



IFAD AND SPAIN

Partnering to transform rural realities

**IFAD**
Investing in rural people

 MINISTERIO
DE ASUNTOS EXTERIORES, UNIÓN EUROPEA
Y COOPERACIÓN

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Acknowledgements

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Foreword

It is indeed a pleasure for me to participate with an initial foreword in this report commemorating ten years of our strong partnership with IFAD. The Spanish Food Security Cofinancing Facility Trust Fund is arguably one of the most ambitious programmes ever launched by the Spanish Government with an international organization. And indeed one of the most successful ones. Its twenty four programmes across the world have the distinctive seal of IFAD, focused on development impact and empowering women, youth and minorities in sustainable rural development.

I want to thank IFAD for partnering with us in this pioneering programme. Today, more than ever, the solutions it supports (food security, sustainable farming, decent jobs, women's empowerment, climate change adaptation and mitigation, remittances and transnational families), are more needed than ever, and perfectly aligned with the 2030 Agenda. Looking into the future, at the time of writing, we are about to close a cofinancing agreement that will be the way for a second generation of successful projects in the area of agricultural development. Happy anniversary to our IFAD colleagues and to all the beneficiaries and stakeholders of our partnership.

Angeles Moreno

Secretary of State for International Cooperation

Ministry of Foreign Affairs of the Kingdom of Spain

With less than 10 years left to achieve the Sustainable Development Goals (SDGs), the partnership with the Government of Spain has played a key role in scaling up IFAD's impact on the ground. This partnership is even more critical now, as we face a new crisis due to the COVID-19 pandemic.

The Spanish Food Security Cofinancing Facility Trust Fund was established in the aftermath of an earlier emergency – the global food crisis of 2008-2009 – and has contributed to fundamental changes in IFAD. It was instrumental in the establishment of the Sovereign Borrowing Framework in 2015, catalysing sovereign financing from other governments. Today, sovereign borrowing has become a strategic feature of IFAD's financial strategy and is an essential part of our engagement with upper-middle-income countries.

Spanning the globe, the partnership has helped make agricultural and rural development truly inclusive. The 24 programmes to date, have provided services to close to 6.5 million rural poor people . Amongst other achievements it has enabled protection of over 100,000 hectares of land with climate resilient practices. It has supported innovations ranging from transformative approaches to the empowerment of women and youth to clean technologies that combat the effects of climate change and environmental degradation on the most vulnerable.

IFAD is proud to continue working with Spain, expanding our partnership with the IFAD-Spain cofinancing framework, as part of our joint commitment to invest in poor rural youth, women and men and assist countries in achieving the SDGs.

Gilbert Houngbo

President

International Fund for Agricultural Development

IFAD and Spain: a special partnership

Food crisis catalyses the financing of innovation for poor farmers

As a founding member of the International Fund for Agricultural Development (IFAD), Spain has long been a champion in the fight against rural poverty, hunger and food insecurity. With a contribution of US\$100 million to IFAD's regular resources and US\$17.9 million in supplementary funding,¹ as well as strategic direction through IFAD's Executive Board and Governing Council, Spain has been a key partner in boosting IFAD's capacity to target the 120 million poor rural women and men that it does today.

However, the 2008 food crisis and its aftermath, coupled with severe weather conditions in 2010, led to Spain and IFAD stepping up efforts to tackle production failures, hunger and poverty. A central pillar of this special partnership was a completely new way of financing action for the rural poor at IFAD – the Spanish Food Security Cofinancing Facility Trust Fund (“the Spanish Trust Fund”). Established in 2010 with a concessional loan of €285.5 million and a grant of €14.5 million, this kick-started IFAD's experience in sovereign borrowing and enabled IFAD to provide support for 24 projects spanning all five of IFAD's regions.

A smart partnership, ready for the 2030 Agenda

For Spain, the initiative was a smart way to scale up its development portfolio in line with its master plan for 2009-2012. This explicitly called for the establishment of strategic agreements with multilateral institutions in different sectors. IFAD's track record in reaching the rural poor to improve food security and nutrition, and its emphasis on inclusive rural development, climate and the environment made it a reliable and strategic partner.

For IFAD, the Spanish Trust Fund brought immediate and predictable financing to meet the shortfall between demand from Member States and regular funds. In particular, its focus on Latin America represented an important way for IFAD to meet significant unmet demands caused by relatively low regular funds in the region. The Spanish cofinancing funds also offered an excellent opportunity to develop tools and innovations for the very different needs of countries without diverting regular resources from the agreed work programme. Managing the trust fund was a learning opportunity for IFAD, testing its ability to diversify access to financial resources at a time of challenging financial situations around the world and constrained traditional sources of financing.

In 2015, when Sustainable Development Goal (SDG) 17 called for more finance from multiple sources to deliver on the ambitions of the 2030 Agenda, as a result of its Spanish Trust Fund experience, IFAD was well prepared to galvanize further support.

¹ From 1977 to 2018.

Spanish Trust Fund stimulates new IFAD business models

Beyond the immediate impact of scaling up outreach, the Spanish Trust Fund has profoundly changed the way that IFAD does business. For example, in 2015, the overwhelmingly positive results of the Spanish Trust Fund encouraged IFAD to develop the Sovereign Borrowing Framework. As a result, IFAD has successfully negotiated sovereign loans from the German KfW Development Bank and the French Development Agency (Agence française de développement). Furthermore, it has led IFAD to broaden its borrowing to encompass new partners, and 2019 saw the launch of IFAD's Private Sector Engagement Strategy (2019-2024). Borrowing is now embedded as a key feature of IFAD's financial strategy for the Eleventh Replenishment of IFAD's Resources (IFAD11) and beyond.

Moreover, the geographical focus of the Spanish Trust Fund on the Latin America and Caribbean region, where most of IFAD's lending is to middle-income countries (MICs), informed IFAD's 2011 strategy for these countries,^{2,3} – it showed how IFAD can offer substantial non-replenishment financing to MIC Member States. This has made it possible for IFAD to tackle the growing inequality in many MICs, despite years of progress in fighting poverty, due to the increasing impacts of climate change among other factors.

A broader partnership between IFAD and Spain

The 2030 Agenda makes it clear that business as usual is not an option. Indeed, the Spanish Trust Fund is part of a broader partnership agreement between IFAD and Spain to support rural smallholders, including through innovative approaches as well as direct project support.

IFAD and Spanish support for the SEMEAR Programme – Knowledge Management in Semi-Arid Regions of Northeastern Brazil is a good example. Implemented in partnership with the Inter-American Institute for Cooperation on Agriculture, it enhanced networking between the rural poor in six IFAD-supported projects to share innovative practices in climate change adaptation. The objectives of the initiative were to promote mechanisms to ensure the circulation of good practices and innovative solutions for rural development and to identify critical factors and lessons learned from concrete experiences accumulated by IFAD projects and other strategic actors in the north-east of Brazil.

A network of 60 strategic partners and 120 local champions and local leaders shared their knowledge with 80 participants, among which were coordinators and specialists from IFAD projects. This rich learning has been systematized, and can be

“ I am very happy I am now finally able to receive money from my cousin in France and immediately forward them to my two children studying in Madagascar's Capital, Antananarivo. ”

Alain Rabenasandratra, Madagascar

“ My family is now united ... I have started my own grocery business and convinced my husband to come back to Nepal. ”

Ram Kumari Poudel, Nepal

2 IFAD. 2011. *IFAD's Engagement with Middle-Income Countries*.

3 Examples of how IFAD engages in the region with MICs today, through policy support and reducing inequalities, can be found in *The Latin America and Caribbean Advantage: Family farming – A critical success factor for resilient food security and nutrition* (IFAD, 2019).



IFAD project exchange visits promote knowledge-sharing and innovations to improve life in the semi-arid region of Brazil.

©IFAD/Manuela Cavadas

accessed through a compendium of good practices and an online platform.^{4,5} Aside from the improvements in the lives of rural people directly achieved through the project, this initiative was in many ways a precursor of a major business strategy for IFAD, i.e. South-South and Triangular Cooperation. In Brazil specifically, this initiative also contributed to IFAD establishing a dedicated regional centre to promote new initiatives.

Spain is also a major donor of the multi-donor Financing Facility for Remittances (FFR). The FFR finances and supports projects and initiatives to facilitate and maximize the impact of remittances for development, with great potential for changing the lives of migrant workers and their families and communities in their countries of origin. In addition to operations, the Facility also provides regional, sub regional and country-level data and market analysis through its research, both with the “Sending Money Home” report series, and the online portal RemitSCOPE.⁶ It also contributes to policy dialogue through the Global Forums on Remittances, Investment and Development (GFRID), and the #FamilyRemittances2030 awareness raising campaign in observance of the International Day of Family Remittances (16 June). Considering that remittances to low- and middle-income countries are on track to reach \$597 billion by 2021,⁷ Spain’s support is leveraging a powerful force for change.

4 Available at <https://procasur.wimi.pro/shared/#/file/a967b841abc18351649e25508cb39d37>

5 <http://talentos.portalsemear.org.br>

6 www.remittancesgateway.org/remitscope/

7 Source: <https://blogs.worldbank.org/peoplemove/data-release-remittances-low-and-middle-income-countries-track-reach-551-billion-2019>

Mobilizing the massive development potential of migrants through the Financing Facility for Remittances

Scaling up

Remittance-financed investments in more than 60 projects in over 45 countries, using innovative technologies to lower transaction costs, increase access to financial services in remote areas and foster migrant investment and entrepreneurship.

Post-conflict and fragile states

The Diaspora Investment in Agriculture Initiative also targets post-conflict countries and fragile states. For example, the initiative leveraged US\$1 million from the Somali diaspora into small and medium-sized enterprises in Somalia and created over 450 jobs.

Improving financial inclusion

Working with financial services providers and linking remittances to additional financial services has improved financial inclusion. Almost 48,000 remittance-receiving family members and migrants were trained in financial literacy in Nepal and in the Philippines, and over 5,000 investment forums were supported by the NGO Atikha.

Mobile money

Working with mobile companies has allowed better access to formal remittances and additional financial services in rural areas. For example, in Malaysia, the FFR worked with the company Valyou to serve 69,528 Bangladeshi and 17,515 Pakistani customers in Malaysia, reaching 87,000 migrant customers, who sent over US\$106 million home.

Postal payments for the rural poor

These have been implemented throughout the entire African continent by IFAD, working with the World Bank, the Universal Postal Union and other partners, through the African Postal Financial Services Initiative and direct collaboration with national postal operators. As a result, the cost of sending remittances delivered via post offices in Benin, Ghana, Madagascar and Senegal fell by 42 per cent and over 100,000 of the previously unbanked opened accounts for financial services at post offices in these countries.

Migration-related insurance initiative

This involves working with commercial partners to develop insurance products for migrant workers and their families, who face specific challenges.

Impact

Overall, in 2018 alone, through its operations, the FFR allowed 27 financial institutions to provide new financial services in Nepal and the Philippines and enhanced the capacity of several actors in the marketplace in the countries of intervention, such as Valyou in Malaysia, PostBank Uganda, Posta Uganda and Equity Bank in Uganda, and, again, Equity Bank in Kenya. With regard to the number of households using new financial products and services linked to remittances in rural areas, the FFR mobilized US\$27 million into 30,319 newly opened accounts in Nepal and in the Philippines, and over 9,000 diaspora clients opened accounts at PostBank and Posta Uganda, with more than US\$15 million in transactions. Furthermore, US\$8 million were leveraged for investment from 2,769 investors (1,505 overseas Filipino workers and 1,266 migrant families) in the Philippines.

Women's empowerment

Half of all beneficiaries are women, with regard to both senders and receivers. Many projects target women specifically, for example, in **Somalia**, 320 women were trained in financial literacy and in **Sri Lanka**, a project targeting woman-headed households opened over 200 savings accounts in its first two months alone.

Results and learning from the Spanish Trust Fund

“ We used to buy vegetables from other districts, now we are producing locally and also have a source of income for us . . . With my profits I am able to pay my household expenses and bought a cattle and goat. ”

Amélia Simango, member of a management committee for a multifunctional borehole in Mapai, one of the driest districts in Mozambique.

Outreach

Ten years on, the portfolio of projects supported by the Spanish Trust Fund is showing important results. A total of **24 projects**⁸ are supported and, as at October 2019, project services had reached **6.18 million** people directly. Examples of project services are given in Table 1 categorized by IFAD's core indicators.

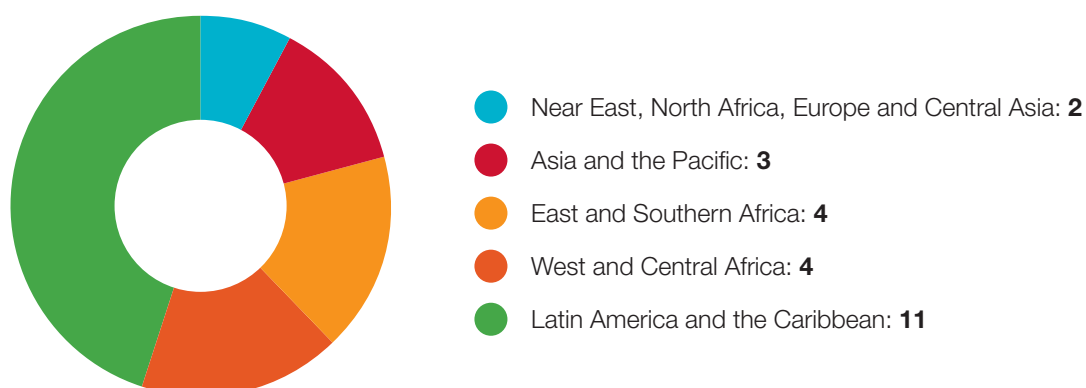
At the end of 2019, 10 projects out of 24 had been completed. As can be seen in Figure 1, the 24 projects cover all five regions, with close to 45 per cent of projects in Latin America and the Caribbean and about 45 per cent in Africa.

Table 1 Results by IFAD core indicator (October 2019)

Services (IFAD core indicators)	Results as at October 2019
Land brought under climate resilient practices (hectares)	108 947
Farmland under water-related infrastructure (hectares)	38 139
Storage, market or processing facilities constructed/rehabilitated	328
People trained (crop and livestock production, community management)	214 848
Roads constructed/rehabilitated (km)	916
Rural enterprises accessing business development services	1 064

8 Not including those supported by the FFR and special initiatives.

Figure 1 Geographical span of projects supported by Spanish Trust Fund



A total of €242.22 million⁹ has already been disbursed, which is about 86 per cent of the total committed. The projects have largely maintained positive ratings throughout implementation, and some have hit the hard-to-achieve “excellent” rating, for example in Bangladesh.

Innovation

Many of the projects have also yielded innovations that can be scaled up across IFAD’s entire portfolio. For example, projects in the Dominican Republic and Brazil¹⁰ have been chosen as pilots in an IFAD-funded initiative aimed at understanding the economic returns of investments in renewable energy technologies. In Kenya, a gender-transformative approach has been helping to tackle the “black box” of gender inequality within the home, in line with IFAD’s commitment to step up the impact it has in gender equality.¹¹ A project in Mozambique¹² has adopted a highly targeted approach to support land tenure security for different kinds of value chain, and has implemented IFAD guidelines for nutrition-sensitive value chains.¹³ For more details, see the project snapshot below.

Scaling up and visibility

Initial investments have also paved the way for further financing. For example, a project in Niger on small-scale irrigation, which targeted women and youth in particular, has helped build the experience that has enabled IFAD to successfully obtain cofinancing from the Global Environment Facility and Green Climate Fund to boost the climate resilience of smallholders.¹⁴ Project success in Bolivia has prompted

9 As of 31 December 2019

10 Dom Helder Project Phase II in Brazil; the Rural Economic Development Project in the Central and Eastern Provinces (PRORURAL) in the Dominican Republic.

11 Gender Action Learning System.

12 See IFAD social reporting blog (July 2019) on “Land tenure interventions in the Pro-Poor Value Chain Development Project in the Maputo and Limpopo Corridors (PROSUL)”.

13 IFAD. 2018. Nutrition-sensitive value chains: A guide for project design.

14 The “Inclusive Green Financing for Climate Resilient and Low Emission Smallholder Agriculture” project will build the resilience of agricultural and water resource management practices to current and future climate risks in four critical agroecological zones.

plans for a major successor investment, “Constructing a culture of resilience against climate change for rural families in Bolivia” (ASAP RURAL).

The good performance of a project in Indonesia has attracted international attention, and development experts from the Pacific, India and Pakistan have visited to learn about successfully tested innovative models for community and rural and marine actions and implement them in their countries. Moreover, many local governments have already replicated the project design in other villages, and implemented similar approaches using their own budgetary resources. Finally, the national Ministry of National Development Planning is now considering using the project as a model under its forthcoming National Medium Term Development Plan.

IFAD also works to give visibility to the IFAD-Spain partnership, for example in its annual reports and Advantage series.¹⁵ Major events, such as GFRIDs,¹⁶ also highlight Spain’s vital support.

Challenges and learning

Of course, there have also been challenges. Translating high-quality country strategies and project designs into results can be challenging, as project management and keeping to workplans can be a struggle in some contexts. Some projects have been disbursing more slowly than planned, and IFAD has responded with increased and innovative implementation support. IFAD’s presence at the country level is also being considerably strengthened through a recent decentralization drive, which is also proving instrumental in building stronger dialogue and engagement at the local level.

Broadly speaking, projects supported by the Spanish Trust Fund follow similar patterns to many IFAD-supported projects – for example, project start-up can take some time. It is also worth noting that, despite this, many projects have closed on time and several have attracted additional financing from IFAD to scale up results.

15 See, for example, the Bolivia and Brazil case studies in *The Latin America and Caribbean Advantage: Family farming – A critical success factor for resilient food security and nutrition* (IFAD, 2019), and a case study from Brazil in IFAD 2018 Annual Report (IFAD, 2019).

16 For example, the global forum in Asia in 2018: www.ifad.org/en/web/latest/event/asset/40198485

Looking ahead: a new decade and a new partnership

“ UTNaRMP¹⁷ has become a model for landscape restoration initiatives. ”

Esther Mwangi, principal scientist with the Center for International Forestry Research.

The previous sections give brief highlights from the Spanish Trust Fund and the broader IFAD-Spain partnership. Ten years on, in 2020, this successful partnership is entering a new phase.

An evolving approach

The year 2020 marked a significant step forward in the long-standing partnership between IFAD and the Government of Spain. Despite a context of shrinking international cofinancing, the Government of Spain has once again stepped up to the challenge and demonstrated its commitment to fighting hunger and poverty through innovative solutions. Through a new cofinancing framework agreement between IFAD and the Spanish Agency for International Development [Agencia Española de Cooperación Internacional para el Desarrollo] and Spanish Development Fund [Fondo para la Promoción del Desarrollo] (FONPRODE), the aim is to cofinance investment programmes starting with IFAD's eleventh replenishments. Spain through FONPRODE may provide between US\$100 and 150 million to cofinance with IFAD and borrowing governments programmes in all five regions. Countries initially selected by Spain include the Dominican Republic, Niger and Senegal.

This new agreement allows Spain to play an active role in targeting specific regions to ensure that its financing is aligned with its Master Plan for development cooperation up to 2021, while also keeping in mind emerging priorities. Spain has the opportunity to directly contribute technical expertise to strengthen design and implementation. Spanish funds will be channelled directly to national governments as cofinancing for IFAD-led investments and will contribute significantly to IFAD's ambition to scale up cofinancing. Importantly, for continuing innovation, the new partnership provides an important additional source of Spanish technical expertise. Priority areas continue to be climate change and the environment, nutrition, gender equality, youth employment and the empowerment of indigenous peoples.

17 Upper Tana Catchments Natural Resources Management Project, Kenya.

In addition to this new partnership, IFAD welcomes the decision of the Spanish Government to once again contribute to IFAD's replenishment, bringing it closer to its target of reaching 120 million poor rural people by 2021. IFAD is looking forward to the renewed collaboration with Spain, and to building further on this experience to reach the world's rural poor with innovative financing.

IFAD and Spain – a joint commitment to a continued relevant and reliable partnership

Spain and IFAD are jointly working hard to ensure the partnership remains relevant and reliable in terms of contributing to IFAD's goals and achieving the objectives of the 2030 Agenda. The IFAD-Spain partnership is still highly relevant because it:

1. Aligns IFAD and Spain's strategic priorities and impact ambitions to deliver results at scale in relation to SDGs 1 and 2
2. Leverages cofinancing as long-standing partners and adds value for both
3. Focuses on mainstreaming priorities in empowering women, youth and indigenous peoples, nutrition, and climate change
4. Continues to focus on targeting the hard-to-reach rural poor and leaving no one behind
5. Aims to achieve sustainable impact and keeps a close eye on what works and what must change
6. Allows a joint local presence that supports countries to achieve their development goals and work together.

Stories from the field

In the end, the projects supported by IFAD are about transforming the lives of the rural poor. The following sections briefly present stories of how the Spanish Trust Fund is making a difference to people's lives.

“

The project has really helped to improve our lives. Thanks to its various support measures ... and training through Farmer Field Schools we increased production, improved our food security and increased incomes. New irrigation techniques have made them accessible to many people, and this has reduced the exodus of our children to other countries.

”

Madame Rahamou Ibrahim, farmer benefiting from IFAD-Spain support in Maradi, Niger.



©IFAD/Joanne Levitan

Cesarin, an avocado farmer in the Dominican Republic, holds up an avocado produced by the Cambita Cluster, an avocado producers' organization with 220 members. Since developing a business plan with support from the project PRORURAL, the organization went from barely surviving to exporting to Europe.

Nutritious school meals in Bolivia

Elsa Vidaurre is a young farmer in Villa Abecia, a small town in Chuquisaca, Bolivia. Elsa had to migrate to the city of Tarija as soon as she finished school, where she struggled to work and raise her small child alone. On a visit to her parents, she found out about a project supported by the IFAD-Spain partnership and decided to return to Villa Abecia.



Economic Inclusion Programme for Families and Rural Communities in the Territory of the Plurinational State of Bolivia (ACCESOS), Bolivia.

©IFAD/Juan Manuel Rada

She joined a group of women and secured the necessary funding through the **Economic Inclusion Programme for Families and Rural Communities in the Territory of the Plurinational State of Bolivia**. Now she is in charge of a production line and dreams about studying food engineering. She is the president of a group of 10 women collecting traditional fruits and transforming them into various value-added products.

One of these products is a natural juice of seasonal fruit, which is being sold as a part of the school meal programme in Villa Abecia and also in nearby towns. Elsa and her group have managed to get the necessary licences with the help of the IFAD programme. All the women are mothers between the ages of 25 and 40, and most of them raise their children alone. The school meal programme is very important to them, as it is a way to guarantee food security and nutrition, and Elsa says that her group is glad that they can feed children in their communities with the same nurture and care with which they feed their own.

The programme has assisted over 30 projects promoted entirely by women in Elsa's region alone. Most of these women migrated to the city when they were very young but have now returned to rural areas, since they now have the opportunity to make a better living.

Colombia's award-winning "TOP" project

Nelly and Aida are the President and Treasurer of a women's group called Nuevo Amanecer ("New Sunrise"), which raises chickens for sale and is supported by the **Building Rural Entrepreneurial Capacities Programme: Trust and Opportunity (TOP)**. TOP aims to boost incomes and improve working conditions for 50,000 rural families living in extreme poverty. Empowering disadvantaged indigenous and Afro-descendant women and men is essential for lasting peace in Colombia following years of conflict.



Building Rural Entrepreneurial Capacities Programme: Trust and Opportunity (TOP), Colombia.

©IFAD/Panos Pictures/Xavier Cervera

In 2017, the project won an IFAD Gender Award because of its inclusive strategy to overcome discrimination and include women. The project aims to reach 12,500 vulnerable rural households headed by women. TOP also offers incentives for the participation of women among other target groups, including young people and victims of armed conflict. Local associations of indigenous and Afro-descendant women have been able to start income-generating and post-conflict reconciliation activities including ecotourism, agrifood enterprises, environmental rehabilitation and reforestation. As a vital contribution to post-conflict recovery, they are also replacing illicit crops with food crops.

TOP has also developed a knowledge management and communications strategy to ensure high visibility for women who take initiatives and drive change in their communities. As their confidence and skills grow, women are becoming active in areas that were previously men's domains, thereby "transforming" their gender roles.

Economic empowerment in Mexico

Aurelia Zapata lives in Ejido Tuxtepec in the municipality of Ramos Arizpe. Together with her family, she has been growing *candelilla* since the **Sustainable Development Project for the Rural Communities of Semi-arid Zones (PRODEZSA)** project began. This has helped improve her family's nutrition and economic situation. "We produce 40 kilos every two weeks, and with what they pay us for the *candelilla* we earn around 80 Mexican pesos per kilo. My husband pays for the fruit, I pay for the errands, and we save some money for other needs or emergencies. My son also supports his family."



Sustainable Development Project for the Rural Communities of Semi-arid Zones (PRODEZSA), Mexico.

©IFAD/RIMISP

In the semi-arid zones of Mexico's north and Mixteca regions, about 35,000 poor people are participating in the project, which aims to strengthen the sustainable use of non-timber forest resources and increase the incomes of local men and women.

The project is promoting rural development on 12.4 million hectares and targeting 1,555 groups of people. It has created, equipped and strengthened 62 rural microenterprises and incorporated new areas into forest management programmes, thus allowing the sustainable supply of raw materials for processing and marketing. It has also boosted human and social capacities in sustainable production and access to rural markets. With the support of the project, rural families are growing native species such as *lechuguilla* (used in the manufacturing industry), oregano (for the production of oils) and *candelilla* as potential sources of income and employment.

Public-private partnerships expand financial services in Zambia

Access to essential financial services – including savings, credit and insurance services – is one of many challenges faced by smallholder farmers. Affordable financial options tailored to their needs are vital for poor producers who are trying to increase their incomes and build their resilience by moving from subsistence to market-oriented production.



Rural Finance Expansion Programme (RUFEP), Zambia.
©IFAD

In Zambia, the **Rural Finance Expansion Programme (RUFEP)** is working in partnership with the government to introduce significant innovations into the policy, institutional and regulatory environments in rural finance. One important change that is part of the country's drive towards financial inclusion has been the removal of limitations on the types of collateral that clients can use to access a loan.

Together with the Bank of Zambia, the programme has disseminated the 2016 Movable Property Act, which is expected to enable micro enterprises, and small and medium-sized enterprises to easily access credit from banks without needing land as collateral. IFAD has a focus on policy dialogue at the country level, and the programme has also contributed to the development of Zambia's 2017-2022 National Financial Inclusion Strategy and policy.

Youth empowerment in Senegal

Osman Baldé is 19 years old and has taken care of his eight younger siblings from a young age. His family has always been involved with small-scale crop production in the Saré Demba Sy, a rural community in Senegal's Kolda region. Limited access to land and water and insufficient cultivation and marketing skills are just some of the challenges they face. Until a few years ago, production was so low that they barely had any surplus to sell.



Support to Agricultural Development and Rural Entrepreneurship Programme (PADAER), Senegal.

©IFAD/Barbara Gravelli

In 2015, the **Support to Agricultural Development and Rural Entrepreneurship Programme (PADAER)** started to invest in a pre-existing community vegetable garden, enabling the construction of two wells and an electric generator, improving their access to water. Osman took part in training in farming techniques, the use of water-related equipment and financial management and trading, and joined a group of 34 women farmers. Today, he grows his own crop of onions to contribute to his family's livelihood.

"The project provided us with a foundation to work here", he says.

“ Here, there is always sufficient water for my animals. ”

Abou Sambadoro, a 60-year-old nomadic pastoralist, travels regularly from Mauritania to Senegal in search of water and pasture for his livestock during dry times. Both locals and migrants have benefited from pastoral units across the semi-arid lands of Matam. Support to the Agricultural Development and Rural Entrepreneurship Programme (PADAER), Senegal.

Eco-friendly fertilizer in Tunisia

Thouraya Lahmer is 34 years old and an agribusiness entrepreneur. Thouraya is an ambitious woman living in a village that lacks any prospects for women. When she learned about the **Agropastoral Development and Local Initiatives Promotion Programme in the South-East (PRODESUD) – Phase II**, she seized the opportunity to apply for a loan.



Agropastoral Development and Local Initiatives Promotion Programme in the South-East (PRODESUD) – Phase II, Tunisia.

©IFAD/Alfredo D'Amato/Panos

“As I was seeing all my friends and neighbours planning to cultivate their abandoned land and diversify their products, I noted that all of these farmers need healthy soil, so they all need fertilizers,” says Thouraya.

After her loan was approved, she started her own business providing farmers with fertilizers, helping small-scale farming in the village to flourish through soil rehabilitation activities. IFAD and partners helped to guarantee a steady flow of water reserves for irrigation by fencing arable lands with wind breakers to protect the soil from erosion and building water cisterns.

Since the establishment of her business in 2016, Thouraya has managed to produce and sell 15 tonnes of fertilizers and her business is booming. In fact, this win-win situation is encouraging her to dream bigger: “I am planning to increase the production next year, hire more locals to help me in the production of the fertilizers as well as in the delivery to other villages”.

Project snapshots

The following pages present a small selection of projects from each IFAD region. Challenges common to all of them include:



High poverty rates



Malnutrition, especially among women



High vulnerability to climate change, degraded ecosystems



Less access to inputs, heavy workloads for women, limited decision-making



Outmigration of youth to seek livelihoods elsewhere



In some countries, there are also challenges relating to:
Marginalization and erosion of indigenous knowledge

The snapshots present key innovations and impacts, while other IFAD reports offer more comprehensive coverage, for example IFAD's Advantage series of thematic reports.



Bolivia: bringing back indigenous knowledge for climate action

Project name	Economic Inclusion Programme for Families and Rural Communities in the Territory of the Plurinational State of Bolivia (ACCESOS)
Financing	US\$58.9 million from IFAD including from the Adaptation for Smallholder Agricultural Programme (ASAP), Spanish Trust Fund, government, beneficiaries
Targeting	Vulnerable people, with a focus on indigenous communities, women and youth
Goal	Community organizations improve their capacity to manage natural resources and for financial management for sustainable livelihoods in the context of climate change
Actions	Natural resource management, income-generating activities, inclusive finance

Innovations

Reviving traditional knowledge



Geo-referenced “talking maps”, a visual and inclusive form of natural resource mapping, blended science and traditional knowledge to identify key issues and priorities and create an inventory of options for financing



Funding for local priorities released through competitions, or concursos, a community-led and inclusive mechanism that enables communities to drive their development priorities. Selection criteria included better community nutrition and women’s participation



Quthañas, a water-harvesting system used by the Aymara people, has been scaled up to tackle water scarcity due to climate change

Impacts and results



Reached **27,296 women** and **14,345 young people** (45.53 per cent and 23.93 per cent of total respectively)

Indigenous peoples accounted for **74 per cent** of target groups and 74 per cent of concursos beneficiaries

Over **1,209 groups** accessed funding through concursos; 43 per cent of those people were women and 19 per cent were youth



Diversified food production for diversified diets

Increased income for **food purchases**

Government **school meals programme** benefits from project production



15,220 people built **resilience to climate change**, around 39 per cent were women

20 per cent reduction in climate-related losses

5,062 hectares of degraded land restored and **rehabilitated**



Over **500 ecosystem/biodiversity** management groups with women leaders

Over **1,000 marketing groups** with women in leadership

Over **27,000 women-headed families** received project services (46 per cent of total)



El Salvador: young people find a voice

Project name	Rural Development and Modernization Project for the Central and Paracentral Regions (PRODEMOR – Central)
Financing	US\$14.6 million from IFAD, Spanish Trust Fund, government, beneficiaries
Targeting	Rural families in poverty, with a focus on women, youth, indigenous peoples
Goal	Reduce rural poverty through participatory social and economic processes, linked to a comprehensive intercultural and gender strategy
Actions	Strengthening human and social capital and groups, sustainable production and participation in competitive markets, natural resource management and rehabilitation, community investments for food sovereignty and security

Innovations *Youth driving development*



Over 4,500 young people brought together through rural youth networks, including for indigenous youth



National youth parliament is an inclusive policy model for the region



Total of 1,351 technical/vocational scholarships awarded to youth, after which a survey identified that 57 per cent of youth (over half of whom are young women) had obtained employment/started their own business

Impacts and results



Reached **185,584 people**

1,665 new jobs created, 25 per cent for young women and men
106 organizations evaluated generated accumulated gross income of **US\$12.1 million** between 2015 and 2018



7,542 people **increased** their agricultural production by at least **20 per cent**

4,951 poor and extremely poor families **improved food security** and nutrition

4,719 families have access to water-related technologies



6,510 people strengthened their **climate resilience**

54 per cent of producers adopted climate-sensitive agricultural practices

5,045 farmers supported to **rehabilitate natural resources** including 2,645 women

4,140 hectares of land **rehabilitated** (soil and water)



Women comprised **53 per cent** and youth 12 per cent of direct beneficiaries

2,465 women (around half of total) trained in natural resource management/climate-smart agriculture

72.5 per cent of female project beneficiaries also benefited from support in food security and nutrition/social infrastructure were women



Indonesia: protecting coastal communities

Project name	Coastal Community Development Project (CCDP)
Financing	US\$44.9 million from IFAD loan and grant, Spanish Trust Fund, government, beneficiaries
Targeting	Coastal dwellers, with a focus on women and youth
Goal	Increase incomes for families involved in fisheries and marine activities in poor coastal and small island communities
Actions	Community empowerment and natural resource management, district-level support for marine-based economic development (value chain development, capacity development)

Innovations *Private sector partnerships for economic sustainability*



Total of 84 formal agreements were signed with private-sector partners and 151 informal arrangements reached (109 local, 34 regional and 8 national)



Private-sector partner contributions constituted 28 per cent of district-level infrastructure investments/marketing and training initiatives



More than 70 partners, for example vendors, entrepreneurs and firms, with operations reaching at least city- and province-wide areas, including Carrefour- and Indomart-supported market linkages for village-based enterprise groups. New market opportunities include exporting crab to the United States, and business groups in Southeast Maluku exported grouper and red snapper to Taiwan

Impacts and results



Reached **503,500 people**, 30 per cent women

132 per cent increase in income, 5 per cent decrease in post-harvest losses

1,609 enterprise groups established and trained (capture fishing, aquaculture, processing, marketing, environmental protection and ecotourism)



80 per cent decrease in children underweight, 34 per cent decrease in acute child malnutrition

6 per cent increase in dietary diversity

Households experiencing **hungry season** down from 32 per cent to zero



33 community-based marine resource management areas ratified

182 environmental management **plans** developed

225 per cent increase in awareness of coastal environmental issues



84 per cent overall participation in **community groups**

27 per cent increase in women's participation in **marine-product processing**

33 per cent women's participation in village working groups



Kenya: payment for ecosystem services proves successful model

Project name	Upper Tana Catchment Natural Resource Management Project (UTaNRMP)
Financing	US\$87.37 million from IFAD, Spanish Trust Fund, government, beneficiaries
Targeting	Poor households whose livelihoods depend on natural resources in project area
Goal	Help reduce poverty through sustainable natural resource management, increase in sustainable food production and incomes
Actions	Community empowerment, sustainable rural livelihoods, sustainable water and natural resources management

Innovations

Land tenure measures for improved irrigation



Partnership with Global Land Tool Network (GLTN) and others to provide an up-to-date irrigation water user register of all outgrower rice farmers and their rice paddies for improved water supply efficiency



GLTN supported mapping of irrigation water canals, helping the National Irrigation Board of Kenya and the Irrigation Water User Association to track water distribution



GLTN is supporting smart-phone technology for data collection in Kirinyaga County to establish a geo-referenced monitoring and evaluation system

Impacts and results



119, 058 households with increased average annual income
28,155 common interest group members adopted income-generating activities
930,000 beneficiaries (56 per cent women), and 245 youth groups supported



Child malnutrition down from 16 to 10.1 per cent
Increased production of **nutrient-rich crops**; for example, sweet potato production up by 11 tonnes
Sediment load in wet season down from 0.72 to 0.19 kg/second and significant reduction in microbial and chemical pollution meaning **better water quality**



1,339 groups supported to sustainably manage natural resources/ climate risks
37,040 households adopted sustainable/climate-resilient technologies and practices
2,293 hectares of forest **rehabilitated** and 525 hectares under climate-resilient practices



51 per cent of beneficiaries of better irrigation were **women**, reducing time spent on water collection
28,780 women trained in improved crop management (68 per cent of total trained)
Over 100 “champions” trained in the gender-transformative Gender Action Learning System



Mozambique: land tenure diversity for inclusive value chains

Project name	Pro-Poor Value Chain Development Project in Maputo and Limpopo Corridors (PROSUL)
Financing	US\$44.9 million from IFAD including ASAP, Spanish Trust Fund, government, local private sector, beneficiaries
Targeting	Poor rural families, with a special focus on women and youth
Goal	Contribute to the improvement of climate-resilient livelihoods of smallholder farmers
Actions	Comprehensive support for inclusive, nutrition-sensitive cassava, horticulture and red meat value chains, land tenure security

Innovations

Targeted land tenure security by value chain



Different tenure security strategies adopted according to value chain, for example mapping and cadastre formation in three irrigation schemes adopted for horticulture value chain, and natural resources management plans developed/grazing areas zoned and mapped for red meat value chain



In addition to support in obtaining formal title deeds, the project's land tenure support included access to sustainable water and natural resources, and financial and support services



Land tenure service provider, funded by IFAD's ASAP, contracted to manage tenure issues alongside project land tenure advisor, working closely with ministry responsible for land

Impacts and results¹⁸



Ownership/user rights over natural resources registered for **16,333 households** including women (46 per cent) and men (38 per cent), and co-registered men and women (6 per cent)

89 per cent of households accessing **rural financial services**, compared with 10 per cent at project start

Youth constitute **22 per cent** of participants in accumulative savings and credit associations



2,395 extension workers/farmers **trained** in nutrition-sensitive value chains

260 per cent, 130 per cent **yield increases** in tonnes per hectare for tomato and green beans respectively

Nutritious, fortified **yellow cassava** promoted on **22 hectares**, in line with national policy



141,390 people supported to cope with climate change impacts (52 per cent women)

7,795 hectares brought under climate-resilient practices

144 per cent of households adopted sustainable/climate-resilient technologies and practices



Gender-transformative approach adopted by 131 groups

Women constituted **65 per cent** of those receiving project services as a whole

Women made up **53 per cent** of **water user association** members and 49 per cent of borehole management commission members

18 As of October 2019.



Senegal: accessible risk management solutions

Project name	Support to Agricultural Development and Rural Entrepreneurship Programme (PADAER)
Financing	US\$59.1 million from IFAD, Spanish Trust Fund, government, beneficiaries
Targeting	Poor household members, with a focus on women and youth
Goal	Contribute to rural poverty reduction and stimulate economic growth; improve the food security situation and incomes of small-scale producers, enabling sustainable rural employment
Actions	Enhancing supply of agricultural production, value addition and marketing

Innovations *Risk management for smallholders*



An IFAD-World Food Programme partnership, the Weather Risk Management Facility, bundles index insurance with other services to help farmers raise productivity and increase resilience. The project supported the provision of insurance policies to poor households



Farmers' organizations are trained in risk management and insurance options to help farmers make informed decisions



To overcome initial reluctance, PADAER partially subsidized the package over three years, before transitioning participants to market prices. This gave them a chance to experience the benefits directly

Impacts and results



Reached **437,530 people**, 60 per cent women and 28 per cent youth – scaled up in phase II of the project

Beneficiaries received over **US\$600 more income** than control groups in 2018

825 producer organizations (over 26,000 people) met annual farming input needs



Families **9 per cent more** likely to be **food secure** and 11 per cent less likely to be severely food insecure

848 hectares of **water-related infrastructure** mean clean water for better nutrition

Year-round vegetable production by women through **reserved plots**



91 per cent of producers adopted at least one **climate-resilient** technology/practice

72 producer organizations purchased **weather index insurance** in 2018, compared with seven in 2015

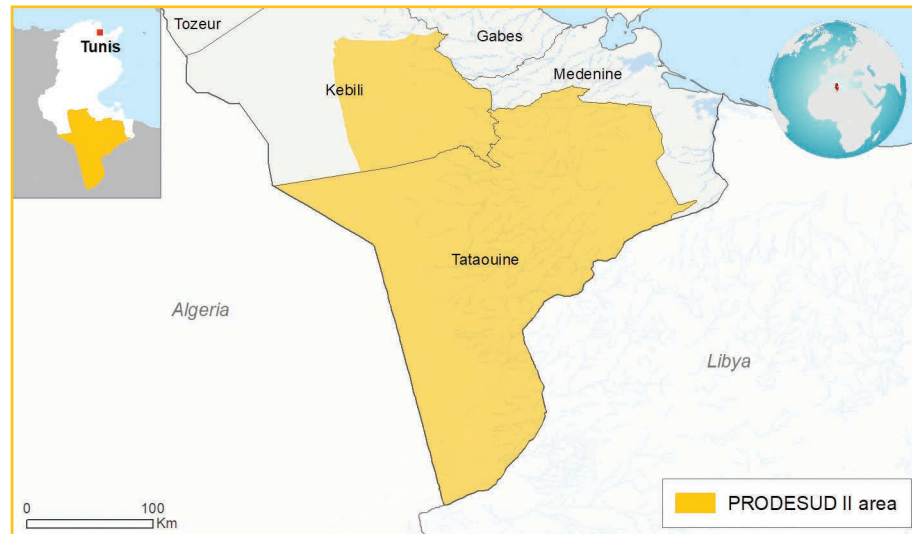
6,000 hectares benefited from **soil and water conservation** practices



432 women producer organization leaders (56 per cent of total) **trained** in finance/management

Women accounted for **54 per cent** of farmers who met annual farming input needs

11,721 women (55 per cent of total) accessed at least one **agricultural technology**



Tunisia: community empowerment to boost resilience

Project name	Agropastoral Development and Local Initiatives Promotion Programme in the South-East (PRODESUD) Phase II
Financing	US\$50.1 million from IFAD, Spanish Trust Fund, government, beneficiaries
Targeting	Poor household members, with a focus on women and youth
Goal	Contribute to improved living conditions and rural poverty reduction
Actions	Agropastoral development, income and employment generation

Innovations *Piloting payments for ecosystem services for policymakers*



Pastoralists received compensation in the form of animal feed to incentivize them to leave degraded areas to recover, decreed by the Ministry of Agriculture after negotiations with pastoralist groups



Degraded pastoral rangelands have been left to recover, resulting in marked increases in biomass



This innovative approach serves as a pilot for policymakers preparing the Pastoral Law

Impacts and results



254 income-generating **projects** established, 177 run by women
1,064 jobs created

Average **annual income** of small and medium-sized enterprises **exceeded target** of three times minimum agricultural wage



185 people trained in vegetable production

Increased rangeland productivity (344 forage units per hectare),
238 water-related works for livestock

194 families received potable water after infrastructure support



6,600 people reported adoption of climate-resilient and sustainable technologies

89,615 hectares rehabilitated and brought under climate-resilient management

200 per cent increase in **biomass** above ground from 100,000 hectares of degraded pastoralist routes left fallow



Women accounted for **71 per cent** of those **trained** in income-generating activities

13 women-only groups established

Women accounted for over **50 per cent of youth** trained as agriculture promoters



Viet Nam: pro-poor economic development

Project name	Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh (SRDP)
Financing	US\$46.2 million from IFAD, Spanish Trust Fund, government, beneficiaries
Targeting	Poor household members, with a focus on women and youth
Goal	Sustainably improve income and reduce vulnerability of rural poor households
Actions	Market and value chain investments, market-led development planning, rural financial services for enhanced rural business competitiveness

Innovations *Piloting payments for ecosystem services for policymakers*



Different value chain financing instruments created to leverage private-sector investments in, for example, climate-smart agriculture and community development funds



Annual agro-finance workshops between financial institutions, private-sector support funds, potential investors and improved dialogue between agribusinesses and farmers



Private-sector participation throughout the planning, implementation, monitoring and evaluation of project activities to ensure full ownership and buy-in

Impacts and results



Reached **352,236 people**

21,637 women, 5,428 youth and 612 indigenous people accessed **financial services**

76 per cent increase in **youth employment** in poor households

95 per cent increase in **employment** provided by small and medium-sized enterprises



Decrease in households suffering a **hunger** period each year from 12.8 per cent to **6.1 per cent** (Quang Binh)

Up to **34 per cent** increase in protein and vitamins for greater **dietary diversity**

Acute child malnutrition decreased from 20 per cent to 10 per cent and **children underweight** decreased from 22 per cent to **16 per cent**



5,681 hectares of forest land allocated to **poor families**, who received certificates of land-use rights

3,260 households made profitable **climate-smart** agriculture investments

421 holistic, participatory, climate-smart, market-oriented **plans** in 100 communes



Increase in **land certificates** with names of both husband and wife (from 38 per cent to 57 per cent in Quang Binh, from 16 per cent to 67 per cent in Ha Tinh for residential land, from 43 per cent to 56 per cent in Quang Binh and from 14 per cent to 53 per cent in Ha Tinh for farm land)

Livelihoods of **15,524 women-headed** households improved

Joint decision-making in the home increased from 71 per cent to **89 per cent** in Quang Binh






Annex 1: Project data for Spanish Trust Fund

Country	Project title	Effective/ Completion dates	Spain's approved contribution Euro (Amount disbursed at 31/12/2019)
Asia and the Pacific			
1. Bangladesh	Haor Infrastructure and Livelihood Improvement Project (HILIP)	2012-2020	20.5 (95.9%)
2. Indonesia	Coastal Community Development Project (CCDP)	2012-2018	6.3 (100%)
3. Viet Nam	Sustainable Rural Development for the Poor (SRDP) Project in Ha Tinh and Quang Binh	2014-2019	7.9 (78.5%)
Latin America and the Caribbean			
4. Argentina	Inclusive Rural Development Programme (PRODERI)	2011-2019	35.7 (85%)
5. Bolivia	Economic Inclusion Programme for Families and Rural Communities in the Territory of the Plurinational State of Bolivia with ASAP financing (ACCESOS)	2013-2019	11.2 (99.7%)
6. Brazil	Dom Helder Project Phase II	2013-2020	11.4 (30%)
7. Brazil	Rural Development in the State of Ceara	2013-2020	5.9 (100%)
8. Colombia	Building Rural Entrepreneurial Capacities Programme: Trust and Opportunity (TOP)	2012-2020	14.3 (71.4%)
9. Cuba	Cooperative Rural Development Project in the Oriental Region (PRODECOR)	2014-2021	20.8 (96.7%)
10. Dominican Republic	Rural Economic Development Project in the Central and Eastern Provinces (PRORURAL)	2012-2018	11.4 (100%)
11. Ecuador	Buen Vivir in Rural Territories Programme	2012-2021	10.7 (100%)
12. El Salvador	Rural Development and Modernization Project for the Central and Paracentral Regions (PRODEMOR – Central)	2014-2019	11.2 (100%)
13. Mexico	Sustainable Development Project for Communities in Semiarid Zones (PRODEZSA)	2012-2020	10.7 (57.7%)
East and Southern Africa			
14. Kenya	Upper Tana Catchment Natural Resources Management Project (UTaNRMP)	2012-2020	12.8 (87%)
15. Madagascar	Vocational Training and Agricultural Productivity Improvement Programme (FORMAPROD)	2013-2023	14.3 (71.4%)
16. Mozambique	Pro-Poor Value Chain Development Project in the Maputo and Limpopo Corridors (PROSUL)	2013-2019	13.3 (89%)
17. Zambia	Rural Finance Expansion Programme (RUFEP)	2014-2022	9.0 (64%)
Near East, North Africa, Europe and Central Asia			
18. Tunisia	Agropastoral Development and Local Initiatives Promotion Programme in the South-East (PRODESUD) – Phase II	2013-2020	12.4 (92.3%)
19. Uzbekistan	Horticultural Support Project	2012-2019	8.46 (99.3%)
West and Central Africa (WCA)			
20. Cabo Verde	Rural Socio-economic Opportunities Programme	2013-2022	7.10 (95.1%)
21. Gabon	Agricultural and Rural Development Project	2013-2017	4.25 (85.2%)
22. Niger	Ruwanmu Small-scale Irrigation Project	2013-2018	14.0 (100%)
23. Senegal	Support to Agricultural Development and Rural Entrepreneurship Programme (PADAER)	2011-2019	7.0 (99.9%)

Completed projects



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