objectives, criteria and indicators for IFAD partnerships.
42. More specifically, in establishing, managing, monitoring and evaluating its partnerships, IFAD will include the elements outlined below:

Sound governance principles

43. These are the ethical guideposts that help define the partnership and govern interaction. Most successful and enduring partnerships are built on principles of equity, mutual trust, accountability, respect, shared values and transparency. In addition, a principle of efficacy requires that the strategic objectives for establishing the partnership be clear and well defined from the outset.

A well-defined, systematic institutional approach

44. An effective approach reflects an understanding of the stages of partnership, from scoping and building, to managing and maintaining, to reviewing and revising. It also reflects the need to define, at the outset, the objectives, strategies and criteria for evaluation. It needs to acknowledge the costs of partnership, which include human and financial resources. These costs should also be identified and agreed by the partners early in the collaboration.

Relevant knowledge and skills, institutional capacity for learning and adapting

45. The knowledge base for effective partnerships draws on organizational theory and organizational behaviour, stakeholder analysis and other social change methods. Those responsible for building partnerships need positive attitudes and strong interpersonal skills, including skills in communications, negotiations, alliance-building and brokering, and conflict resolution. The institution needs to be flexible and adaptive, able to take risks and to reflect on experience and modify strategies and approaches.

Appropriate institutional structure, systems and tools

46. Tools and instruments to support the establishment, resourcing, management and evaluation of partnerships are essential for improving the strategic value and effectiveness of such collaboration. This should include processes for the regular review and renewal of partnerships, and clear procedures for developing and agreeing on exit strategies for ending partnerships, when appropriate.