Update on the development of a cofinancing strategy and action plan

Ruth Farrant
Director, Financial Management Division (FMD)
Financial Operations Department (FOD)

Lisandro Martin
Director, West and Central Africa Division (WCA)
Programme Management Department (PMD)

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Cofinancing as one key dimension of IFAD’s Business Model

<table>
<thead>
<tr>
<th>Key dimensions</th>
<th>IFAD11 focus</th>
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<tbody>
<tr>
<td>Resource mobilization</td>
<td>Assembling development finance to maximize impact</td>
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<td>Resource allocation</td>
<td>Focusing on the poorest people in the poorest countries</td>
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<td>Resource utilization</td>
<td>Doing development differently</td>
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<td>Transforming Resources</td>
<td>Embracing a culture of results and innovation</td>
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Strategy based on strong quantitative and qualitative evidence

- Data analysis
- Qualitative feedback from IFAD
- Strategy differentiated by funding source
- Experience from other IFIs
- Guidance from TFWG
Vision and principles, a strategy beyond IFAD11

1. Cofinancing as means to an end for greater impact
2. Focus on results and sustainability of interventions
3. Action plans for sustained partnerships
4. Complementarity of IFAD
5. Country-specific approach
6. Strengthened institutional support
# Systematized efforts for resource mobilization

<table>
<thead>
<tr>
<th>TODAY</th>
<th>IFAD11</th>
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<tbody>
<tr>
<td>High-level directives</td>
<td>Strategic directions by source</td>
</tr>
<tr>
<td>Ad-hoc discussions</td>
<td>Mainstreamed priority in COSOPs and projects</td>
</tr>
<tr>
<td>Light accountability</td>
<td>Defined roles and responsibilities in action plan</td>
</tr>
<tr>
<td>Multiple measurement methodologies for IKC</td>
<td>One measurement approach for IKC</td>
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<td>Single corporate target</td>
<td>Differentiated targets with focus on domestic resource mobilization</td>
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Strategic directions by funding source
Domestic cofinancing

Domestic cofinancing
IFAD11 target: 0.8

- Governments (60%)
  - Engage will all relevant counterparties at national level
  - Engage timely at COSOP and project level
  - Programmatic approach with larger simpler projects

- Beneficiaries (19%)
  - Increase beneficiaries’ participation in project cycle
  - Focus on remittances

- Domestic financial institutions (11%)
  - Focus on credit enhancement and risk mitigation
Strategic directions by funding source

International cofinancing

IFAD11 target: 0.6

Multilaterals (65%)

- Pursue *complementary* with IFAD
- Sustain *partnerships* through enhanced country presence
- Increase *flexibility*
- Focus on *climate funds*

Bilaterals (17%)

- Adopt a *selective* engagement with key partners
- Focus on *pooled arrangements*
- Leverage SSTC and KM centres
Strategic directions by funding source – Private sector, reinforced by the PS strategy

- Scale up successful models (4Ps)
- Leverage existing networks for strengthened engagement
- Leverage the TAF of the ABC fund
Action plan for effective implementation

Effective Framework for Resource Mobilization

- Identify opportunities
- Engage at multiple levels
- Adopt single measurement and enhanced monitoring
- Communicate results
Main action to internally sustain cofinancing agenda at all levels

- Sounder **country context analyses** to sustain discussions with governments and partners
- Partner **mapping and matrix** for prioritization
- Enhanced focus during **COSOP and project review process**
- **Action plans** to strengthen MOUs
- **Flexibility in procedures** to adapt to key larger partners
- **Accountability** of regional directors for internal targets
- **Incentives** for staff
- Training and system upgrade for **strengthen monitoring and measurement and reporting**
Main actions for successful engagement with cofinanciers

- Enhanced focus on cofinancing at **early stages of COSOP and project preparation** with all relevant counterparts
- **Clear identification** in COSOPs of key partners, venues, structures pipeline exchange
- **Early agreement** (at design stage) of joint requirements to avoid bottlenecks
- **Showcasing** of successful examples and models of cofinancing
- **Outreach to MDBs** to include cofinancing in joint meetings
Thank you