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Enabling poor rural people
to overcome poverty

Information note on progress in developing a more strategic approach to partnership and collaboration

Note to Executive Board representatives

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Information note on progress in developing a more strategic approach to partnership and collaboration

I. Introduction

1. IFAD's traditional emphasis on partnership and collaboration is more necessary than ever to meet the challenges, manage the risks, and harness the opportunities that characterize today's rural environment. In the midst of rapid and far-reaching change, against the backdrop of renewed global attention to agriculture, food security, and nutrition, IFAD recognizes that working strategically at all levels with other actors is mandatory for improving the effectiveness, efficiency, sustainability, and scale of its results and impact.
2. A priority focus on partnership is reflected in the new Strategic Framework, which highlights the need for IFAD "to strengthen its capacity to lead or contribute to national and international initiatives around small-scale agriculture, food security and rural poverty reduction..." To this end, the Framework includes "effective partnerships and resource mobilization" as one of eight principles of engagement. Under this principle, the Fund will "seek partnership opportunities and enhance its capacity to operate effectively with partners...in all thematic areas and at all levels."
3. This emphasis in the Strategic Framework builds on the partnership focus of the IFAD 8 agreement. For the 8th replenishment period, IFAD committed to better equip itself for a more selective and systematic approach to partnership and collaboration. It has made progress in each of the priority areas for action, as briefly noted in Annex I.
4. Under IFAD 8, Management also agreed to develop guiding principles or a framework to provide conceptual coherence and clarify expected results and, if indicated, enhance staff skills in this area and strengthen the Fund's systems for partnership management, monitoring, and evaluation. Management also pledged to establish targets for partnership and report results in the Report on IFAD's Development Effectiveness (RIDE).
5. Management agreed that it would report to the Executive Board in September 2011 on the success of its efforts to develop a more selective approach to partnership. This information note provides an update on efforts to date to develop such a strategy, an initial draft of which will be prepared for informal discussion with the Executive Board in December.

II. Background

6. For IFAD, the importance of effective partnerships and collaboration derives both from its distinctive institutional character and its position within the global aid architecture, as well as from the dynamics of the current context for achieving its mission.
7. IFAD brings a number of significant assets to its partnerships. Among the most fundamental is its unique and specialized mission of enabling poor rural people to overcome poverty. Because of this, it brings a distinct and unique institutional point of view to any collaboration, along with expertise in targeting resources to smallholders and poor rural producers. The Fund is a repository of specialized knowledge and expertise and is guided by a strategic vision that is grounded in that knowledge. Over the years, the Fund has built strong relationships of confidence and trust with key stakeholders in borrowing countries. On the basis of these relationships, it is in a position to provide its good offices as a facilitator among actors renewing their engagement in agriculture or coming new to the sector. The Fund's catalytic role also comes from its status as an institutional hybrid: as a specialized UN agency, it can serve as a platform for deliberation and collective action, while

managing financial resources and being held to the performance standards of international financial institutions.

8. These partnership assets are especially relevant to today's renewed and expanded global attention to agriculture and food and nutrition security. At a time when many bilateral agencies are in the process of rebuilding their institutional capacity in agriculture and rural development, IFAD's ability to play a catalytic and synergistic role can be improved with a more systematic and strategic approach to partnership. In this context, the Fund is serving as a ready vehicle for attracting and targeting resources to rural poor people, as demonstrated by the increase in the volume of international and domestic co-financing in recent years.
9. Improved collaboration and partnership are also needed to create better alignment of efforts, as well as more effective outreach and communication at all levels. In an era of knowledge-intensive agricultural production and productivity, better collaboration can lead to more effective knowledge management and use. Better alignment, communication, and knowledge management can be instrumental in mobilizing and sustaining the scale of resources needed to achieve agreed international goals.
10. When effective, collaboration and partnerships create synergies and divisions of labour leading to increased impact, improved efficiency, greater sustainability and expanded scale. At the same time, there are transaction costs and possible trade-offs involved in establishing, sustaining, monitoring, and evaluating partnerships and collaboration and organizations require tools for assessing these costs in relation to potential benefits. Partnerships with the private sector typically pose challenges that reflect the different roles, institutional cultures, and forces that motivate the public and private sectors.
11. IFAD's partnership performance includes both areas of strength and areas for improvement. Its collaboration with borrowing member states is generally rated positively. In the Results Measurement Framework client survey for 2010, for example, 100 per cent of the respondents rated IFAD as moderately satisfactory or better for its adherence to an aid effectiveness agenda, including country ownership, alignment, and harmonization – thereby meeting the target set for 2012. External reviews, including the MOPAN¹ and QUODA², have also given IFAD strong scores on harmonization and minimizing the burden on national development management. Perhaps most telling, domestic investment for IFAD-supported projects in 2010 was more than three times the yearly average during the IFAD 7 period (2007 – 09).
12. Earlier assessments by the Independent Office of Evaluation of IFAD found the Fund's performance falling short in its partnership and collaboration with other multilateral and bilateral donors at the country level. There is reason to believe, however, that this is being remedied to a significant extent as a result of IFAD's expanding country presence. At the global level, IFAD continues to broaden and deepen its collaboration with a wide variety of actors, as noted in Table 2. The recent evaluation of IFAD's Private Sector Development and Partnership Strategy provides numerous insights for improving collaboration with the private sector and these will inform the revision of the strategy, to be completed this year.
13. Clear functional priorities for partnership and collaboration emerge from IFAD's Strategic Framework 2011 – 15. These include:
 - (a) Improving project and programme impact (including co-financing, implementation agreements, division of labour, complementarity of strengths and expertise, and multi-sectorial collaboration);

¹ Multilateral Organisations Performance Assessment Network Report on the International Fund for Agricultural Development, January 2011

² Quality of Official Development Assistance Assessment, Brookings Institute and Center for Global Development, 2010

- (b) Expanding results through scaling up (through horizontal replication, functional expansion and multi-sectorial coordination, and vertically through policy dialogue and advocacy);
 - (c) Harnessing new opportunities and managing risk through innovation and knowledge management; and
 - (d) Creating an enabling environment and mobilizing additional resources through policy dialogue, and advocacy.
14. IFAD will pursue these functional priorities within the areas of thematic focus identified in the Strategic Framework, specifically, those areas where investment and action beyond its comparative advantage is most needed. For example, partnerships will be crucial for IFAD to promote synergies between agricultural production and non-farm sectors, and to create a more enabling environment for poor rural women and men to build their pathways out of poverty. Partnership and collaboration in functional priority areas takes place at all levels -- local, regional, national, and global.

Table 1. National level partnership and collaboration

Objective	Collaboration and partnership activities	Potential partners and collaborators	Mechanisms and tools	IFAD tools
Improve project and programme impact through harmonization, consolidation, rationalization of development partners and programs, and alignment with country plans and strategies	Communications, joint planning and coordination, shared missions, harmonized M & E and reporting requirements, knowledge sharing, policy dialogue and advocacy	Borrowing country ministries, multilateral and bilateral development agencies and IFIs, international NGOs, private sector entities, national farmers' and civil society organizations	Donor coordination platforms and working groups, UN country teams, national development strategies and compacts, SWAps, multi-donor trust funds, mutual accountability frameworks	COSOPs Country presence Country management teams Knowledge networks Grants
Scale up by expanding beneficiaries, horizontal replication, or functional expansion and increased impact through multi-sectorial coordination	Joint planning and coordination, joint projects, co-financing		Partnership agreements and MOUs, co-financing agreements	Co-financing agreements, implementation partnerships
Scaling up vertically through policy dialogue and advocacy	Communication, knowledge sharing, M&E, policy analysis and formulation, policy dialogue and advocacy		Donor coordination platforms, coalitions and alliances	Country presence Grants Knowledge networks
Harness new opportunities and manage risk through innovation and knowledge management	Knowledge sharing, identification and testing of innovations and best practices,	All of the above, research institutions, and universities	Research, evaluation, action learning, Communities of Practice	Knowledge networks, grants

Table 2. Regional and global partnership and collaboration

Objective	Partnership and collaboration activities	Types of partners	Partnership and collaboration examples
Providing leadership and advocacy opportunities for smallholders, influencing policy agendas, creating an enabling environment	Building awareness, understanding, and knowledge Identifying and calling attention to key issues, problems, and challenges Establishing norms and standards Promoting accountability	Member states, UN agencies, especially FAO and WFP, private sector, civil society and farmers organizations	High-Level Task Force on Food Security, Responsible Agriculture Investment initiative, Farmers Forum, Indigenous People's Forum, Informal coalitions on selected issues
Strengthening institutional capacity for effective development and results	Knowledge sharing, dialogue and joint inquiry, identification of innovations and best practices, South-South cooperation and knowledge exchanges	Farmers' organizations, bilateral and multilateral development organizations, think tanks, research institutions, universities, civil society organizations, private sector entities	Farmers Forum, Global Donor Platform for Rural Development, CGIAR, Brookings Institution, World Bank
Increase mobilization of resources for pro-poor agriculture and rural development	Global co-financing agreements	Bilateral and multilateral development agencies, IFIs, the private sector, civil society	Islamic Development Bank co-financing agreement, Global Environment Facility, Global Agriculture and Food Security Program, L'Aquila Food Security Initiative, European Commission Food Facility, Spanish Food Security Co-financing Facility Trust Fund

III. Developing a more selective and systematic approach

15. Under the guidance of the Chief Development Strategist, an initial phase of work is underway, which will lay the groundwork for developing a strategy for a more selective and systematic approach to partnership. This first phase, which will be completed and reported to the Executive Board by the end of 2011, includes an assessment of the full range of IFAD's existing partnerships and the development of agreed definitions, a framework, and recommendations for action. Implementation monitoring, and evaluation of the framework and agreed actions will constitute the second phase.
16. This initiative is coordinating closely with other work streams that are addressing related aspects of partnership and coordination. These include the revision of IFAD's private sector strategy, implementation of the findings of the joint evaluation of agricultural development projects with the AfDB, strengthening of IFAD's approach to scaling up, its support for South-South cooperation, and its capacity for international policy engagement.

17. The goal, objectives, outcomes, and outputs of the first phase are outlined below.

A. Goal

18. The goal of this initiative is to enhance IFAD's overall effectiveness, efficiency, sustainability, and scale of its results and impact, by equipping it better to partner and collaborate with other actors to achieve its strategic objectives.

B. Objectives and activities

19. To achieve the above goal, IFAD will undertake specific activities related to the following objectives:

- (a) **Clarify IFAD's objectives, key concepts and definitions, criteria, and priority focal areas with respect to partnership and collaboration at the national, regional, and global levels.**

We will hold a **formative workshop** and conduct **key informant interviews**. These activities will serve to establish the parameters of the initiative; review information and analysis on context and trends; seek agreement on definitions and key concepts, including agreement on criteria for effective partnership and collaboration.

- (b) **Take stock of IFAD's existing partnerships and collaboration and assess IFAD's institutional capacity for identifying, establishing, sustaining, monitoring, and evaluating partnership and collaboration.**

We will conduct a desk review and map IFAD's existing partnerships and collaborative relationships. This will include a review of formal partnership agreements with reference to the criteria for effective partnerships and collaboration agreed at the formative workshop.

We will carry out an institutional capacity assessment, which will include a review of current programme guidance on partnership and collaboration, tools, training, skills development, knowledge management and resources, and monitoring and evaluation. The review will give particular attention to IFAD Country Offices, their partnership activities and resources.

- (c) **Formulate a strategy to rationalize and provide direction and guidance for IFAD's collaboration and partnership.**

The results of the formative workshop and key informant interviews, desk review and mapping of existing partnerships, and the institutional capacity assessment, will provide the basis for a framework for IFAD's partnership and collaborative relations. For purposes of formulating the framework, we will also undertake an exercise to benchmark frameworks, approaches, and performance of selected comparator organizations.

- (d) **Develop recommendations for implementation priorities and for further inquiry or action on specific aspects of IFAD's approach to partnership.**

While a full implementation plan will be developed following adoption of the partnership strategy, the draft strategy will highlight the key priorities for implementation and identify areas that may require further reflection or inquiry.

20. IFAD's Operations Management Committee (OMC) will be kept informed of progress of the work described above and their input and feedback will be sought regularly. The initial draft strategy will be presented to the Executive Board for discussion at an informal seminar in December 2011. The final strategy will be approved by the Executive Management Committee (EMC) for presentation to the Executive Board in April 2012.

IV. Outcomes

21. By the end of the first phase, IFAD will have developed a strategy for partnership and collaboration that includes a conceptually clearer, more systematic, selective, and strategic approach. On the basis of the new strategy, IFAD will discontinue inactive, non-performing, and non-value-adding partnerships and collaborations. Its active partnerships will be clearly identified, justified, monitored, evaluated, and reported. To this end, the strategy will include an indicator for its results framework that evaluates the quality and outcome of its partnerships on the ground.
22. It will have identified any areas requiring further inquiry, as well as specific actions needed to implement the strategy and to strengthen its institutional capacity for effective partnerships and collaboration. It will build on the strategy's partnership criteria and key factors for successful partnerships to develop guidance and training materials for project and programme design, implementation, and evaluation.

Progress on IFAD 8 commitments regarding partnership and collaboration

IFAD 8 commitments	Briefly noted progress to date
1. Further deepen partnerships with FAO and WFP, farmers' organizations, other IFIs, and IFPRI	<ul style="list-style-type: none"> • Expanding portfolio with FAO Investment Centre, • Co-sponsorship with FAO of Responsible Agriculture Investment • IFAD, FAO, WFP co-sponsorship of the Global Agriknowledge Share Fair • Strategic Framework of Cooperation: EC, FAO, WFP, IFAD • Islamic Development Bank co-financing agreement • OPEC Fund for International Development framework agreement for increased cooperation • Continually expanding cooperation with World Bank and African Development Bank
2. Increase overall volume and enhance strategic value of co-financing partnership	<ul style="list-style-type: none"> • Spanish Food Security Co-financing Facility Trust Fund (€300 million) • European Commission Food Security Initiative • Global Agriculture and Food Security Programme • 50% increase in resources for 2011 lending programme • 58% of ongoing projects receiving international co-financing, against a 2009 baseline of 56% and a 2012 target of 65%
3. Establish new partnerships with foundations, new official donors and private sector actors, strengthen existing partnerships, such as those with the CGIAR	<p>Ongoing, exploratory discussion with Gates Foundation</p> <p>Exploratory discussions with selected corporate actors such as Unilever, Coca-Cola, and Sysco</p>
4. Promote South-South partnerships for sharing successful approaches to rural poverty reduction	<p>Ongoing development of a corporate South-South Cooperation programme for IFAD, to be presented to the October session of the IFAD 9 replenishment consultation</p>
5. Build on its participation in UN initiatives and collaborate with others to influence policy and strengthen harmonization and improve measures of development effectiveness	<p>Active participation in:</p> <ul style="list-style-type: none"> • High-level Task Force on Food Security • G-8 and G-20 deliberations and processes • Committee on World Food Security • Global Agriculture and Food Security • UN Chief Executives Board High-Level Committee on Programmes • Global Donor Platform on Rural Development