

Document: EB 2018/124/R.19/Add.1  
Agenda: 7(c)(i)  
Date: 28 August 2018  
Distribution: Public  
Original: English

E



Investing in rural people

## Comments of the Independent Office of Evaluation of IFAD on the Country Strategic Opportunities Programme for the Republic of India

### Note to Executive Board representatives

#### Focal points:

#### Technical questions:

Oscar A. Garcia  
Director  
Independent Office of Evaluation of IFAD  
Tel.: +39 06 5459 2274  
e-mail: o.garcia@ifad.org

Fabrizio Felloni  
Deputy Director  
Tel.: +39 06 5459 2361  
e-mail: f.felloni@ifad.org

#### Dispatch of documentation:

Deirdre McGrenra  
Chief  
Governing Bodies  
Tel.: +39 06 5459 2374  
e-mail: gb@ifad.org

Executive Board — 124<sup>th</sup> Session  
Rome, 11-13 September 2018

---

For: Review

# Comments of the Independent Office of Evaluation of IFAD on the Country Strategic Opportunities Programme for the Republic of India

## Background and general comments

1. In 2016 the Independent Office of Evaluation of IFAD completed a country programme evaluation (CPE) in India, covering the period from 2010 to 2015. In 2016 the Government of India and IFAD signed an agreement at completion point as a basis for preparation of the country strategic opportunities programme (COSOP) for 2019 to 2024.
2. The CPE found that the IFAD-funded portfolio had successfully built grass-roots institutions, empowering and improving the lives of women, scheduled castes and tribes in highly disadvantaged areas of India. Impact on household assets and income and on human and social capital was satisfactory, while it was moderately satisfactory on natural resources and climate change and on institutions and policies. The challenging conditions in the project areas, combined with the constraints facing the civil service at the state level, plus ambitious project design, caused delays in project start-up and slow implementation.
3. The main recommendations from the CPE included the following:
  - a) Continue prioritizing disadvantaged areas and groups, while differentiating the component mix and approaches to the level of technical specialization by agroecological and socio-economic context.
  - b) Focus the projects' agricultural development components more prominently on technical solutions for rainfed agriculture, and collaborate more with local and national applied research and extension.
  - c) Include interventions in non-agricultural activities, in order to help diversify rural households' incomes and develop processing and value addition.
  - d) Address efficiency of portfolio implementation. On the one hand, this requires simplification of project design. On the other hand, the central and state governments and IFAD need to review factors causing implementation delays, such as: (i) procedures for recruiting project staff and their compensation packages; (ii) concurrent assignment of project directors, which limits the time they have available for project management; and (iii) procurement procedures.
  - e) Strengthen partnerships and non-lending activities with central and state governments, private actors and the rural finance subsector, and strengthen South-South cooperation.
  - f) Enhance the capacity and resources for non-lending activities, by:
    - (i) embedding knowledge management and policy dialogue components in individual loans; (ii) exchanging knowledge and discussing policy issues during the tripartite meetings (between IFAD, the central government and the project teams); and (iii) mobilizing funding from external sources (national and international).
4. The COSOP formulation shows a clear effort to follow up on the recommendations of the 2016 CPE. The COSOP maintains an emphasis on scheduled tribes, castes and women, while adding attention to youth. It adds specific emphasis on technical aspects of rainfed agriculture. Compared to the past, this new COSOP gives more attention to non-lending activities and to India's role in supporting South-South and Triangular Cooperation.

### Specific comments

5. The strategic directions of the COSOP are presented in a clear manner, are consistent with the national policies and IFAD's Strategic Framework 2016-2025, and are linked with the Sustainable Development Goals. In articulating its strategic axes, in some cases the COSOP refers to concrete opportunities and recent experience from the IFAD-funded portfolio – such as in the case of the Better Cotton Initiative in Maharashtra and the Sustainable Spices Initiative in the North-east – as examples of engagement on sustainable trade in collaboration with private actors.
6. In other cases, further elaboration would have helped strengthen the argument. As an example, the COSOP mentions scaling-up opportunities provided by public programmes at the state or federal level (paragraphs 39 and 40). The 2016 CPE had identified untapped opportunities for collaboration with programmes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme or the National Rural Livelihoods Mission. These could have been briefly discussed in the COSOP.
7. Similarly, under Innovations (paragraphs 56 and 57), some concrete examples of production technology for smallholder farmers in rainfed areas, or opportunities offered by information and communication technology (for example mobile banking), would have offered a good illustration of the potential.
8. Towards smoother implementation performance. The 2016 CPE noted common and recurrent problems, such as belated start-up and delays in implementation of projects. While some had to do with complex project design, most stemmed from a mismatch between project requirements and the existing capacity and procedures of state-level agencies for project staff selection and procurement. These caused high project staff turnover and long, drawn-out procurement processes. The new COSOP could have discussed the measures foreseen to improve on the past situation. This is important, because without dedicated measures implementation issues are likely to reappear, affecting the effectiveness and efficiency of the country programme.
9. The COSOP strategic objective and result management framework. The COSOP has a single strategic objective: "smallholder food and agricultural production systems are remunerative, sustainable and resilient". The way in which this objective is structured encompasses numerous areas of thrust, such as natural resource management, climate change adaptation, agricultural production and productivity enhancement, non-agricultural revenues and income diversification, and access to markets and value chains. For conceptual clarity, it would be useful – in addition to the existing results management framework – to draw up a simple theory of change in graphic form to explain how these areas of thrust are interconnected, how they are expected to contribute to the final expected results, and what the main underlying assumptions are.
10. While the results framework is established at COSOP level, most indicators will have to be collected at project level, and the question will emerge as to how project-level indicators should be aggregated, particularly given the high number of projects funded by IFAD in India. IFAD may consider options such as a two-step scoring or "traffic light system", whereby each project is first assessed on a set of on indicators and then the whole country programme is assessed based on the proportion of projects that score low/high and on the "weight" of each project.
11. The intention stated in the COSOP to continue conducting annual outcome surveys at the project level (paragraph 49) is welcome. The 2016 CPE found that these surveys provided more relevant and timely information when compared to the Results and Impact Management System, although the analysis methodology could have been improved.

12. The COSOP results management framework proposes a set of indicators for outputs and results. At this stage, these are useful as a preliminary choice. However, based on the experience with individual project outcome surveys, the list of indicators may be updated and additional or alternative indicators introduced (e.g. on household food security). In regards to natural resource management and climate change adaptation, IFAD could also consider collaboration with a research institute to analyse remote sensing data on trends in vegetation cover. This may prove to be a more reliable and cost-effective source of data on these topics when compared to household-level interviews.
13. The COSOP also contains the preliminary concept note on a new proposed project: "Scaling Up Renewable Energy-Based Agricultural Technologies for Empowering Smallholder Farming Families in India". This project addresses one of the recommendations of the previous CPE (a more explicit focus on technical solutions for rainfed agriculture, especially in light of climate change). Of particular interest is the option of supporting local public agricultural extension centres (Krishi Vigyan Kendra) in disseminating technology adapted to local conditions. Given its envisaged contents, size, implementation partner and broad geographic coverage, the following elements require attention:
  - a) The Indian Council of Agricultural Research is a new implementation partner for IFAD. Its capacity to manage a programme of this size (US\$200 million in estimated total costs, of which US\$90 million in the form of an IFAD loan) needs to be assessed carefully.
  - b) Coverage of eight states is a challenge from a managerial point of view. It will be fundamental to assess the capacity of the state-level Divisions of the Indian Council of Agricultural Research.
  - c) Attention will need to be paid to building synergies with ongoing IFAD-funded projects in the states where there is overlap.

#### Final remarks

14. The Independent Office of Evaluation of IFAD acknowledges the efforts made in the new India COSOP to follow up on the recommendations of the 2016 country programme evaluation, in line with the agreement at completion point. It remains available for support as required.