Transition Framework
Improving the Mix of Instruments

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A longer term view increases effectiveness in the short term

Country strategies to facilitate **sustainable transitions**
Proposing concrete measures to tackle specific practical bottlenecks

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<td><strong>Ad hoc</strong> partnerships</td>
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<td><strong>Multiple</strong> methodologies</td>
<td><strong>One-single</strong> measurement approach</td>
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<td><strong>High-level directives</strong></td>
<td><strong>Tailored</strong> to drivers of source of cofinancing</td>
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Cascading corporate targets based on evidence from experience

Corporate target 1.4

Leverage on best performers
Based on analytical evidence

Domestic 0.8
International 0.6

Ambitious

Identify gap based on regional historical performance
Allocate gap based on IFAD11 PBAS by region

Realistic

Regional targets

Allocate 90% of gap to all countries
Allocate 10% of gap to best performers

Country indicative targets
Aligning internal work processes through a monitorable action plan

Efforts that everybody should undertake

- Design larger operations
- Foster programmatic approaches
- Focus on co-financing from the outset (COSOP and project design)
- Undertake early, effective consultations with potential co-financiers
- Foster strong relationships at institutional level
- Focus on pooled arrangements if possible
- Consider country-specific circumstances
- Strengthen collaboration with MoF

Increase efforts to enable cofinancing

- Adequately resource COSOP preparation
- Increase focus from IFAD leadership
- Enhance support from PRM
- Allow flexibility regarding processes
- Make co-financing a top priority in discussions with other MDBs
- “Sustain” institutional MOUs
- Use IFAD success stories to attract co-financing
A longer term view increases effectiveness in the short term

Country strategies to facilitate **sustainable transitions**
Meeting an unmet demand for regional operations

Cross-border development problems

Small States of Carribeans
- Climate smart agriculture and youth entrepreneurship

Lakes in Africa
- Strengthen the management of fishery resources

South Asia
- Strengthen agribusiness activities across borders
Launching pilot using IFAD’s current instruments

Financing regional operations in IFAD11

**Financing core activities**

Country 1  
IFAD PBAS

Country 2  
IFAD PBAS

Country 3  
IFAD PBAS

**Financing further regional integration**

Regional grant  
Strengthening regional integration

Regional Lending Operations  
(based on demand from countries)
Pooling resources to ensure more efficient and effective operations

**Design**
- One design process under leadership of one CPM

**Supervision**
- Supervision conducted holistically for entire RLO by one CPM

**Financial management and audit**
- With overall accountability assigned
Investing upfront on preparation is the key lesson from other partners.

Single-country operation

- Coordination among borrowers
- Design
- Implementation

Regional Lending Operation

- Coordination among borrowers
- Design
- Implementation

Development results

IFAD
Investing in rural people
A longer term view increases effectiveness in the short term

Country strategies to facilitate **sustainable transitions**
Defining the mix of support based on more systematic diagnostics

IFAD mix of instruments

- COSOPs
- COSOPs results review
- COSOPs completion review
Continuously assessing macro-economic and poverty trends

Macroeconomic scenarios and resource envelope
Understanding trajectory of key rural development challenges
Adjusting our interventions according to evolving scenarios

IFAD mix of instruments

- COSOPs
- COSOPs results review
- COSOPs completion review
The example of Mauritania

What government can afford

- **High case**
  - 4% – 6.5% GDP growth rate

- **Base case**
  - 2.3% GDP growth rate

- **Low case**
  - Deterioration

What government needs to solve

[Diagram showing Mauritania with axes for partnerships and value chains (SO3) and food and nutrition security (SO1)]
Aligning our COSOPs to the new generation of UNDAFs
Thank you