Country-level policy
engagement in IFAD
A review of experience

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IFAD

Investing in rural people

Introduction

Policies affect every dimension of the institutional and legal context in which poor rural people pursue their livelihoods; they shape the world they live in and the economic opportunities open to them. Supportive policies can go a long way towards providing the conditions in which people can lift themselves out of poverty. Conversely, policies that do not create opportunities, or that exclusively reflect the interests of other economic players, can be an insuperable barrier or an unbridgeable gulf – roadblocks barring the way out of the poverty trap.

Thus, an enabling country-level policy environment for agriculture and rural development is not only critical for effective implementation of IFAD-supported projects, but also a precondition for enabling rural people to overcome poverty. As IFAD shifts its focus from exclusively project-specific goals to making a broader contribution to rural poverty reduction, engaging in country-level policy processes is becoming an increasingly important activity within country programmes, supported by dedicated services and products, and an important mechanism through which to scale up proven approaches and lessons learned at the project level.

The need to enhance IFAD's engagement in country-level policy processes has been recognized in key corporate documents, such as the Strategic Framework 2011-2015 and most recently the IFAD10 Consultation Report, where IFAD outlined its approach to country-level policy engagement (CLPE) and made a specific commitment to ensure that "100 per cent of COSOPs ... define a specific approach for country-level policy engagement appropriate to IFAD's programme in each country".[1] To this end, the Policy and Technical Advisory Division (PTA) is now working to build technical capacity within IFAD to support policy engagement in individual countries.

A key aspect of efforts to strengthen CLPE across IFAD is understanding the current status of policy engagement. Anecdotal evidence has suggested that IFAD's support for, and involvement in, national policy processes is probably more widespread than has been recognized. However, in the absence of systematic documentation of these experiences, there has been a gap in knowledge about the scope, successes and limitations of IFAD's country-level policy engagement.[2]

This review of IFAD's ongoing activities seeks to fill that gap. It seeks to provide evidence of the extent of and modalities for IFAD's involvement in policy processes, in the different regions and within the Programme Management Department as a whole; draw lessons from its experience to date and offer opportunities for comparison and exchange; feed into an evidence base for future country-level policy engagement work; and identify areas in which PTA can offer further support to the regional divisions as they pursue their agendas for policy engagement.

Conducted during 2014 and 2015, the review is based on an analysis of key documents such as country strategic opportunities programmes (COSOPs), project and grant design reports, supervision reports, and the annual portfolio review for all five of IFAD's regional

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1. https://webapps.ifad.org/members/repl/10/4/docs/IFAD10-4-R-2-Rev-4.pdf
2. The lack of documented evidence has also made it difficult to disagree with the analyses of IFAD's Independent Office of Evaluation and the Brookings Institution, both of which have drawn attention to the limitations of IFAD's engagement in national policy processes.

Policy engagement versus policy dialogue

In the past, the term "policy dialogue" has frequently been used to describe IFAD's role in country-level policy processes. However, the term dialogue suggests a particular approach: one based on a bilateral relationship between IFAD and the national government, focused on discussing policies and approaches. While such an approach is not excluded, the range of policy-related activities that IFAD either conducts or facilitates is far broader than policy dialogue alone. The term "country-level policy engagement" is thus used to describe the range of approaches that IFAD adopts to collaborate, directly and indirectly, with partner governments and other stakeholders in order to influence the priorities, design, implementation and assessment of national policies that shape the opportunities for large numbers of rural people to move out of poverty.

divisions.[3] Additionally, it draws on interviews with CPMs, which were used to gather more in-depth information regarding policy activities not evident through the review of documents. The interviews provided valuable insights into IFAD's overall strengths and weaknesses in individual countries vis-à-vis engagement in policy processes, as well as more detailed information on individual projects and grants. The main report offers an overview of IFAD's work in CLPE; five annexes provide more specific information about the country-level policy engagement each region has undertaken.

Because IFAD's country programmes are in constant flux, any review such as this inevitably chases what is effectively a moving target. For this reason, the review may exclude some new policy-related activities and include some that have recently closed.[4] In addition, limited reporting of policy-related activities means that it is not easy to build a comprehensive picture of what IFAD is doing in this area. It does, however, serve to provide a broad picture – and a distinct flavour – of IFAD policy engagement at the country level.

Finally, it is worth noting that this document provides a review of current practice and some recommendations based on that review's findings. But it does not provide extensive analysis of why there is variation among countries, instruments or regions in the extent of policy engagement, or what factors may prevent regions/countries from increasing or improving their policy engagement.

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3. Asia and the Pacific (APR), East and Southern Africa (ESA), Latin America and the Caribbean (LAC), Near East, North Africa, Europe and Central Asia (NEN), and West and Central Africa (WCA).
4. For example, additional and highly successful policy activities have been supported through a dedicated fund within the Initiative for Mainstreaming Innovation (IMI), financed by the United Kingdom's Department for International Development. In 2014-2015, eight countries received support to achieve specific policy engagement objectives that fell outside of projects or grants. Separate case studies are available documenting the success of these initiatives.

Key findings

- Overall, the picture is a positive one. An increasing number of country programmes and investment projects are focusing on policy issues, and country programme managers (CPMs) also are investing more of their time in policy processes. However, while much progress has been made, there is still wide variation between countries and regions, and room for further improvement.

- COSOPs increasingly focus on policy engagement and policy engagement combined with other elements of the country strategy, such as knowledge management and partnership building. Only 10 per cent of COSOPs are without any reference to policy engagement.

- Nonetheless, there is a great deal of variation in the extent to which policy is prioritized and articulated in COSOPs across IFAD's five operating regions – with some regions placing little systematic focus on policy. Overall, almost 30 per cent of COSOPs make policy a strategic priority, and a further 40 per cent do so to some extent.

- The region with the strongest focus on policy in project design is East and Southern Africa, with other regions following. However, there is not always a clear operationalization of policy in project budgets and logical frameworks, despite discussion of policy goals in project design documents. Globally, 50 per cent of projects mention policy in project design; 32 per cent include specific project components/subcomponents on policy.

- In almost all regions, there is significant scope for increasing the focus on policy in both regional- and country-level grants.

- There is sometimes a disconnect between the extent to which COSOPs and project design suggest a focus on policy and the extent to which policy activities are ongoing.

- The review identifies over 100 policy-related activities currently under way in the different regions. The range of activities varies considerably, though particular priorities are supporting the scaling up and adoption by governments of successful models and initiatives (thus explicitly linking the policy engagement agenda with that of scaling up); financing policy analysis work and short-term technical assistance for policy formulation; and strengthening the capacity of government agencies to formulate national policies and programmes.

- The review found that there is little regular reporting on policy-related activities undertaken, and that information is hard to come by. Improving the quality and consistency of monitoring and reporting on CLPE needs to be prioritized within IFAD.

- Finally, according to the regular biennial client survey, IFAD has received increasingly positive feedback from its in-country partners regarding its contribution to national policy dialogue and support of the participation of civil society in policy dialogue.

Country-level policy engagement in COSOPs[5]

There is great variation in the degree to which individual COSOPs highlight country-level policy engagement as a strategic priority and integrate it with other planned activities (including knowledge management) into the COSOP. Generally, COSOPs prepared more recently tend to have a stronger focus on policy engagement and propose more innovative ways to engage. Whereas earlier strategies tended to either ignore policy entirely or make ambitious – and usually unrealistic – proposals for bilateral policy dialogue with government, more recent COSOPs are more likely to outline a specific policy agenda that IFAD will work on during the period with the country in question, and in some cases, a strategy for *how* this agenda will be carried out. **At present, just under 30 per cent of all COSOPs clearly articulate policy engagement as a priority**.

There are different approaches being applied, and diverse examples to draw upon. In the Asia and Pacific region (APR), some recent COSOPs take a more holistic approach to evidence-based policy engagement, and propose working collaboratively with policy think tanks and other actors to design policy reviews, research and other knowledge management tools (**an excerpt of the 2013 COSOP from Cambodia is provided in Appendix I as an example**). In West and Central Africa, the COSOPs of Ghana and Mali have outlined a comprehensive policy engagement strategy,

Table 1: Summary of COSOP review

Region	Active COSOPs	Articulation of policy engagement as a priority for COSOP			Articulation of how policy engagement will be done		
		Yes	To some extent	No	Yes	To some extent	No
APR	14	5	5	4	3	10	1
Percentage		36	36	29	21	71	7
ESA	13	3	4	6	6	7	0
Percentage		23	31	46	46	54	0
LAC	16	8	4	4	5	8	3
Percentage		50	25	25	31	50	19
NEN	11	0	7	4	3	7	1
Percentage		0	64	36	27	64	9
WCA	16	4	8	4	4	12	0
Percentage		25	50	25	25	75	0
TOTAL	**70**	**20**	**28**	**22**	**21**	**44**	**5**
Percentage		29	40	31	30	63	7

Legend: Yes = well-articulated and with details; To some extent = articulated but with incomplete details, or intention stated but with no details; No = not stated in any way

5. Includes all COSOPs approved up to January 2015.

identifying the strengths, opportunities and potential partnerships for IFAD to significantly strengthen its engagement in national policy processes. In Latin America and the Caribbean (LAC), the new country strategy for Mexico aims to contribute to government efforts to improve the efficiency and quality of public spending focused on smallholders and rural people, and to strengthen capacity to learn from policies designed to reduce poverty.

Table 1 shows the extent to which CLPE is prioritized in active COSOPs and the level of detail provided about the strategy for engagement. In all regions, between half and three quarters of the COSOPs articulate policy engagement as a priority, at least to some extent. It is most frequently articulated as a priority in LAC and APR, and least frequently in the Near East, North Africa, Europe and Central Asia region (NEN), reflecting the fact that most of the COSOPs reviewed in that region are 5-10 years old, as well as perhaps some particular characteristics of the region. However, the degree to which a COSOP identifies policy as a priority is not necessarily related to how well it defines *how* policy engagement will be pursued. Thus, while 50 per cent of LAC COSOPs mention policy as a strategic objective, fewer present a comprehensive strategy for how that policy engagement will be done. Encouragingly, however, across regions, most COSOPs suggest how policy engagement will be undertaken, even if they do not present a comprehensive strategy.

Country-level policy engagement in design of projects and grants[6]

Overall, half of all design reports for IFAD-financed investment projects propose activities related to policy, and almost one third include policy-related activities as a stand-alone project component or subcomponent. However, variation remains in the extent to which policy engagement is prioritized across each regional portfolio. Table 2 summarizes the extent to which projects in each region focus not only on policy but also on budget for policy, and include policy-related outcomes and indicators in project logical frameworks.

As is visible from Table 2, the East and Southern Africa region (ESA) leads the way with a very high percentage of its projects either including policy as a specific project component/subcomponent or making reference to policy engagement in a less formal way within the document (71 per cent). Other regions follow, with a significant percentage of APR and LAC projects carrying a policy focus as well, though in both cases there is a tendency to refer to policy engagement without making it an explicit element of the project design. In fact, with the notable

Table 2: Summary of project design review

Region	Projects	No. project design documents with reference to policy engagement		No. projects with dedicated budget for policy engagement activities	No. projects with policy engagement in log-frames	
		Specific component or subcomponent	Not as component or subcomponent		Outcomes relevant to policy engagement	Indicators relevant to policy engagement
APR	71	20	16	21	20	21
Percentage		28	23	30	28	30
ESA	55	29	10	29	28	29
Percentage		53	18	53	51	53
LAC	43	12	13	13	15	14
Percentage		28	30	30	35	33
NEN	55	13	8	12	11	10
Percentage		24	15	22	20	18
WCA	58	17	5	17	12	12
Percentage		29	9	29	21	21
TOTAL	282	91	52	92	86	86
Percentage		32	18	33	30	30

6. The review includes projects and grants that were active during the 2013 portfolio review, as well as those active during the 2014 portfolio review. Therefore, some projects included in the calculations may now be closed.
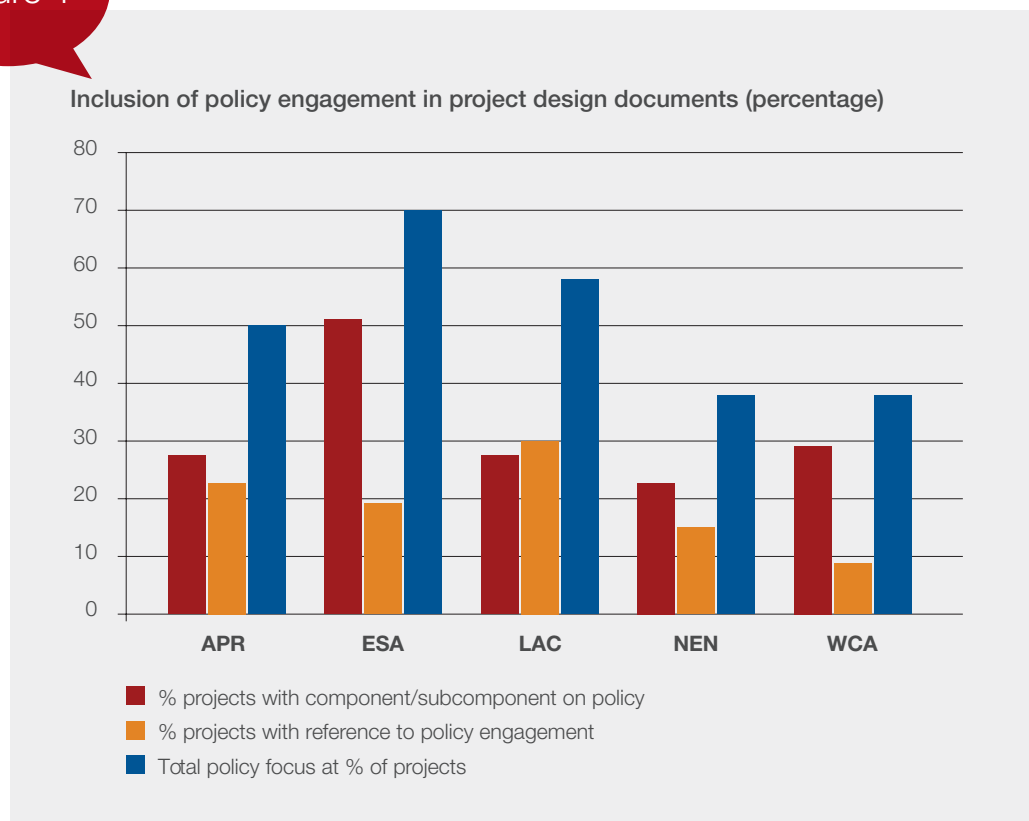
exception of ESA, the extent to which projects formalize a policy component is relatively stable across all four regions, ranging between 24 per cent (NEN) and 29 per cent (WCA). This data is shown in Figure 1.

The consequence of this tendency to refer to policy without including it formally in the project structure is that both accompanying budgets and log-frame outcomes and indicators are usually missing, which compromises the extent to which policy activities are likely to be carried out, monitored or followed up during implementation support missions. **A detailed example of a recent project in Ghana in which policy was included as a project component, with a well-designed logical framework, is provided in Appendix II.**

Grants represent a much smaller percentage of IFAD's business than investment projects. However, they are, in some regions, an important vehicle for policy engagement. **Overall, almost one quarter of IFAD's grants have a policy focus**, a figure that is quite strongly influenced by the very high number of grants in the NEN region (accounting for nearly a third of all IFAD grants) and the limited number of grants in its small grant window that are focused on policy. Within its large grant portfolio, 45 per cent are focused on policy.

Both regional and country-specific grants contain objectives related to policy engagement; most grants focused on policy are aimed at either fostering dialogue, producing research/analysis on policy or assisting rural organizations in advocating for policies. Most grants with a policy focus in ESA, LAC, NEN and WCA also have a regional focus. In ESA, this includes grants where IFAD has partnered with the African Green Revolution Forum, the Committee on World Food Security and the Comprehensive Africa Agriculture Development Programme (CAADP). In APR, many grants are working at the regional level to enhance policy analysis and support knowledge exchange workshops.

Figure 1

Inclusion of policy engagement in project design documents (percentage)

- % projects with component/subcomponent on policy
- % projects with reference to policy engagement
- Total policy focus at % of projects

Of the five regions, LAC has the highest number of grants with a policy focus (12, or 41 per cent of its total grant portfolio), and ESA has the lowest, with only 5 (16 per cent of its portfolio) focused on policy – although, as mentioned above, 9 out of 20 of its "large grants" are policy-focused. LAC's grants have diverse objectives, and have moved away from their traditional focus on promoting and facilitating dialogue to encompass a number of other objectives, including policy analysis and support for government capacity. The limited use of grants to advance policy engagement in ESA is not surprising, given the heavy focus placed on policy in ESA investment projects. These findings are summarized in Table 3.

Table 3: Grants with a policy focus, by region

Region	Total grants	Grants with policy focus
APR	47	11
Percentage		23
ESA	31	5
Percentage		16
LAC	26	12
Percentage		46
NEN	59	9
Percentage		15
WCA	25	8
Percentage		32
TOTAL	188	45
Percentage		24

Country-level policy engagement in project implementation and the work of country programme managers[7]

There are numerous ways in which, directly or indirectly, IFAD is pursuing or facilitating policy engagement. This translates into a diverse set of activities. While most policy-related activities originate from, and are implemented within, projects or grants, CPMs and in-country officers also undertake activities related to policy engagement outside of these mechanisms. This may take the form of participation in in-country sector working groups, or other initiatives, and may or may not be mentioned explicitly in COSOPs.

Seven different methods of policy engagement were identified during the course of this review. They include: (i) projects/CPMs supporting the scaling up and adoption by the national government of successful models and initiatives piloted or tested under IFAD-supported projects; (ii) projects creating space, or a forum, for policy dialogue between national stakeholders; (iii) projects enhancing the capacity of national stakeholders – particularly organizations of rural people – to participate in national policy processes; (iv) the CPM/country programme officer (CPO) participating in the in-country sector working groups of the government and its development partners; (v) projects strengthening the capacity of government agencies to formulate national policies and programmes relevant to smallholder agriculture and rural development; (vi) projects supporting policy analysis and short-term technical assistance for policy formulation; and (vii) projects enabling governments to operationalize at the local level a national policy that has hitherto remained unimplemented.

Figure 2

Country-level policy engagement activities, by type, across all regions

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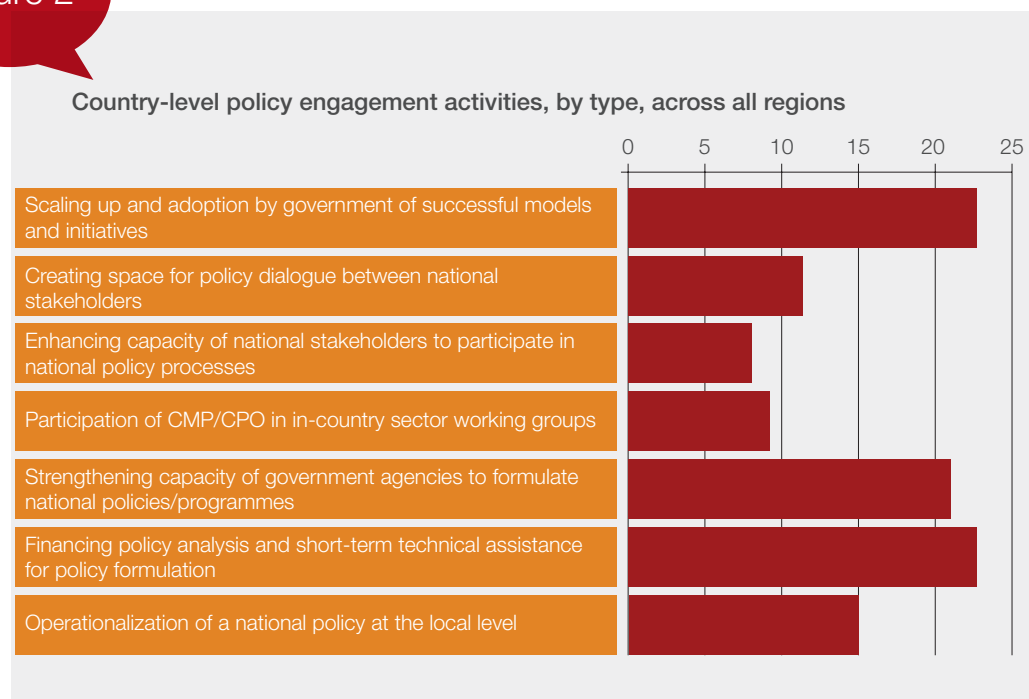
7. Review includes material available as of spring 2014.

In all, a total of 110 activities were analysed and investigated – though, because of the difficulties in identifying all the activities undertaken in every country, this may yet be an underestimate. Figure 2 shows the activities disaggregated by type, across all regions. It demonstrates that globally, the most frequently used methods of engaging in national-level policy processes are (i) facilitating the scaling up and adoption by governments of successful models and approaches (thus ensuring that the policy engagement agenda at IFAD is working towards the corporate priority of scaling up); (ii) financing policy analysis work or short-term technical analysis for policy formulation; and (iii) strengthening the capacity of government agencies to formulate national policies and programmes. Operationalizing a national policy or programme at the local level, strengthening the policy formulation capacities of government agencies, and creating space for policy dialogue among national stakeholders are also all widely pursued.

Regions vary in their approach to policy engagement, with some focusing more on themes related to dialogue and others on activities related to capacity-building. This variation is partially explained by the opportunities that exist, a function of the political and institutional conditions in the country and the nature of the relationship between IFAD and the national government in question; the importance of the aid effectiveness agenda in that country; the interest of individual CPMs in actively supporting and engaging in diverse forms of policy engagement and their capacity to do so; and the priorities set out in the COSOPs, project design reports and grant proposals. The breakdown of activities into categories across regions is given in Figure 2 above.

Table 4 demonstrates that there is relatively uniform emphasis on at least two types of initiatives across regions: facilitating the scaling up and adoption by governments of successful models and initiatives, and operationalizing national policy at the local level. There is also a strong emphasis in three regions (APR, LAC and NEN) on strengthening the capacity of government agencies to formulate national policies and programmes. In contrast, and not surprisingly, participating in sector working groups is limited to both regions in sub-Saharan Africa (ESA and WCA) and in the Asia-Pacific region. More surprisingly perhaps, enhancing the capacity of national stakeholders to participate in national policy processes does not figure as a major focus of IFAD's work.

Table 4: Country-level policy engagement activities, by type and by region

	APR	ESA	LAC	NEN	WCA	TOTAL
Scaling up and adoption by government of successful models and initiatives	6	4	2	5	6	23
Creating space for policy dialogue between national stakeholders	0	3	3	1	4	11
Enhancing capacity of national stakeholders to participate in national policy processes	1	1	3	0	3	8
Participation of CMP/CPO in in-country sector working groups	2	2	0	0	5	9
Strengthening capacity of government agencies to formulate national policies/programmes	7	0	7	7	0	21
Financing policy analysis and short-term technical assistance for policy formulation	7	10	3	0	3	23
Operationalization of a national policy at the local level	3	4	4	2	2	15
TOTAL	26	24	22	15	23	110

As is to be expected, priorities differ in the different regions. In APR, activities are focused on strengthening the capacity of government agencies to formulate national policies and programmes, financing policy analysis and short-term technical assistance for policy formulation, and facilitating the scaling up and adoption by governments of successful models and initiatives. In ESA, support for policy analysis and policy formulation is far and away the most important activity. In LAC, the most recurrent types of policy engagement are related to capacity-building: primarily enhancing the capacity of governments (at the local as well as national level) to design and implement policies, in addition to capacity-building to enable rural people's organizations to participate more actively in national policy processes. In NEN, capacity-building for government agencies and facilitating the scaling up and adoption by governments of successful models and initiatives are the main activities. And in WCA, there is emphasis on using learning from existing projects to inform government policy and, to a greater extent than elsewhere, CPMs and CPOs are heavily engaged in the in-country agricultural sector-related working groups that bring together governments and their development partners.

The review led to the emergence of a number of interesting examples across regions. A single example from each region is provided below.

- **APR**: In **Nepal**, the successful experience of the IFAD-financed Hills Leasehold Forestry and Livestock Programme was used to convince senior government officials of the effectiveness of a new pro-poor approach to forestry, which was then incorporated into the Poverty Reduction Support Programme as a priority poverty programme and became an element of national policy. The step up from IFAD-financed intervention to national programme was supported by complementary funding from the Food and Agriculture Organization of the United Nations to assist the government in drafting the necessary legislation. The Hills Leasehold Forestry and Livestock Programme also led to the establishment of a Leasehold Forestry Division within the Government of Nepal's Department of Forests. Consequently, the government increased investment in leasehold forestry from an initial 6 districts to 22 districts.

- **ESA**: In **Uganda**, using evidence from the implementation experience of the Rural Financial Services Programme, IFAD advocated for the need for a sound regulatory and supervisory framework for savings and credit cooperative societies (SACCOs) to ensure their sustainability and growth, and encouraged policymakers to acknowledge the nature of SACCOs as demand-driven, member-based, savings-first institutions, rather than as a channel for providing credit funds to rural areas. A "policy brief" designed for sharing with parliamentarians and other policymakers was prepared for this purpose.

- **LAC**: The Knowledge for Change grant project, cofinanced by IFAD, led to the creation of rural dialogue groups in **Colombia**, **Ecuador**, **El Salvador** and **Mexico**. The rural dialogue groups consists of 10-30 influential individuals representing social organizations, the business sector, intellectuals, non-governmental organizations and members of the government who convene to discuss issues that have been excluded from government agendas. Each group is jointly convened by the national government and a civil society organization. In the three years of their existence, these groups achieved significant policy outcomes, including contributing to the formulation of the *Law of Land and Rural Development in Colombia*, the *Strategy for Rural Well-being in Ecuador* and the *Development Strategy for Coastal Areas in El Salvador*. A recently initiated follow-up grant project seeks to consolidate the rural dialogue groups as independent, recognized and legitimate groups with the capacity to propose and support policy change in ways that benefit poor rural people and build a more direct relationship with them by including their social organizations as active members of the rural dialogue groups in each participating country.

- **NEN**: In **Djibouti**, the Microfinance and Microenterprise Development Project supported the establishment of a national microfinance strategy that included a legal framework and regulatory standards for the microfinance sector, which had hitherto been unregulated. The strategy was developed through a national microfinance policy group. A microfinance strategy is now in place and the regulations are being adopted and implemented. The establishment of a national commission of microfinance and the creation of a monitoring cell have strengthened the institutional context of microfinance in the country. The microfinance sector is now regulated as a result of the project.

- **WCA**: IFAD is now a key development partner in **Ghana**'s agricultural sector. IFAD co-chairs the Agricultural Sector Working Group (ASWG), which is a dynamic and well-organized entity. IFAD is making a substantial contribution to the ongoing policy and coordination work of the ASWG and its subcommittees and taking the lead in assisting the government in building a framework for promoting private sector-led development of agricultural value chains. IFAD also co-led the organization of the 2013 Joint Sector Review exercise, for which Ghana is seen (along with Rwanda) as a leader among CAADP countries.

The way forward for country-level policy engagement

Country-level policy engagement is a relatively new area of focus and attention in IFAD. However, it is evident that in all regions IFAD is becoming increasingly involved in supporting and contributing to national policy processes. The broadly upbeat assessment of this review is echoed by the results of the IFAD client survey (summarized in Table 5), which confirms that in all regions IFAD has received increasingly positive feedback from its in-country partners regarding its contribution to national policy dialogue and support of the participation of civil society in policy dialogue.

While there are many standout examples of policy engagement activities, projects and grants, and there is clear evidence that the emphasis on policy engagement is growing, it is also apparent that there is scope for IFAD to take a more consistent and systematized approach to policy engagement in its COSOPs, projects and grants. It is understood that policy engagement is easier in some countries than others; however, it is also true that the undertaking itself needs to be expressed in a way that is most readily accepted by IFAD's partner governments, and thus "assisting the government in learning lessons from, and drawing on, the experience of IFAD-supported projects" may often be preferred as an agenda to "policy engagement" *per se*.

We conclude with two key points. First, a recommendation of this review is that, consistent with IFAD's commitment to scaling up results and to engaging in policy processes, far more projects should seek to achieve policy-related outcomes and should include components/subcomponents aimed at achieving them. They should have associated budgets, clearly defined responsibilities for their implementation and M&E mechanisms; and the agenda should be fully reflected in the project log-frame. This will ensure not only that we are effectively engaging in country-level policy, but also that we are using a highly effective pathway to scale up IFAD experience and project evidence. Second, it is evident that different regions are moving forward with this agenda at different speeds, and there is a particular challenge in those regions where performance is lagging. However, even in these regions, improvements can be made in individual countries by drawing on the best practice within the region. And in all regions there are substantial opportunities to learn from the experiences of others regarding the "how" of policy engagement.

PTA is keen to work with the regional divisions to support them in strengthening their policy engagement at the country level. It is currently working with regional economists, CPMs and others to develop new tools and approaches that can assist them in designing and implementing country programmes and projects. PTA is open to suggestions as to how it can provide further support.

Table 5: Results on policy-related objectives from IFAD client survey [a]

	2010	2012	2014
APR	4.60	4.64	4.76
ESA	4.43	4.91	4.79
LAC	4.59	4.74	4.70
NEN	4.70	4.63	4.71
WCA	4.43	4.91	4.79
Mean	4.55	4.77	4.75

[a]All results represent an average of results for two separate indicators: IFAD's contribution to national policy dialogue and its support of the participation of civil society in policy dialogue

Example of a recent COSOP with strong emphasis on policy

Kingdom of Cambodia: Country strategic opportunities paper (2013)[8]

In addition to a detailed section on national policy, strategy and institutional context, and a section on how the COSOP is harmonized and aligned with the priorities of the government and other donors, the 2013 COSOP for the Kingdom of Cambodia establishes the development of evidence-based policymaking as a key mechanism for innovation and scaling up. Excerpts of two sections of the COSOP (on opportunities for innovation and scaling up and policy linkages) are included below.

"**Opportunities for innovation and scaling up** [page 6]

34. In the context of Cambodia – with its large, very active and heterogeneous group of institutions generating ideas on rural development – innovations take place at an intense pace. Such innovations may range from new business models for the delivery of agricultural education and services, through commercialization for smallholders of different production technologies, labour-saving equipment, and provision of new financial products to help manage risk and increase access to working capital, to adaptation responses to climate change.

35. Many such promising approaches already exist and are at various stages of development, but have not yet become mainstream. The COSOP's core approach to innovation and scaling up is to systematically identify, rigorously test, refine and then scale up promising innovations that are proven to work efficiently. The COSOP includes several mechanisms to implement this approach: (i) agricultural education and service delivery; (ii) promotion of inclusive markets for smallholders and commodity-specific intervention strategies and action plans; and (iii) development of evidence-based policymaking."

"**Policy linkages** [pages 7-8]

38. Under this COSOP, there is a strengthened focus on evidence-based policy work closely integrated into the investment programme. Better linkages are sought through a combination of service delivery – which enables testing and knowledge creation – and efficient collaboration at the national level with those institutions that have clear mandates for policy reform. IFAD will also promote policy linkages through coordination with development partners using several mechanisms, including: cofinancing; co-implementation arrangements; and knowledge-sharing and thematic collaborative work that involve the private sector and civil society.

39. In order to enable smallholders to take advantage of market opportunities, IFAD will assist MAFF in mainstreaming "farming as a business" in its policies and programmes. To this effect, it will support MAFF and MEF in developing a policy of agricultural extension services that integrates the public and private sectors and civil society. Testing innovative service delivery mechanisms, including public/private partnerships and performance-based budgeting, is an

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8.   Available online at: https://webapps.ifad.org/members/eb/109/docs/EB-2013-109-R-16.pdf

integral part of this approach. Other initiatives include support to existing cooperatives and farmer groups with the potential to link with buyers, and developing a tailored intervention model – to support poor households with recent access to land – that can be scaled up and incorporated into official policies.

40. IFAD will contribute to mainstreaming climate change resilience considerations across the Government's rural development policies and programmes by supporting the design of extension materials. These will incorporate resilience aspects, innovations in information and communications technology, and financial instruments for improved farmer response to shocks and for building related capacities within national and subnational planning processes."

Example of a recent project with significant policy component

Republic of Ghana: Ghana Agricultural Sector Investment Programme (2014)

Logical framework: Excerpt showing Outcome 4 "The policy framework for smallholder farms has improved"

Narrative summary	Key performance indicators	Baseline	Cycle 1	Cycle 2	Means of verification	Assumptions/ Risks
Goal:						
Contribute to a sustainable poverty reduction in rural areas of Ghana	Decreased rural poverty incidence in Ghana	29% (2011)			Ghana statistical services	
	Increased agricultural GDP	16,687m GHS			Ghana statistical services	
	Decreased 0-5 year child malnutrition	14% (2011)			Multiple indicator cluster survey (MICS) - UNICEF	
Programme development objective (PDO)						
Smallholder farmers have enhanced their profitability and climate change resilience	Direct clients (of which 50% women, 20% 15-24 years, 30% 25-34 years)	50,000	62,900	86,400	Value chain facilitator	Favourable macroeconomic environment
	Estimated number of households	44,000	55,000	75,600	PCU estimation	
	Total number of beneficiaries	300,000	374,000	514,200	PCU estimation	
	Direct clients that are more climate change resistant	0	5,000	10,000	Value chain facilitator	
	Average crop yields (MT/ha) – cassava (c), maize (m)	C: 9.4 M: 2.0	18.0 3.8	16.4 3.5	Farmers book, tracer study	
	Net farm income	C: 212 M: 37	425 362	875 875	Farmers book, tracer study	
	Additional volume of produce marketed by smallholders	C:-0 M:-0	36,000 7,000	216,000 40,000	Farmers book, tracer study	
Outcome 4: The policy framework for smallholder farmers has improved	General satisfaction with the policy framework among value chain actors (scale 1-6)	TBD	TBD	5	Participatory outcome assessment	**Inefficient data collection and analysis (R)**
Outputs: Policy development supported	Number of policy forums held	0	3	6	PCU	**MOFA provides leadership (A)**
	Number of white papers addressing key policy issues	0	3	6	PCU	