

**Federative Republic of Brazil**  
**Country Programme Evaluation**  
**Approach Paper**



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# Currency equivalent, weights and measures

## Currency equivalent

Currency unit = Brazilian Real (BRL)  
1 US\$ = 2.60 BRL (Mid-January 2015)

## Weights and measures

1 kilometre (km) = 0.62 miles  
1 metre (m) = 1.09 yards  
1 hectare (ha) = 10,000 m<sup>2</sup> (0.01km<sup>2</sup>)  
1 hectare (ha) = 2.47 acres  
1 acre (ac) = 0.405 hectares (ha)  
1 kilogram (kg) = 2.204 pounds

## Abbreviations and acronyms

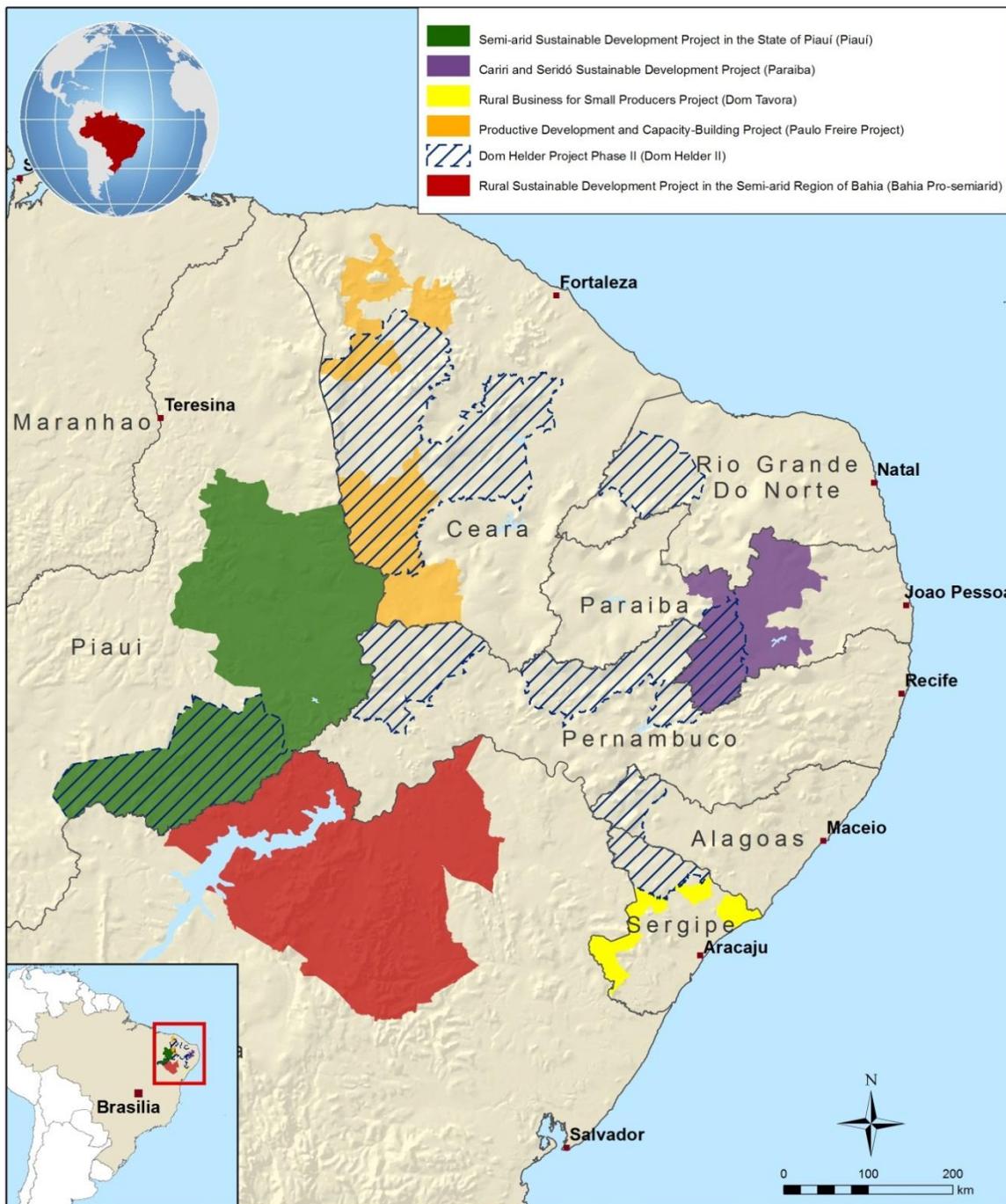
ACP	Agreement at Completion Point
CAF	Andean Development Corporation <i>Corporación Andina de Fomento</i>
COSOP	country strategic opportunities programme
CPE	country programme evaluation
CPM	country programme manager
EMBRAPA	<i>Empresa Brasileira de Pesquisa Agropecuaria</i>
ENRAP	Electronic Networking for Rural Asia/Pacific of IFAD
FAO	Food and Agriculture Organization of the United Nations
FIDAFRIQUE	IFAD network in Africa
FIDAMERICA	IFAD network in Latin America and the Caribbean
GEF	Global Environmental Fund
HDI	Human Development Index
IADB	Inter-American Development Bank
IICA	Inter-American Institute for Cooperation on Agriculture
IMF	International Monetary Fund
INCRA	<i>Instituto Nacional de Colonização e Reforma Agraria</i>
INSA	The Indian National Science Academy
IOE	Independent Office of Evaluation of IFAD
LAC	Latin America and the Caribbean Division (IFAD)
MDA	Ministry of Agrarian Development
MDG	Millennium Development Goals
MERCOSUR	<i>Mercado Común del Sur</i>
NGO	non-governmental organization
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OECD-DAC	OECD Development Assistance Committee
PMD	Programme Management Department (IFAD)
PPA	project performance assessment
REAF	Reunión Especializada sobre Agricultura Familiar
SEAIN	Secretariat of International Affairs, Ministry of Planning, Budget and Management

# Map of IFAD-supported operations

## Federative Republic of Brazil

IFAD-funded ongoing operations

Country programme evaluation



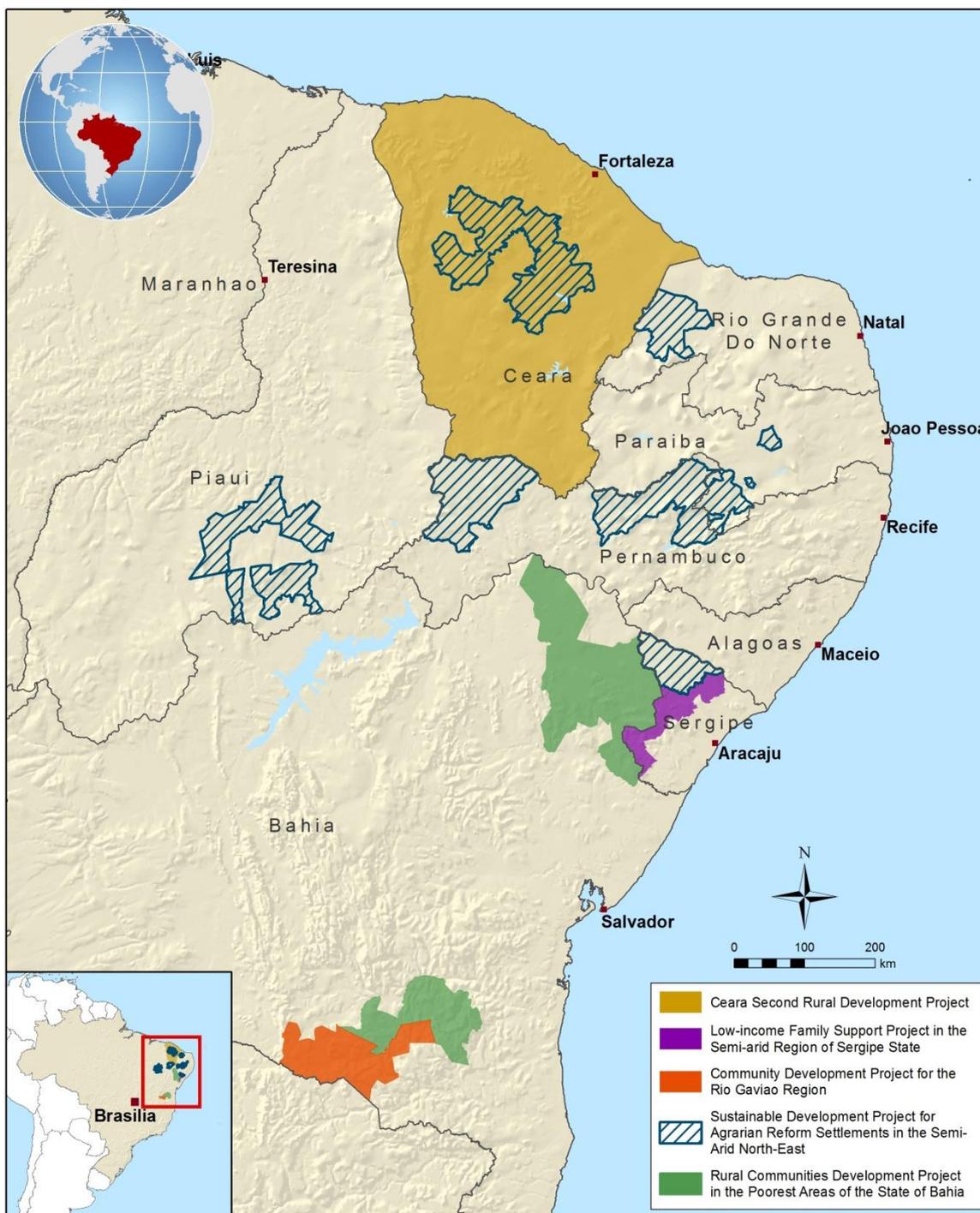
The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 07-01-2015

# Federative Republic of Brazil

## IFAD-funded closed operations

Country programme evaluation



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Map compiled by IFAD | 07-01-2015

# Federative Republic of Brazil

## Country Programme Evaluation

### I. Background

1. As decided by the Executive Board in its 113<sup>th</sup> session (December 2014), the Independent Office of Evaluation of IFAD (IOE) will undertake a country programme evaluation (CPE) in Brazil in 2015. This will be the second CPE undertaken by IOE in the country (the previous CPE was done in 2007). The CPE will cover the period 2008-2015, and be conducted within the overall provisions of the IFAD Evaluation Policy<sup>1</sup> and Evaluation Manual.<sup>2</sup>

### II. Country context

2. **Introduction.** Brazil is the largest country in South America with a land area of approximately 8.514 million km<sup>2</sup>. The country had an estimated population of 202.8 million at mid-point 2014. The fertility rate was estimated to be 1.8 live births per woman in 2013 (thus below the replacement rate) while the annual population growth rate was estimated to be 0.9 per cent in the period of 2008-13.<sup>3</sup> Brazil's population is predominantly urban, with almost 87 per cent of the population living in urban areas as of 2010.<sup>4</sup> The World Bank classifies Brazil as an "upper middle-income" country with a *per capita* Gross National Income (Atlas Method) of US\$11,690 in 2013.
3. **Economy.** After World War II, Brazil followed a development strategy based on import substitution. During the 1970s, it witnessed large investments in infrastructure and industry that fuelled an economic boom. It financed a large part of those investments through external borrowings. In 1982-1983, a severe debt repayment crisis hit Brazil with debt service outflows reaching 82% of its export earnings. The subsequent decade saw intervention from the International Monetary Fund (IMF) to support structural adjustments. The late 1980s and early 1990s also witnessed stalled growth and hyperinflation, as high as 2,950 per cent in 1990 and 2,477 per cent in 1993.<sup>5</sup> The introduction of the *Plano Real* in 1994 stabilized the inflation rate and laid the ground-work for public spending reforms and relatively high economic growth rates.
4. As of 2012, Brazil was the world's seventh largest economy with an estimated Gross Domestic Product (GDP) of US\$2.25 trillion. Services contribute 69 per cent of GDP followed by industry, contributing 25 per cent, with agriculture contributing only 6 per cent.
5. Alongside the rapid economic growth, Brazil has made rapid strides in several key social indices. The Human Development Index (HDI) rating of Brazil increased from 0.612 in 1990 to 0.705 in 2005 and to 0.744 in 2013, thus ranking it 79th of 187 countries and placing it in the high HDI category.<sup>6</sup>
6. In terms of meeting the targets for the achievement of the Millennium Development Goal (MDG) #1, Brazil has made rapid strides and has already surpassed the target in most cases. The poverty head-count (at the national poverty line) stood at 9 per cent in 2012, down from 21 per cent in 2005. The rate of extreme poverty (below the national poverty line of 70 BRL/month) stands at

<sup>1</sup> <http://www.ifad.org/gbdocs/eb/102/e/EB-2011-102-R-7-Rev-1.pdf> and [http://www.ifad.org/evaluation/process\\_methodology/doc/manual.pdf](http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf).

<sup>2</sup> [http://www.ifad.org/evaluation/policy/new\\_policy.htm](http://www.ifad.org/evaluation/policy/new_policy.htm).

<sup>3</sup> World Bank Databank: <http://data.worldbank.org/indicator/SP.DYN.TFRT.IN/countries>.

<sup>4</sup> IBGE Press Release: <http://saladeimprensa.ibge.gov.br/en/noticias?idnoticia=1766&view=noticia>.

<sup>5</sup> Brazil's macro economy, past and present by Rabobank:

<https://economics.rabobank.com/publications/2014/january/brazils-macro-economy-past-and-present/>.

<sup>6</sup> Explanatory note on the 2014 Human Development Report composite indices: [http://hdr.undp.org/sites/all/themes/hdr\\_theme/country-notes/BRA.pdf](http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/BRA.pdf).

3.6 per cent in 2012 compared to 13.4 per cent in 1990. The prevalence of extreme poverty is higher in rural areas (at 9.3 per cent) than in urban areas (2.6 per cent)<sup>7</sup>. However, in spite of its status as an upper middle-income country, there is a high level of income inequality as witnessed by the Gini coefficient of income distribution of permanent households of 0.501 in 2011.

7. In terms of geographic and spatial distribution, there is higher prevalence of poverty and social deprivation in the northern and north-eastern regions compared to the rest of the country. As an example, the prevalence of extreme poverty there was 7.3 percent compared to 3.6 per cent at the national level (but with a sharp decrease from 1990 when it was 28.5 per cent). The general dependence on agriculture as a primary source of livelihood is also higher in the northern and north-eastern regions. As of 2011, these two regions were home to 65 per cent of Brazil's extremely poor (<70 RBL/Month) and 50.7 per cent of the poor (between 70 and 140 RBL/month) while they account for only 20 per cent of the country's population.
8. In terms of the achievement of MDG #4, the country has reduced under-five mortality by two-thirds. The probability of achievement of MDG #5 (reducing maternal mortality by three-fourths) by 2015 remains uncertain. Child stunting rates (below 5 years), though not a part of the MDG indicators, are a significant determinant of nutrition status and have seen a decline from 19.6 per cent in 1986 to 13.4 per cent in 1996 and to 6.7 per cent in 2006.<sup>8</sup>
9. **Agriculture** has occupied a central role in the poverty reduction efforts of Brazil, mainly through support to family farming in the form of land redistribution and the provision of financial services for farm and non-farm activities. It is also one of the drivers of exports. Brazil is the world's largest producer of coffee and sugarcane and the second largest producer of soybeans. Some of the most important food crops in Brazil are dry beans, paddy and maize, with production estimated at 2.7 million tonnes, 11 million tonnes and 71 million tonnes, respectively, in 2012.<sup>9</sup> Livestock resources are abundant: it has the second largest number of cattle in the world, behind India. Brazil is the world's largest producer of beef and the second largest exporter in the world. The dairy sector has witnessed rapid growth in the past decade, with Brazil turning from a net importer to a net exporter of dairy products.
10. It is important to note the differences in agro-ecological areas in such a vast country as Brazil. In particular, there are important challenges posed by the semi-arid conditions in the North-East of Brazil, characterized by a short rainy season and annual rainfall in the range of 500-800 millimeters. For this reason and due to the traditionally higher prevalence of poverty there, IFAD's interventions have focused on the North-East.
11. **Family farmers** contribute significantly towards the output of certain agricultural products such as beans (70 per cent), maize (46 per cent), coffee (38 per cent), milk (58 per cent), poultry (50 per cent) and beef (30 per cent).<sup>10</sup> Family farms occupy 80 million hectares of land, 24 per cent of total farm-land in the country. This sector also contributed 38 per cent of the gross value of agricultural

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<sup>7</sup> UNDP MDG Country Report, Brazil 2014:

[http://www.undp.org/content/dam/undp/library/MDG/english/MDG%20Country%20Reports/Brazil/140523\\_relatorioodm.pdf](http://www.undp.org/content/dam/undp/library/MDG/english/MDG%20Country%20Reports/Brazil/140523_relatorioodm.pdf).

<sup>8</sup> Country Policy Analysis, Nutrition Impact of Agriculture and Food Systems:

[http://unscn.org/files/Publications/Country\\_Case\\_Studies/UNSCN-country-case-study-Brazil-FINAL.pdf](http://unscn.org/files/Publications/Country_Case_Studies/UNSCN-country-case-study-Brazil-FINAL.pdf).

<sup>9</sup> FAOSTAT: <http://faostat.fao.org/DesktopDefault.aspx?PageID=339&lang=en&country=21>.

<sup>10</sup> According to the Inter-American Institute for Cooperation in Agriculture (IICA), a family farmer was defined and distinguished from a farmer who uses hired labour based on the social relations of production (i.e., the type of labour used on the farm rather than its size or the income that it generated). Thus, family farms were defined as those that used more family labour units than hired labour units. The upper limit for the classification is set at 15 times the *módulo fiscal* - the minimum amount of land needed to maintain a family by means of family farming.

production as of 2006.<sup>11</sup> Family farms are instrumental to the food security of the country, as they produce 70 per cent of all food products consumed by Brazilians.<sup>12</sup> Family farms primarily use labour provided by the landowner's family; however, it is also common to employ temporary labour, and family farms employ 74 per cent of available farm labour.<sup>13</sup>

12. **Poverty Reduction Programmes.** Brazil witnessed an increased level of initiative in poverty alleviation efforts by the government after the macroeconomic stabilization in the second half of the 1990s. The current generation of poverty alleviation programmes, with an emphasis on food security, started in the late 1990s under the Presidency of Mr Cardoso, were reinvigorated under the Presidency of Mr Luiz Inácio Lula da Silva and have consistently received support by the Governments in charge. The most important are *Fome Zero* (Zero Hunger) and *Brasil Sem Miséria* (Brazil without Poverty). *Fome Zero* also served as an umbrella programme for multiple cash-transfer initiatives that were later brought under the umbrella of the single cash-transfer initiative '*Bolsa Família*'. The *Brasil Sem Miséria* programme was announced by President Dilma Rousseff in 2011 during her first term in office. It builds on the initiatives taken under the *Fome Zero* initiative and consolidates the gains with the objective of completely eradicating extreme poverty in Brazil by 2014. The programme has three main components: (i) to raise the *per capita* household incomes of the target population; (ii) to expand access to public goods and services; and (iii) to provide access to jobs and income opportunities through productive inclusion initiatives.
13. The **Land Reform** debate has prevailed in the political domain since the 1950s but serious implementation commenced only in the 1990s. In the period 1964-1985, about 77,000 families were settled while the corresponding number was about 400,000 families during 1995-2002. Between 2002-2006 alone, the government is estimated to have invested about US\$2 billion and expropriated about 32 million hectares to be redistributed to about 381,000 landless families; a similar amount is estimated to have been spent in the period 2006-10.<sup>14</sup> The nodal agency for land reform in Brazil is the National Institute for Colonization and Agrarian Reform (INCRA), which is tasked with the resettlement of landless families on expropriated lands. The land reforms have been instrumental in making family farming central to the agriculture and social sector policy discourse in Brazil.
14. **Brazil as both a contributor to South-South cooperation and an aid recipient.** Brazil is an emerging contributor to South-South cooperation, along with other countries such as India and China. Based on official data, it is estimated that Brazilian development cooperation reached US\$2.3 billion between 2005 and 2010, having evolved from US\$160m in 2005 to over US\$900 million in 2010; the largest recipients have been Lusophone countries (e.g., Mozambique, Guinea Bissau and Timor-Leste). Cooperation is rendered through multiple channels, including technical cooperation, project funding and concessional loans, and through a number of institutions such as the Brazilian Cooperation Agency (ABC) and the Brazilian Corporation for Agricultural Research (EMBRAPA). It is estimated that in 2010 alone Brazil had rendered technical assistance in excess of US\$480 million and an increasing share is being provided to African countries.<sup>15</sup>
15. Data on official development assistance to Brazil are maintained by the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD-DAC) but there are some concerns on their accuracy and

<sup>11</sup> Ibidem.

<sup>12</sup> Scaling up Local Development Initiatives : Brazil's Food Acquisition Programme: [http://www.fao.org/fsnforum/sites/default/files/resources/Nehring\\_McKay\\_2013\\_PAA.pdf](http://www.fao.org/fsnforum/sites/default/files/resources/Nehring_McKay_2013_PAA.pdf).

<sup>13</sup> FAO, Family Farming Observatory: <http://www.rlc.fao.org/en/about-fao/regional-priorities/family-farming/baf/2012-09/ffo/>.

<sup>14</sup> Agricultural Land Redistribution, Towards a greater consensus:

[http://siteresources.worldbank.org/INTARD/Resources/Ag\\_Land\\_Redistribution.pdf](http://siteresources.worldbank.org/INTARD/Resources/Ag_Land_Redistribution.pdf).

<sup>15</sup> These data, collected from official sources in Brazil, are presented in Costa Leite et al. (2014).

this is notably the case of the agricultural sector (and thus they are not quoted here). Brazil received approximately US\$4.9 billion as Country Programmable Aid<sup>16</sup> in the period 2004-2012. The largest donors to Brazil in the period 2004-2011 were France (US\$1.24 billion), Japan (US\$1.17 billion) and Germany (US\$964 million).<sup>17</sup>

16. **Political context.** Brazil had Presidential elections in October 2014, which resulted in the re-election of Ms Dilma Rouseff as President of the country. There have since been several changes in key Ministerial positions and officials, and there is a new political environment. The CPE will assess in a broad sense the implications of Brazil's political evolution to IFAD's future strategy and operations in the country.

### **III. Overview of IFAD-funded operations and evolution of the country strategy**

17. Brazil has the largest portfolio of IFAD-supported operations in the Latin America and the Caribbean Region (LAC). IFAD's Executive Board approved its first loan to Brazil in 1980. Since then, IFAD has financed eleven loans (US\$259 million) for a portfolio that has a total cumulative cost of US\$830 million. The national counterpart funding to IFAD-funded projects (provided at both Federal and State levels) has been US\$377 million (45 per cent of total portfolio costs, well above IFAD's financing). There has been limited co-financing (US\$113.5 million or 14 per cent of portfolio costs according to IFAD's records) and this has come principally from the Spanish Trust Fund and the Global Environmental Fund (GEF). IFAD opened a country office (ICO) in Salvador de Bahia, which became operational in June 2011, now staffed with two professional and one general service employee.
18. In addition to the loans, IFAD has also provided several grants to Brazil. Based on the information available, 24 grants with activities in Brazil have been approved in the past ten years (Annex III).
19. **Evolving strategy in country strategic opportunities programmes (COSOPs).** IFAD produced its first COSOP<sup>18</sup> for Brazil in 1997. It identified four main strategic thrusts: (i) promoting access to land; (ii) supporting the Government's smallholder sector policy and programme; (iii) focusing IFAD assistance on the North-East region of the country; and (iv) engaging in policy dialogue. It was updated only after the first CPE (2007).
20. The 2007 CPE found that IFAD-funded projects had achieved good results in promoting water security, enhancing crop yields (e.g., through the introduction of pest-resistant varieties of cassava and pineapples) and natural resources management, as well as in building grass-roots institutions and involving non-governmental organizations (NGOs) in project initiatives. Off-farm initiatives took place in the form of support to traditional handicraft development and other artisanal activities. IFAD-supported operations had contributed to increasing incomes of the rural poor in the North-East and had facilitated their participation in rural development processes, including access to education, infrastructure (e.g., rural roads) and other support services. However, the development of markets and value chains had not received systematic consideration in IFAD operations.
21. IFAD-assisted operations contributed to introducing some location-specific innovations (both concerning the general approach to rural development, for

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<sup>16</sup> Country Programmable Assistance reflects the amount that is subjected to multi-year planning at the country/regional level and is defined through exclusions by subtracting from total gross Official Development Assistance (ODA) transfers that are unpredictable by nature (humanitarian aid and debt relief); entail no cross-border flows (administrative costs, imputed student costs, promotion of development awareness, and research and refuges in donor countries; do not form part of the cooperation agreements between governments (food aid and aid from local government); and are not country programmable by the donor (core funding of NGOs).

<sup>17</sup> OECD DAC Statistics: [http://webnet.oecd.org/dcdgraphs/CPA\\_recipient/](http://webnet.oecd.org/dcdgraphs/CPA_recipient/).

<sup>18</sup> Until 2006, COSOP stood for Country Strategic Opportunities Paper. Since 2006, the acronym stands for Country Strategic Opportunities Programme.

example, a shift from a top-down to a bottom-up approach, and those focusing on low-cost, easy to absorb technologies). However, the promotion of innovations was generally *ad hoc*, without due consideration for linkages with knowledge management, policy dialogue and partnership building. More generally, non-lending activities were found to be marginal components of IFAD's programme in Brazil.

22. The 2007 CPE identified five areas of recommendations:
- (a) **Strengthen innovation promotion, including knowledge management**, notably by establishing wider partnerships using grant funds, ensuring that research results are more comprehensively included in IFAD operations and investing more resources for systematically documenting good practices and lessons learned in the South America region and in African countries.
  - (b) **Intensify partnership with government agencies** at the state level, by exploring opportunities for direct lending to state governments, and at the federal level, in order to maintain a close dialogue.
  - (c) **Explore other geographic areas** in addition to the North-East, such as those containing indigenous peoples in the Amazon basin.
  - (d) **Redefine priority areas of operations**: a new priority area would be to promote access to markets and market information for farmers and small entrepreneurs in a greater collaboration with the private sector. IFAD should also contribute to the further strengthening of rural financial services at the grass-roots level and to innovations allowing banks to use retail shops for providing remote financial services at a lower cost compared to opening a branch.
  - (e) **Redefine IFAD's operating model**. The CPE recommended exploring the option of out-posting the country programme manager (CPM) and considering the establishment of a sub-regional office in Brazil to cover the MERCOSUR countries. It also recommended increasing the level of resources allocated to Brazil, including resources for non-lending activities.
23. IFAD prepared its second COSOP in 2008. It followed the majority of recommendations of the CPE, with the exception of the recommendations on:  
(i) geographical coverage of the Amazon basin (given the limited financial resources available it was deemed more appropriate to focus on the North-East);  
(ii) the out-posting of the CPM; and (iii) the establishment of the regional office and the increase in lending resources (see Annex IV for a tracking of the 2008 COSOP's recommendations). IFAD's management considered that the adoption of the latter two recommendations required decisions to be taken at the regional and corporate level and were subject to the availability of both operational budgetary resources and lending funds.
24. The 2008 COSOP recognized that IFAD is a very small player in terms of financial resources for lending and thus needs to be particularly well focused. It mentions two features of IFAD interventions that were particularly appreciated by the stakeholder during the COSOP consultation process: (i) the experimental nature of numerous project interventions; and (ii) flexibility during project implementation. According to the COSOP, as an agency of the United Nations specialized in combating rural poverty, IFAD has a well-established record of working with vulnerable groups and civil society organizations that gives it an advantage when promoting partnerships and acting as an "honest broker" between social and governmental sectors.
25. The 2008 COSOP set four strategic objectives (Table 2) that included both investment and non-lending efforts (notably for the objectives iii and iv).
- i) To increase commercial agricultural production by small farmers, with corresponding access to markets under rewarding and sustainable

conditions.

- ii) To improve access by the rural poor to off-farm employment and business activities in rural areas and villages, focusing on women and young people.
  - iii) To improve, through knowledge generation and dissemination, the capacity of the rural poor and of relevant institutions in the North-East to co-exist with semi-arid conditions, to adapt to climate change and to exploit the development potential of the semi-arid region.
  - iv) To deepen the discussion on rural poverty reduction and family farming policies at the national and international levels.
26. The first two strategic objectives correspond to typical areas for IFAD investment while the last two belong to the realm of non-lending activities (and are addressed further below in this Approach Paper). For the first strategic objective, investments are envisaged in extension activities to improve agricultural productivity, in infrastructure to facilitate smallholder farmers' access to markets, and in technical support services. Focus is given to adaptation to climate change and to the specific semi-arid conditions in the North-East.
27. For the second strategic objective, the activities envisaged include business development services, training of producers' groups and vocational training. Although not specifically emphasized in the COSOP, interventions would need to include financial services.
28. Targeting approaches include the combination of self-targeting beneficiaries and direct project targeting based on household or community criteria, as well as competition between communities or individuals based on the development of investment proposals.
29. As for gender equality, the COSOP highlights issues such as the high proportion of rural female-headed households that result from temporary and permanent migration of males and to family breakdown, drudgery, limited labour-market skills beyond household work in urban areas, and low access to social, financial and production support services. The 2008 COSOP proposes three actions:  
(i) supporting women's access to social programmes (e.g., education and health);  
(ii) ensuring equal opportunity of participation in extension and "productive services" (e.g., rural finance and business support); and (iii) gender awareness campaigns.

Table 2  
Main elements of the 2008 COSOP

<i>Strategic objectives<sup>a</sup></i>	<p>1. To increase commercial agricultural production by small farmers and access to markets.</p> <p>2. To improve access by the rural poor to off-farm employment and business activities in rural areas and villages, focusing on women and young people.</p> <p>3. To improve, through knowledge generation and dissemination, the capacity of the rural poor and of relevant institutions in the north-east to co-exist with semi-arid conditions, adapt to climate change and better exploit the development potential of the semi-arid region.</p> <p>4. To deepen the discussion on rural poverty reduction and family farming policies at the national and international levels.</p>
<i>Geographic priority</i>	Continued focus on the North East
<i>Sub sector/thematic focus</i>	<p>For objective 1:</p> <ul style="list-style-type: none"> <li>- Improving productive infrastructure, equipment and technical assistance for family farmers</li> <li>- Strengthening farmer organizations; promoting and supporting productive alliances;</li> <li>- Extension to introduce innovations suitable to semi-arid conditions and a climate change context.</li> </ul> <p>For objective 2:</p> <ul style="list-style-type: none"> <li>- Rural enterprise development, following a "territorial" approach</li> <li>- Training for entrepreneurs, based on market and skills demand analysis</li> </ul> <p>Objectives 3 and 4 mainly relate to non-lending activities and are treated further below in this Approach Paper.</p>
<i>Targeting approach</i>	The target group comprises poor farmers, agrarian reform settlers and rural workers in the North-East. Indigenous and ethnic groups (such as the <i>quilombolas<sup>b</sup></i> ) will be included. Targeting mechanisms are a mix of : (i) self-targeting (by promoting activities, technologies and methods of priority interest to the poor; (ii) inclusive targeting; (iii) selective targeting, based on specific household or community criteria; (iv) demand-led approaches; and (v) competitive mechanisms.
<i>Gender dimension</i>	<p>Provision of adult women literacy programmes. Improved facilities and resources for health and nutrition services, particularly oriented to women. Delivery of social services and provision of domestic time-saving equipment.</p> <p>Participatory financial and extension services to rural women, training in farm and off-farm rural productive activities and labour skills with equal opportunities</p> <p>Gender awareness campaigns within rural communities and local society at large.</p>
<i>Country programme management</i>	<p>CPM to be based at IFAD headquarters. Establishment of a new country office, transition to direct supervision.</p> <p>COSOP monitoring based on its Results Framework. Data at project level through the Results and Impact Management System (RIMS). Annual COSOP reviews involving national partners. COSOP mid-term review foreseen in 2010-11.</p>

<sup>a</sup> In the COSOP 2003 log frame these are mentioned at the output level.

<sup>b</sup> Descendants of communities historically formed by runaway slaves.

## IV. Evaluation objectives, methodology and process

1. **Objectives.** The main objectives of the proposed CPE are: (i) to assess the performance and impact of IFAD-supported operations in Brazil; (ii) to generate a series of findings and recommendations to enhance the country programme's overall development effectiveness; and (iii) to provide relevant information and insights to inform the formulation of the next COSOP for Brazil, proposed for 2016, by IFAD and the Government.
2. **Methodology.** The objectives of the CPE will be achieved by assessing the performance of three mutually-reinforcing pillars in the IFAD-Government partnership:

- (i) Project portfolio performance;
  - (ii) Non-lending activities (knowledge management, policy dialogue and partnership building); and
  - (iii) The performance of the 2008 COSOP in terms of its relevance and effectiveness.
3. The performance in each of these areas will be rated on a scale of 1 (lowest) to 6 (highest).<sup>19</sup> While these will be viewed individually, the synergies between the components will also be looked at (e.g., to what extent have IFAD's knowledge management activities supported its project activities and, taken together, to what extent did they reflect the approach outlined in the COSOP?). Based on this assessment and the aforementioned three ratings, the CPE will generate an overall achievement rating for the IFAD-Government partnership.
30. The below box summarizes only some of the key questions/issues that the Brazil CPE will address. The full set of questions/issues that will be covered may be seen in the evaluation framework contained in Annex I. In addition, the CPE will assess the extent to which the recommendations from the 2007 Brazil CPE were implemented in the 2008 COSOP and operations that were subsequently funded by IFAD in the country.

#### **Key questions/issues to be covered by the Brazil CPE**

- Building on its track record, comparative advantage and specialization, what are the future role and priorities of IFAD in Brazil, taking into account the country's middle-income status with a large number of rural poor people?
- In the past 5-7 years, IFAD has been lending directly to the states with federal government guarantees. What are the opportunities and challenges for IFAD of working in a country with a federal governance and institutional architecture and what are the corresponding implications to policy dialogue? In particular, how have the respective roles, priorities and relationships between the federal and state governments affected IFAD-supported activities? How has IFAD facilitated inter-state dialogue?
- Explore the opportunities of expanding IFAD's geographic coverage to the north of the country including provision of assistance to indigenous peoples.
- How have IFAD-supported activities contributed to the inclusion of the most marginalized rural communities in national policies and programmes?
- To what extent has IFAD been successful in promoting south-south and triangular cooperation between Brazil and other countries in the region and beyond<sup>20</sup>?
- Though domestic co-financing has been relatively high, the CPE will explore the underlying rationale for no international co-financing of IFAD-funded operations in the past decade and corresponding options for the future.
- What has been the collaboration at the country level among the Rome-based agencies (FAO, IFAD and WFP)?

Review the efforts in promoting knowledge sharing on smallholder agriculture development including cross-fertilization of lessons and good practices within Brazil and with other countries.

- How has the opening of the IFAD country office contributed to development effectiveness and the IFAD-Brazil partnership in general, including dialogue with state governments and federal authorities? How can IFAD provide effective and efficient supervision and implementation support to operations that cover a wide geographic area?

<sup>19</sup> The rating scale is: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory.

<sup>20</sup> For example, the CPE will also study the initiative with Embrapa to promote south – south cooperation between Brazil and Africa, and between Brazil and Latin America and the Caribbean.

## A. Project portfolio performance

31. With regard to assessing the performance of the project portfolio, IOE will apply its standard evaluation methodology for each project included as part of the CPE cohort (see coverage and scope below) using the internationally-recognized evaluation criteria of:
- **Relevance:** assessing to what extent the project's objectives were consistent with the relevant COSOPs and the Government's main policies for agriculture and rural development, as well as the needs of the poor.
  - **Effectiveness:** the evaluation will assess whether the project achieved its development objectives (or is likely to achieve them), as well as whether it achieved other objectives not originally specified, and will attempt to explain which factors account for the results.
  - **Efficiency:** assessing how economically inputs were converted into outputs/results. If economic rates of return cannot be computed (because of insufficient quality of data or an early project implementation stage), the evaluation will resort to proxies (e.g., unit cost of realizations compared to national averages, management performance, implementation delays and cost overruns).
32. The following evaluation criteria will also be used in assessing IFAD-funded projects and programmes.
- **Rural poverty impact:** assessing the changes, positive and negative, direct and indirect, in the socio-economic conditions of the rural poor. The CPE will address five domains on which IFAD-funded projects are likely to have an impact: household income and assets, human and social capital and empowerment, food security and agricultural productivity, natural resources and the environment (including climate change), and institutions and policies.
  - **Sustainability:** assessing the likelihood that the benefits of projects will continue after the closing date and completion of IFAD assistance. Among other issues, this requires a discussion of: (i) support from national and local institutions and availability of budget for maintenance; (ii) the complexity of technical solutions adopted by the project and the need for prolonged training and support; (iii) the profitability of economic schemes promoted by the project; and (iv) the level of support from the communities.
  - **Innovations and scaling-up:** This will include assessing whether projects covered by the CPE contained or contain innovative features, and whether they have been or are likely to be scaled-up by the Government, private sector or other development partners (e.g., the international financial institutions).
  - **Gender equality and empowerment of women:** assessing whether gender considerations were included in project design; the relevance of the approach taken in view of women's needs and the country context; and the specific results in terms of women's workload, nutrition, skills, better access to resources, and income.
  - **Performance of partners:** evaluating the performance of IFAD and the Government, respectively, across a number of domains, such as: project design; time taken from loan approval to loan effectiveness and the underlying processes; supervision and implementation support; project management; and fiduciary aspects including financial management, quality and timeliness of audit reports, flow of funds, etc. The CPE will also devote

specific attention to assessing country- and project-level monitoring and evaluation and learning systems to measure change and impact in rural poverty reduction and inclusion at the local level, and the quality of mid-term reviews, project completion reports, project status reports, and the application of the Results and Impact Management System (RIMS). With regard to M&E, the CPE will particularly review the special initiative with support of the Spanish Government for M&E and draw lessons that might be applicable to IFAD.

33. **Approach.** The evaluation will combine a desk review of existing documentation (IFAD project documents, data and information generated by the projects, Government documentation) with interviews with relevant stakeholders in IFAD and in the country, and direct observation of activities in the field. For the field work, a combination of methods will be used: (i) focus group discussions (especially farmers, women's associations, etc.) with a set of questions for project user groups and linkages with other projects in the area; (ii) Government stakeholders' meetings – national, provincial, district - including project staff; (iii) sample household visits (including non-project households for comparison purposes) using a pre-agreed set of questions to members of the household to obtain indications of levels of project participation and impact; and (iv) key non-government stakeholders' meetings (e.g., civil society representatives, private sector/merchants/shop keepers, schools). The findings of the evaluation will be the result of "triangulation" of evidence collected from different sources.
34. **Addressing attribution issues.** As for all evaluations, it is challenging to attribute a set of observed changes to the interventions supported by a project. For example, data may point to significant increases in household assets but this may be the result of exogenous factors and not to the project (e.g., falling prices of certain household assets; a general economic upturn; households receiving remittances). In the past ten years, there has been a revival of interest for evaluations using an experimental and quasi-experimental design (i.e., comparing households or individuals with and without project). These types of design require large sample surveys that are not available for the IFAD projects in Brazil, and the budget and timeline of the proposed CPE will not allow the use of these methods. The CPE may, instead, address the issue of attribution using a theory-based approach,<sup>21</sup> combined with a review of the available statistical data (e.g., at the state level) and some spot-checking to gauge the veracity of claims made in the available project documents:
- Reviewing the project chain of action and cause-effect, and assessing to what extent this is corroborated by the available evidence;
  - Considering rival explanations by probing for alternative factors, and reassessing the plausibility of the imputed causality chain;
  - Reviewing available demographic, health and welfare statistical data (if existing at the appropriate level of disaggregation); and
  - Conducting selected interviews with non-beneficiaries that share salient characteristics (e.g., socio-economic status, livelihood, and farming system) that will help understand the "mechanisms" through which the project may have generated changes and what might have happened in its absence (the counterfactual).

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<sup>21</sup> See as references: Mayne, J. (2001), "Addressing attribution through contribution analysis: using performance measures sensibly," *Canadian Journal of Program Evaluation* 16: 1-24; Pawson, Ray & Nick Tilley (1997). *Realist Evaluation*, London; Scriven, M. (1976), "Maximizing the Power of Causal Investigations: The Modus Operandi Method", in: G. V. Glass (ed.) *Evaluation Studies Review Annual, Vol. 1*, Sage Publications, Beverly Hills, CA; Weiss, C. H. (1995), "Nothing as practical as good theory: Exploring theory-based evaluation for comprehensive community initiatives for children and families", in J. Connell, A. Kubisch, L. B. Schorr, & C. H. Weiss (Eds.), *New approaches to evaluating community initiatives: Volume 1, concepts, methods, and contexts* (pp. 65-92). New York, NY: Aspen Institute.

35. **Coverage and scope.** The CPE will cover IFAD's operations and strategy from 2008 till mid-2015. This will include a total of eight loan-funded projects, of which two were approved before the 2008 COSOP and six after. The two approved before the 2008 COSOP were at an early implementation stage when the previous CPE was carried out. These include:
- i) "*Dom Helder Câmara*" Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East (total cost US\$99.3 million, IFAD loan US\$25 million); and
  - ii) "*Gente de Valor*" Rural Communities Development Project in the Poorest Areas of the State of Bahia (total cost US\$60.5 million, IFAD loan US\$30 million).
36. Since 2008, IFAD has approved six new loans that will also be assessed by the CPE (see project details in Annex II):
- i) "*Viva o Semiárido*" Semi-arid Sustainable Development Project in the State of Piauí (total cost US\$39 million, IFAD loan US\$20 million);
  - ii) Cariri and Seridó Sustainable Development Project (total cost US\$49.7 million, IFAD loan US\$25 million);
  - iii) "*Projeto Dom Távora*" Rural Business for Small Producers Project, State of Sergipe (total cost US\$37.8 million, IFAD loan US\$16 million);
  - iv) "*Paulo Freire* Project" Productive Development and Capacity-Building Project, State of Ceará (total cost US\$94.9 million, IFAD loan US\$32.2 million);
  - v) "*Dom Helder Câmara*" - Phase II Policy Coordination and Dialogue for Reducing Poverty and Inequalities in Semi-Arid North-East Brazil (total cost US\$125.3 million, IFAD loan US\$3 million and US\$15 million through the Spanish Trust Fund); and
  - vi) Rural Sustainable Development Project in the Semi-arid Region of Bahia (total cost US\$105.8 million, IFAD loan US\$45 million).
37. **Evaluability of projects.** Assessing in detail a large number of individual projects in any CPE is a major challenge, especially given the limited time and resources available.
38. IOE will be able to make use of the interim evaluation of the Dom Helder project done in 2010/11. Moreover, IOE is currently undertaking an evaluation of the *Gente de Valor* project, which will be completed by June. These two project evaluations by IOE will provide valuable evidence for the CPE. Given that both these projects have closed, the CPE will assess and rate them against all evaluation criteria listed in section A of this chapter.
39. Of the remaining six projects, four were approved between 2009 and 2012, but their implementation started only in the last quarter of 2012 or later. Of these, the project that had the most advanced disbursement status (as a proxy of implementation progress) as of January 2015 was the Cariri and Seridó Sustainable Development Project with only 12 per cent, clearly indicating that these four projects are all at an early implementation stage.<sup>22</sup> It is likely that these projects have not yet had the time to generate the expected results and impacts on rural poor population. As a consequence, the range of criteria that can be applied to these projects is more limited (Table 4); in particular it may be too early to assess effectiveness, efficiency, impact and sustainability.

<sup>22</sup> In the case of Semi-arid Sustainable Development Project in the State of Piauí, Executive Board approval was in September 2009 but implementation started in April 2013 as the process of preparing a subsidiary agreement with the Federal Government took more than three and half years.

40. Finally, two projects were approved in 2013 and their implementation started only in the second half of 2014. It is expected that only the criterion of relevance can be assessed for these two projects. In sum, while the CPE will cover eight projects, it is expected that only for two of them it will be possible to assess the results. For the other six, given their timeline of design and implementation, the CPE will assess the quality of design, the institutional set-up and arrangements with national and state partners, but not yet their results and impacts.

Table 4  
**Expected evaluability of projects**

Cohort	Before 2008 COSOP	Approved between 2009 and 2012	Approved in 2013
<b>Projects</b>	(a) "Dom Helder Câmara –phase 1; and  (b) "Gente de Valor"	(a) Viva o Semiárido - Piauí (b) Cariri and Seridó Sust. Devel. Proj.  (c) "Projeto Dom Távora", Piauí (d) "Paulo Freire Project", Ceará	(a) "Dom Helder Câmara – Phase II"; and  (b) Rural Sustainable Development Project in the Semi-arid Region of Bahia
<b>Beginning of implementation</b>	Both closed projects	Between October 2012 and August 2013	September 2014
<b>Criteria</b>			
Relevance	Yes	Yes	Yes
Effectiveness	Yes	No	No
Efficiency	Yes	No	No
Rural poverty impact	Yes	No	No
Sustainability	Yes	No	No
Innovation, and scaling up	Yes	Selected aspects	No
Gender equality and women's empowerment	Yes	Selected aspects	No
Performance of partners	Yes	Selected aspects	No

## **B. Non-lending activities**

41. The CPE will assess "non-lending" activities, which include knowledge management, partnership building and policy dialogue.
42. With regard to knowledge management, *the* CPE will assess how lessons and experiences from past operations have been documented and used in the design of new and implementation of current operations. The extent to which knowledge exchanges have taken place between Brazil and other countries in the region or beyond will also be analysed.
43. The CPE will evaluate partnerships with Government institutions (at both federal and state levels), the private sector, international organizations including Rome-based agencies (FAO and WFP) and UNDP, research entities (e.g., EMBRAPA, IICA), civil society and non-governmental organizations.
44. In terms of policy dialogue, the CPE will assess the efforts made by IFAD and results achieved in promoting sustainable and inclusive policies for family farming and rural development in general. In particular, the CPE will also assess how IFAD's experience in Brazil has been leveraged for policy dialogue at the global, regional or sub-regional levels (e.g., through REAF in the Mercosur).
45. In each of the aforementioned areas, the evaluation will assess the resources allocated and the incentives and accountability framework for achieving the objectives and targets set for non-lending activities in the 2008 COSOP.
46. The CPE will provide separate ratings for knowledge management, partnership building and policy dialogue, and an overall rating for non-lending activities on a six-point scale.

Table 5

**Non-lending activities in the 2008 COSOP**

<b>Partnership-building</b>	<p><u>Federal Government level</u>: Secretariat of International Affairs (SEAIN) Ministry of Planning, Budget and Management; Ministry of Agrarian Development (MDA).</p> <p><u>Sub-national level</u>: State agencies, Banco do Nordeste do Brasil, the Forum of Civil Society Organizations in the Semi-Arid Regions, in full INSA, the North-East Regional Development Corporation, and universities of regional influence.</p> <p><u>International agencies</u>: IICA, the Andean Development Corporation (CAF) and GEF, World Bank, IADB and FAO (coordinating efforts on Government poverty reduction projects in the North-East, studies and policy dialogue activities).</p> <p><u>Others</u>: academic and research institutes (involved in the semi-arid areas), NGOs (through projects), private sector companies (alliances with small farmers).</p>
<b>Policy dialogue</b>	<p>This is planned at the state, federal, regional and inter-regional level (e.g., with African countries). Funding expected from IFAD grants and international agencies and government entities willing to co-finance activities related to this subject.</p> <p>Related to COSOP objectives 1 and 2, expected areas of policy dialogue are: (i) increasing rural off-farm employment; (ii) establishing a competitive fund to co-finance investments prioritized in territorial plans; (iii) strengthening of meso- level institutions (e.g., regional councils); and (iv) technical and financial assistance and market access for small farmers and entrepreneurs.</p> <p>Related to COSOP objective 3, key themes are the enhancement of regional development based on inclusive growth, and the conservation of biodiversity to fight desertification and adapt to climate change.</p> <p>Related to COSOP objective 4, the main areas of action are: (i) the MERCOSUR network on family farming (REAF) to stimulate the exchange of experience on public policies to support smallholder farmers; and (ii) supporting Brazil's South-South cooperation programme, particularly in Africa.</p>
<b>Knowledge management</b>	<p>This is a pillar of the COSOP objective 3. The specific goals are: (i) to disseminate successful experiences and technologies for development in the semi-arid north-east; (ii) to support the monitoring of climate change in the North-East; (iii) to establish partnerships with relevant institutions; and (iv) to improve the capacity to learn from experience under IFAD projects.</p> <p>Funding is expected to be derived from three sources: project funds allocated to knowledge management and communication activities; partnerships with government entities, international agencies and private-sector foundations; and IFAD grants.</p> <p>Examples of expected themes/areas of work include Afrolatinos, FIDAFRIQUE, FIDAMERICA, ENRAP and PREVAL. The IFAD-REAF programme is expected to help in disseminating knowledge on innovative practices among stakeholders in MERCOSUR countries.</p> <p>Communication tools: newsletters, brochures, Internet-based media, IFAD's website, and the participation of the CPM, the country officer and project staff in workshops and other activities.</p>

47. Regarding **grants** financed through IFAD core resources, out of the 24 with activities planned for Brazil (Annex III), the proposed CPE will consider a sample of six grants or "families" of grants (keeping in mind the available time and resources). Tentatively, these will include: (i) the family of grants that supported the MERCOSUR family farming network (REAF and COPROFAM); (ii) the grant to IICA on Knowledge Management in the Semi-arid North-East; and (iii) a set of grants to EMBRAPA on South-South cooperation.
48. Three more grants will be reviewed by IOE, in the areas of agricultural research, socio-economic policy research and enhancing farmers' organizations access to international networks, given that these have been typical areas of focus for grants in Brazil and in the region. Provisionally, these grants are expected to be: (i) a grant to the World Agroforestry Centre for its Programme for the Development of Alternative Biofuel Crops; (ii) a grant to *Centro Latinoamericano Para la Economía*

*Humana* for public policy dialogue on family farming and food security in the Southern Cone of Latin America; and (iii) a grant to Slow Food International for Developing *Terra Madre* in Brazil.

### **C. COSOP performance: strategic level analysis**

49. The CPE will include a detailed analysis of the performance of the country strategy (i.e., the COSOP) in Brazil. The 2008 COSOP will be used as the baseline document for the CPE's analysis at the strategic level.
50. In particular, the evaluation will assess and rate the relevance and effectiveness of the COSOP. In assessing COSOP performance, the CPE will also review the extent to which the main lessons and recommendations from the 2007 CPE were included in the 2008 COSOP and the projects approved thereafter.
51. The CPE will assess the relevance of objectives specified in the COSOP, the coherence of design, and country programme management.
  - i) Relevance of objectives will include: assessing the alignment of COSOP objectives to IFAD's strategic framework and other sector policies; the needs of the poor; alignment with national policies for agriculture and rural development; and the quality of the results framework. This will also include an assessment of IFAD's strategic positioning in the country, especially in relation to the work of other development partners in the agriculture sector in Brazil;
  - ii) The coherence of design will include an assessment of the geographic priorities, sub-sector choices, institutional partnerships, target groups, and the mix of instruments (e.g., loans, grants and non-lending activities) used for achieving COSOP objectives, taking into account Brazil's PBAS allocation (see paragraph 57 below); and
  - iii) Country programme management, including country presence, supervision and implementation support, and the COSOP annual reviews and mid-term review.
52. Effectiveness at the strategic level refers to the achievement (or the likelihood of achieving) the main objectives identified in the 2008 COSOP. Again, it will be important to consider achievements initially not contemplated as well as changes in the country or programme context that may have influenced the fulfilment of the objectives. In particular, taking into account the prevailing country context, the CPE will assess how IFAD can support the Government to maintain and achieve further gains in poverty reduction and equity in the north-east of the country.
53. **Evaluability of the attainment of COSOP objectives.** Similar to the experience in other countries, the 2008 COSOP objectives in Brazil are formulated at a broad "macro" level. Typical issues observed in CPEs are that: (i) a COSOP may introduce indicators that are not systematically monitored; and (ii) even when indicators are available, establishing the extent of the contribution from IFAD-supported programme is problematic.
54. As an example, the strategic objective 1 of the 2008 COSOP is "to increase commercial agricultural production by small farmers with the corresponding access to markets in rewarding and sustainable conditions". The COSOP (results management framework) identifies the following outcome indicator target: "75 per cent of targeted farmers in the North-east report an average of 20 per cent increase in farm income". First, this calls for relevant statistics that may or may not be available. Second, the achievement of the indicator target is only under partial control of IFAD-supported operations and may be more strongly influenced by exogenous macroeconomic factors, such as growth in the national/state economy or changes in national or international prices.

55. Regarding the availability of data and indicators, the CPE will refer to those available from portfolio analysis, from statistical data at the state and federal level, and from its own assessment of lending and non-lending performance. Regarding the assessment of the contribution from IFAD-supported programmes, the first step is to establish a map linking COSOP objectives to funded activities, highlighting basic hypotheses and expected results. An initial map is presented in Annex IV and will be further updated in the course of the CPE. Based on this map, the CPE will seek to establish a plausible level of influence of the IFAD-supported programme on the available indicators of change. A simple conceptual scheme is presented in Table 6.

Table 6  
**Scheme for assessing COSOP objective achievement**

<i>Statement of Objective</i>	<i>Target</i>	<i>Available indicators</i>	<i>Level of influence by IFAD-supported operations</i>	<i>Mapping and performance of IFAD-supported activities</i>	<i>Brief assessment</i>
Strategic Objective X	Target Outcome indicators and Milestone Indicators	Existing data	e.g. Low/partial/high Explain causality chain	Identify related lending and non-lending activities supported by IFAD, their performance and results (in quantitative and qualitative terms, as applicable).	Establish the degree of achievement of the COSOP objective or progress made so far.

56. In terms of both relevance and effectiveness, two overarching aspects need to be taken into consideration in the case of Brazil. First, the articulation of IFAD's intervention between the state level (the majority of current operations) and the federal level (at present only Phase II of the *Dom Helder* Project is established at the federal level). This requires differentiating between these two levels when identifying and interacting with the main stakeholders and key informants for the CPE.
57. Second, the level of resources available for lending in Brazil has been around US\$15 million per year in the current and past Performance-Based Allocation cycles. This is a very small resource envelope given the size of the country (even at the state level). By comparison, the IADB has approved an average annual amount of US\$2 billion in loans in the past five years. Thus, the assessment of IFAD's "value added" in Brazil needs to take into account the paucity of available resources and the quality and contents of the cooperation with state and federal governments.

#### **D. The evaluation process**

58. The evaluation started with a comprehensive *desk review* of documents, which includes the preparation of this CPE Approach Paper.
59. A *preparatory mission* was conducted by IOE to Brazil at the end of April 2015. The purpose of this mission was to brief the Government and other partners about IFAD's Evaluation Policy and the Evaluation Manual, and to better understand their priorities for the evaluation. The Approach Paper has been finalized after the preparatory mission, which also serve as an opportunity to identify national consultants to be part of the CPE team.
60. *Project performance assessment.* As part of the CPE, IOE is in the final stages of conducting a PPA of the "Gente de Valor" project. This project evaluation is being

carried out between March and June 2015 and by a separate IOE evaluation team, with the broad aim of generating fresh evaluative evidence for the Brazil CPE.

61. *Self-assessment.* In line with established practice, the IFAD Management (i.e., the Latin America and Caribbean Division) and the Government of Brazil will prepare self-assessments of the IFAD-Brazil partnership as inputs towards the CPE. The purpose of their self-assessments is to provide key partners an opportunity to convey their views and key concerns with IOE on the country programme. IOE will share with the Government and the IFAD Management the key questions for the self-assessments as well as the reporting formats. The self-assessments will be undertaken in May/June 2015.
62. *Main CPE mission.* The main evaluation mission will be conducted for three weeks in June/July. It will include interviews with key informants in Brasilia and at the state level, as well as visits to selected IFAD-financed projects. At the end of the mission, a wrap-up meeting will be convened by the Ministry of Planning, Budget and Management in Brasilia. On this occasion, IOE will make a Power Point presentation summarising the emerging findings from the mission. The wrap-up meeting will be attended by the IOE Deputy Director (responsible for the Brazil CPE), the IFAD country programme manager for Brazil, and staff from the IFAD country office in Bahia.
63. *Analysis and report writing.* After the main mission, IOE will analyse all the data and information collected and prepare the draft CPE report. The report will be exposed to a rigorous internal peer review within IOE. After including the comments of the internal peer reviewers, the draft report will be shared simultaneously with the IFAD Management and the Government of Brazil for their review and written comments. After comments have been received, the report will be finalized by IOE and audit trails will be prepared to explain how comments were taken into consideration.
64. *National roundtable workshop.* A CPE national round-table learning workshop will be organized in Brazil towards the end of the CPE process. The aims of the workshop are: (i) to discuss the main findings and recommendations of the CPE with multiple stakeholders; and (ii) to lay the basis for the preparation of the CPE's Agreement at Completion Point (ACP).
65. *Agreement at Completion Point.* As for all CPEs, the Brazil CPE will conclude with an ACP, containing the main findings and recommendations from the evaluation that the Government and IFAD Management agree to adopt and implement within a specific timeline. The ACP will be signed by the Associate Vice President of IFAD's Programme Management Department and the Secretary for International Affairs (Ministry of Planning, Budget and Management) or his designated representative. IOE's role is to facilitate the preparation of the ACP, which will be attached as an annex to the new Brazil COSOP for consideration by the IFAD Executive Board.
66. **Core learning partnership.** In line with the IFAD Evaluation Policy, a core learning partnership will be established for the Brazil CPE. Members of the partnership will: (i) review and comment on the Approach Paper; (ii) review and comment on the draft CPE report; and (iii) participate in the final CPE national roundtable workshop.
67. The following persons will be members of the core learning partnership.
  - A. Government of Brazil**
    - i) Mr Claudio Puty  
Secretary, Secretariat of International Affairs  
Ministry of Planning, Budget and Management

- ii) Mr Carlos Eduardo Lampert Costa  
Deputy Secretary, Secretariat of International Affairs  
Ministry of Planning, Budget and Management
- iii) Mr Jose Humberto Oliveira  
Secretary, Secretariat of Territorial Development (SDT)  
Ministry of Agrarian Development (MDA)
- iv) Mr Jeronimo Rodrigues  
Secretary, Department of Rural Development, Bahia

**B. IFAD**

- v) Mr John M. McIntire  
Associate Vice President, Programme Management Department
- vi) Mr Oscar A. Garcia  
Director, Independent Office of Evaluation (IOE)
- vii) Mr Ashwani Muthoo  
Deputy Director, IOE
- viii) Mr Joaquin Lozano  
Director-designate (starting 8 June 2015), Latin America and Caribbean  
Division (LAC)
- ix) Mr Paolo Silveri  
IFAD Country Programme Manager for Brazil and Officer in Charge, LAC
- x) Mr Lisandro Martin  
Senior Portfolio Manager, PMD
- xi) IFAD Country Office staff

68. **Communication and dissemination.** The final CPE report will be written in English and will be published including the ACP. Most of the dissemination will be done through electronic means. For example, the final report will be posted on the evaluation section of IFAD's website, and disseminated to various networks such as the United Nations Evaluation Group, the Evaluation Cooperation Group of the Multilateral Development Banks, the OECD-DAC Evaluation Networks, and through other relevant websites.
69. In addition to the final report, IOE will produce a Profile and an Insight for the CPE. Profiles and Insights are two-page brochures (around 800 words each). The Profile will summarize the main findings and recommendations from the CPE, whereas the Insight will focus on one major learning issue emerging from the CPE with the aim of stimulating debate on the topic among development practitioners and others interested.
70. The final CPE report will be discussed in the Evaluation Committee of the Executive Board in 2016. The report will also be considered by the Executive Board when the new Brazil COSOP is presented by the IFAD Management to the Board. Finally, in line with the decision of the Board, IOE will prepare written comments on the new Brazil COSOP, which will be shared and discussed with the Board together with the COSOP.
71. **The evaluation team.** Under the broad responsibility of the Director of IOE (Mr Oscar A. Garcia), the Brazil CPE will be conducted by Mr Ashwani Muthoo, IOE Deputy Director. Mr Muthoo will be supported by Mr Steven Oliver (senior consultant) and other consultants with the required expertise and experience to be identified by IOE. Ms Linda Danielsson, Assistant to the IOE Deputy Director, will

collect and analysis data and documents, and provide overall administrative support towards the CPE.

72. **Timetable.** Table 8 provides an overview of the main steps in the CPE process, together with provisional dates and deadlines.

Table 8

**Tentative roadmap for the Brazil CPE**

<i>Activity</i>	<i>Date (2015)</i>
Draft approach paper shared with LAC and GOB for review and comments	March
CPE preparatory mission to Brazil	27 April-1 May
Finalize approach paper	8 May
Self-assessments by LAC and Government	May-June
Main CPE mission to Brazil	22 June-10 July
Draft report shared with LAC	August
Draft report shared with Government	September
Mission to Brazil to prepare for national roundtable workshop and discuss draft CPE report	September
CPE national roundtable workshop (to be confirmed by GOB)	Week of 19 October
Agreement at Completion Point	December
Publish and disseminate final report, Profile and Insight	January 2016
Discuss CPE report in Evaluation Committee and Executive Board	2016

## Evaluation framework

Criterion	Guiding questions	Sources
<b>PORTFOLIO PERFORMANCE LEVEL</b>		
Relevance	<p><u>(i) Relevance of “what”</u></p> <ul style="list-style-type: none"> <li>Consistency of project design with Government policy, IFAD strategy (2008 COSOP), national and local poverty context and needs of the poor.</li> <li>Adaptation to changing context (if applicable)</li> </ul> <p><u>(ii) Relevance of “how”</u></p> <ul style="list-style-type: none"> <li>Did IFAD study the project context adequately? Did it prepare the components sufficiently? Were there information gaps?</li> <li>Internal logic of design (look at project log frame): consistent? Gaps? Strong assumptions?</li> <li>Adopting recognized good practices? Using available knowledge (evaluations, studies)?</li> <li>Allocating realistic resources?</li> </ul>	<p><u>Documents</u></p> <p>Government strategies (national, state, sectoral); IFAD COSOP, sectoral policies/strategies; IFAD project documentation (design, MTR, supervision, completion)</p> <p>IFAD/Government COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, ICO staff, project staff, national sector experts</p> <p><u>Field visits</u>: may highlight local technical or agro-ecological constraints</p>
Effectiveness	<p>Consider key project objectives and verify data on their achievement comparing (when possible) actual figures against expected figures (with some caution if the project is not completed). Refer to the detailed project objectives in the design document (e.g., appraisal report).</p> <p>If other unanticipated achievements have been made, these should be considered as well.</p> <p>Take the example of a project whose objective is to provide financial services to people. Measures of achievement may be number of clients of micro finance institution, type of financial services used and degree of satisfaction (e.g., repeat loans) and repayment rates, portfolio quality.</p> <p>For a project disseminating new agricultural practices, measures of effectiveness may be adoption rates.</p>	<p><u>Documents</u></p> <p>IFAD MTR, supervision, completion reports</p> <p>IFAD/Government COSOP Self-assessment</p> <p><u>Interviews</u>: CPM and ICO staff, project staff, visit to project sites, interviews with beneficiaries, photographic documentation.</p>

Criterion	Guiding questions	Sources
	Actual figures may be compared to expected figures (with some caution if the project is not completed).	
	Important to highlight factors that explain achievement and under-achievement.	
Efficiency	<p>Economic use of resources to produce outputs or results.</p> <p>Typical indicators:</p> <p>(i) % project management cost over total project costs (and compare with other projects and countries)</p> <p>(ii) project cost by beneficiary</p> <p>(iii) unit cost of delivering services/product, compare to country or regional benchmark (taking care of special cost related to reaching secluded areas);</p> <p>(iv) critiquing economic rate of return calculations</p> <p>(v) project managerial efficiency: time between project approval and effectiveness; completion delays, cost over-runs.</p>	<p><u>Documents</u></p> <p>IFAD project design documents, MTR, supervision, completion</p> <p>IFAD/Gov COSOP Self-assessment</p> <p>PPMS database for time between approval and effectiveness</p> <p><u>Interviews</u>: CPM, ICO staff and project staff (clarify reasons for delays or managerial bottlenecks)</p>
Rural Poverty Impact	<p><u>A few items to be considered across the board:</u></p> <ul style="list-style-type: none"> <li>• Attribution/contribution issues: to what extent did the project play a role in the observed changes and how did it do so?</li> <li>• Coverage: how many benefited?</li> <li>• Magnitude: how large are the benefits?</li> <li>• Beneficiaries: what categories of people were benefited and why?</li> </ul> <p><u>Household income and assets</u></p> <p>Collect data, identify patterns for hh income diversification and range of changes</p> <p>Collect data on changes in housing quality, availability of livestock, appliances, durable goods, inventory for microenterprises.</p> <p>Collect data on indebtedness if possible.</p>	<p><u>Documents</u></p> <p>IFAD MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, ICO staff, project staff</p> <p>(Surveys: if required)</p> <p><u>Field visits</u>: observation, individual interviews, focus groups, photographic documentation.</p>

Criterion	Guiding questions	Sources
	<p><u>Human and social capital and empowerment</u></p> <p>Observe patterns in changes in social cohesion, functioning of rural poor's organizations</p> <p>Changes in the way the poor interact with authorities</p> <p>Changes in the way certain categories (women, orphans, minorities) interact with others.</p> <p><u>Food security and agricultural productivity</u></p> <p>Access to food</p> <p>Evidence on children's nutritional status</p> <p>Reduction in seasonal fluctuation in food availability</p> <p><u>Natural resources and the environment and climate change</u></p> <p>Changes in the availability of natural resources (forest, water, topsoil, fish, vegetable cover)</p> <p>Changes in capacity to manage natural resources</p> <p>Changes in exposure to environmental risks (e.g., flooding, landslides)</p> <p>Adaptation to climate change</p> <p><u>Institutions and policies</u></p> <p>Consider changes in issues such as land tenure and security, protection/regulation of savings for rural poor, access to market, price information.</p>	
Sustainability	<p>Consider the main benefits generated by the project and consider a scenario where external resources are going to be reduced and terminated.</p> <p>Address questions such as the following:</p> <ul style="list-style-type: none"> <li>• What has been foreseen in the project design for this situation?</li> <li>• Is there political support at national/local level?</li> </ul>	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p>

Criterion	Guiding questions	Sources
	<ul style="list-style-type: none"> <li>• Will there be need for external technical assistance?</li> <li>• Are economic activities profitable?</li> <li>• Will there be resources for recurrent and maintenance costs?</li> <li>• Are there environmental threats?</li> </ul>	<p><u>Interviews</u>: CPM, ICO staff, project staff,</p> <p><u>Field visits</u>: observation, individual interviews</p>
Pro-poor innovation, replication and scaling-up	<p>Are there innovations in the programme (new techniques, practices, approaches)?</p> <p>Are innovations working as expected? Are they useful?</p> <p>Is the project helping expand the adoption of the innovation? How?</p> <p>Is there a plan to further expand the innovation?</p> <p>Are there any threats or limits to the uptake of the innovations?</p>	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, ICO staff, project staff</p> <p><u>Field visits</u>: observation, individual interviews, focus groups, photographic documentation</p>
Performance of partners	<p>IFAD</p> <p>Government</p> <p>Look at specific issues that pertain to the design of projects, management, fiduciary aspects, supervision and implementation technical support and (for Government) enacting policies that can enhance project effectiveness.</p>	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, ICO staff, project staff, Senior Government officials</p>
<b>NON- LENDING</b>		
Partnership building	<p>Review partnership building <i>vis à vis</i> the 2008 COSOP and consider other emerging issues (if applicable).</p> <p>COSOP 2008</p> <p><u>Federal Government level</u>: Secretariat of International Affairs (SEAIN) Ministry of Planning, Budget and Management; Ministry of Agrarian Development (MDA).</p>	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p>

Criterion	Guiding questions	Sources
	<p><u>Sub-national level:</u> State agencies, Banco do Nordeste do Brasil, the Forum of Civil Society Organizations in the Semi-Arid Regions, INSA, the North-East Regional Development Corporation, and universities of regional influence.</p> <p><u>International agencies:</u> Inter-American Institute for Cooperation on Agriculture (IICA), the Andean Development Corporation (CAF) and GEF, World Bank, Inter-American Development Bank (IDB) and FAO (coordinating efforts on Government poverty reduction projects in the North-East, studies and policy dialogue activities).</p> <p><u>Others:</u> academic and research institutes (involved in the semi-arid areas), NGOs (through projects), private sector companies (alliances with small farmers).</p>	<p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews:</u> CPM, Senior Government officials, project staff</p>
Policy Dialogue	Review policy dialogue vis à vis COSOP 2008 objectives and consider other emerging issues (if applicable).	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p>
<i>Sub criteria: relevance and effectiveness</i>	<p style="text-align: center;">COSOP 2008</p> <p><u>Federal Government level:</u> Secretariat of International Affairs (SEAIN) Ministry of Planning, Budget and Management; Ministry of Agrarian Development (MDA).</p> <p><u>Sub-national level:</u> State agencies, Banco do Nordeste do Brasil, the Forum of Civil Society Organizations in the Semi-Arid Regions, INSA, the North-East Regional Development Corporation, and universities of regional influence.</p> <p><u>International agencies:</u> Inter-American Institute for Cooperation on Agriculture (IICA), the Andean Development Corporation (CAF) and GEF, World Bank, Inter-American Development Bank (IDB) and FAO (coordinating efforts on Government poverty reduction projects in the North-east, studies and policy dialogue activities).</p> <p><u>Others:</u> academic and research institutes (involved in the semi-arid areas), NGOs (through projects), private sector companies (alliances with small farmers)</p>	<p>IFAD/Gov Self-assessment</p> <p><u>Interviews:</u> CPM, ICO staff, Senior Government officials (federal and state levels) , project staff</p>
Knowledge Management	Review knowledge management vis à vis 2008 COSOP objectives and consider other emerging issues (if applicable).	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p>
<i>Sub criteria: relevance and effectiveness</i>	<p>The specific goals are: (i) to disseminate successful experiences and technologies for development in the semi-arid north-east; (ii) to support the monitoring of climate change in the North-East; (iii) to establish partnerships with relevant institutions; and (iv) to improve capacity to learn from experience under IFAD projects.</p> <p>Funding is expected to be derived from three sources: project funds allocated to knowledge management and communication activities; partnerships with government entities, international agencies and private-sector foundations; and IFAD grants.</p>	<p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews:</u> CPM, ICO staff, Senior Government officials (federal and state levels), project staff</p>

Criterion	Guiding questions	Sources
	<p>Example of expected themes/areas of work: Afrolatinos, FIDAFRIQUE, FIDAMERICA, ENRAP and PREVAL. The IFAD-REAF programme is expected to help in disseminating knowledge on innovative practices among stakeholders in MERCOSUR countries.</p> <p>Communication tools: newsletters, brochures, Internet-based media, IFAD's website, and the participation of the CPM, the country officer and project staff in workshops and other activities.</p>	
Relevance	<p>1. Alignment of strategic objectives in the 2008 COSOP</p> <ul style="list-style-type: none"> <li>• Consistency of COSOP objectives with IFAD policies and strategic framework</li> <li>• Adaptation to context changes</li> <li>• Is there a real programme in Brazil: are projects and grants consistent with the COSOP and are they working in synergy?</li> <li>• Are there strategic gaps?</li> <li>• Is the 2008 COSOP formulation conducive to results-based management?</li> </ul> <p>2. Coherence of the main element of the COSOP</p> <ul style="list-style-type: none"> <li>• Issues in Targeting</li> <li>• Issues in geographic focus</li> <li>• Lending and non-lending synergies within the IFAD programme</li> <li>• Relations with other development partners</li> <li>• Other issues regarding the COSOP ingredients</li> </ul>	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews:</u> CPM, ICO staff Senior Government officials (federal and state levels), project staff, group discussion with national sector specialists</p>
Effectiveness	<p>Achievement of the objectives</p> <p>1. Look at indicators proposed in the 2008 COSOP and actual indicators in 2015 (discuss issue of attribution if indicators are too "macro").</p> <p>2. Map portfolio as well as non-lending activities that relate to COSOP indicators and summarize key findings from chapters IV and VI.</p> <p>3. Management of the programme</p>	

<i>Criterion</i>	<i>Guiding questions</i>	<i>Sources</i>
	<ul style="list-style-type: none"><li>• Did the supervision and implementation support arrangements perform well overall?</li><li>• Is IFAD country presence providing the right type of support to the programme?</li><li>• Did IFAD learn from past evaluations and from past experience?</li></ul> <p>What type of technical assistance and capacity development support was provided to the national counterpart, and was it adequate?</p>	

## IFAD-financed projects approved since 1980 in the Federative Republic of Brazil

Project ID	Project name	Project type	Total Cost (in million USD)	IFAD Fin (in million USD)	Co-financing (in million USD)	Govt. Funding (in million USD)	Beneficiary financing (in million USD)	Cofinancier	Board approval	Loan effectiveness	Project completion	Planned/ actual closing date	Current Sstatus
51	Ceara Second Rural Development Project	Rural development	151	25	44.8	82.14	-	IBRD	04/12/1980	17/06/1981	30/06/1987	23/12/1988	Closed
344	Low Income Family Support Project in the Semi-Arid Region of Sergipe State	Rural development	26	17.9	-	8.03	-	-	02/12/1993	16/10/1995	31/12/2002	21/10/2003	Closed
493	Community Development Project for Rio Gaviao Region	Rural development	40.4	20.1	-	19.8	0.4	-	07/12/1995	03/12/1996	30/11/2005	31/05/2006	Closed
1101	Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East	Credit and financial services	99.3	25	45.7 (39.9 domestic)	25.5	3	GEF, Banco do Nordeste	03/12/1998	21/12/2000	31/12/2009	30/05/2011	Closed
1335	Rural Communities Development Project in the Poorest Areas of the State of Bahia	Rural development	60.5	30.5	-	29.39	0.6	-	20/04/2006	11/12/2006	31/12/2012	30/01/2014	Closed
1486	Semi-arid Sustainable Development Project in the State of Piauí	Rural development	39.1	20	-	12.47	6.6	-	15/09/2009	09/04/2013	30/06/2020	31/12/2020	Ongoing
1487	Cariri and Seridó Sustainable Development Project	Rural development	49.7	25	-	15.5	9.2	-	15/12/2010	17/10/2012	31/12/2018	30/06/2019	Ongoing
1563	Rural Business for Small Producers Project	Credit and financial services	37.8	16	-	12.6	9.2	-	21/09/2012	30/08/2013	30/09/2019	31/03/2020	Ongoing
1619	Productive Development and Capacity-Building Project	Rural development	94.9	32.2	8	39.82	14.9	Spanish Trust Fund (Through IFAD)	21/09/2012	27/06/2013	30/06/2019	31/12/2019	Ongoing
1620	Policy Coordination and Dialogue for Reducing Poverty and Inequalities in Semi-Arid North-east Brazil	Rural development	125.3	3	15	82	25.2	Spanish Trust Fund (Through IFAD)	11/12/2013	22/08/2014	30/09/2020	31/03/2021	Ongoing
1674	Rural Sustainable Development Project in the Semi-arid Region of Bahia	Rural development	105.8	45	-	50	10.8	-	11/12/2013	20/08/2014	30/09/2020	31/03/2021	Ongoing

## IFAD-funded grants with activities in the Federative Republic of Brazil since 2008

<i>LGS ID/Flexcube ID</i>	<i>Title of Grant</i>	<i>Recipient*</i>	<i>Amount (in US\$)</i>
1036	Regional Research and Dissemination Programme on Campesino Innovations: A Joint IFAD-IDRC Initiative (Scaling up Rural Innovations)	International Development Research Centre	1,000,000
1039	Programme for Designing Integrated Financing Strategies for UNCCD Implementation in Selected Countries of Asia and the Pacific, and Latin America and the Caribbean	Global Mechanism of the UNCCD	1,250,000
1044	Capacity Building for Women and Men Farmers' Leaders in South America	National Association of Rural Youth-Terra Livre	124,000
1056	Institutional Consolidation of the Commission on Family Farming of the Common Market of the South (MERCOSUR)	Southern Cone Common Mark	1,080,000
1073	Improving Sustainability of Impacts of Agricultural Water Management Interventions in Challenging Contexts	International Water Management Institute	1,200,000
1086	Learning and Sharing Knowledge on Climate Change and Mitigation in the Amazonian Basin	Praia Foundation	181,400
1109	Strengthening Rural Organizations for Policy Dialogue in South America programme	Confederation of Family Farmer Producer Organizations of Mercosur	416,000
1152	Developing Terra Madre in Brazil	Slow Food International	120,000
1167	Programme for Designing Integrated Financing Strategies for UNCCD Implementation in Selected Countries of Asia and the Pacific, and Latin America and the Caribbean	Global Mechanism of the UNCCD	1,250,000
1169	Regional Programme in Support of Rural Populations of African Descent in Latin America	International Center for Tropical Agriculture	1,500,000
1178	LearningRoutes Training Programme II	Corporación Regional de Capacitación En Desarrollo Rural	1,500,000
1187	Policy Dialogue on Family Farming in Middle-income Countries	United Nations Office for Project Services - Panama	200,000

\* Names of recipients as given in the GRIPS System.

<i>LGS ID/Flexcube ID</i>	<i>Title of Grant</i>	<i>Recipient*</i>	<i>Amount (in US\$)</i>
1192	Strengthening Support to Afro-Descendants through the Institutional Consolidation of the ACUA Programme, Brazil	International Center for Tropical Agriculture	197,650
1206	Africa-Brazil Agricultural Innovation Marketplace	Fundação Arthur Bernardes	500,000
1305	Promoting Young People's Entrepreneurship in Poor Rural Territories in Latin America and the Caribbean	Corporación Regional de Capacitación En Desarrollo Rural	2,000,000
1312	Disseminating CPWF Innovations and Adoption Processes for Water and Food, and Piloting their Mainstreaming in the IFAD Portfolio	International Water Management Institute	1,000,000
1317	Programme for the Development of Alternative Biofuel Crops	World Agroforestry Centre	2,500,000
1326	Public policy dialogue on family farming and food security in the Southern Cone of Latin America	Centro Latinoamericano Para la Economía Humana	1,800,000
1334	LAC-Brazil Agricultural Innovation Marketplace	Fundação Arthur Bernardes	500,000
1369	Programme to Increase the Visibility and Strengthen the Entrepreneurship of Rural Afro-descendant Communities in Latin America	Fundación Acua	1,750,000
1373	Programme for Conditional Cash Transfers and Rural Development in Latin America	Universidad de Los Andes	1,750,000
2000000141	A global partnership to promote local sustainable food systems that include small farmers and indigenous organizations	Slow Food International	500,000
2000000209	Programme for Inclusive Growth, Rural Productive Policy and Participatory Value Chains in Latin America and the Caribbean	Comisión Económica para América Latina y el Caribe	1,490,770
SP-16	Knowledge Management in the North eastern Semi-Arid Region of Brazil	Inter-American Institute for Cooperation on Agriculture	4,132,605

## Main recommendations of the Brazil CPE (2007) and 2008 COSOP follow-up

Recommendation title	Sub-theme	2008 COSOP follow-up
<b>A. Strengthen Innovation Promotion, including Knowledge Management</b>	<b>A.1</b> Promotion of innovative solutions in the area of agricultural technology and market access	<p>Reflected in 2008 COSOP and confirmed in 2011 and 2013 COSOP reviews: innovation on management and use of natural resources which led to better conservation condition of soil, water, and production organization compatible with environment restrictions of the semi-arid (Projeto Sertão); innovations on beneficiary families and on the organization of capacity building activities (Projeto Gente de Valor) and promotion of the articulation of a wide range of public policies, scaling up the positive effects (Projeto Dom Helder Camara). This latter project also includes the promotion of agro-ecologic technologies and inputs, as well as the support to the development of agro ecologic fairs and the support to the sale of products.</p>
	<b>A.2</b> Wider partnership with agricultural research organizations, including Brazilian Agricultural Research Corporation (EMBRAPA)	<p>Reflected in 2008 COSOP: partnerships with relevant institutions dealing with science, technology and innovations for the semi-arid areas. Emphasis on bioenergy, crops appropriate for small producers, organizational models for farmers, processing methods. EMBRAPA included in partnerships.</p> <p>The COSOP review undertaken in 2013 highlights one new grant approved (<i>Africa-Brazil Agricultural Innovation Marketplace</i>) in which EMBRAPA is the leading institution.</p>
	<b>A.3</b> Knowledge management and policy dialogue promotion, including sharing experience from other developing countries, also from Africa	<p>Reflected in 2008 COSOP (Strategic Objectives 3 and 4) and confirmed in the COSOP reviews of 2011 and 2013.</p> <p>The 2008 COSOP plans to disseminate information on IFAD experience in Brazil by means of newsletters, brochures, Internet-based media, IFAD's website, the Rural Poverty Portal and the participation of the CPM, the country officer and project staff in workshops and other activities.</p> <p>IFAD intends to supports the expansion of Brazil's South-South cooperation programme, particularly in Africa, through its projects in the Latin America and the Caribbean region.</p> <p>Strategic Objective 3 in particular focuses on capacity building and empowerment through knowledge management, in order to strengthen both individual and institutional capacities.</p> <p>The COSOP review of 2013 highlights that relevant knowledge management activities are included in all ongoing projects (systematization of experiences, scaling-up of activities and dissemination of results), but still insufficient.</p> <p>In relation to <b>Policy dialogue</b>, it is stated as a priority in 2008 COSOP and appears as a cross-cutting aspect in all Strategic Objectives.</p> <p>The COSOP review of 2011 notes that the three new</p>

<i>Recommendation title</i>	<i>Sub-theme</i>	<i>2008 COSOP follow-up</i>
		grants approved in 2010-2011 support policy dialogue activities under Strategic Objectives 3 and 4 (Africa-Brazil Agricultural Innovation Marketplace, Policy Dialogue on Family Farming in Middle-income Countries, and Knowledge Management in Semiarid Zones).
<b>B. Intensify Partnerships</b>	<b>B.1</b> Closer dialogue and communication with the federal government	Reflected in 2008 COSOP: Strategic Objective 4 specifies collaboration at the national level - Ministry of Agrarian Development (MDA) and Secretariat for International Affairs (SEAIN) as main partners - in policy dialogue and KM, concerning policies at national and MERCOSUR levels.  According to the COSOP reviews of 2011 and 2013, the new IFAD office in Brazil has contributed to strengthen relationship with Government and improve coherence with national policies and programs. However, there is still a need to promote partnership with other government entities and strengthen links and coordination with government programs.
	<b>B.2</b> Intensify collaboration with relevant state governments and institutions (direct lending to state governments)	Reflected in 2008 COSOP: state governments will be the partners of preference to carry out investment projects.  According to the 2011 and 2013 COSOP reviews, all the new projects involve loans to state governments, and state government institutions are the leading agencies and responsible for project implementation. However, there is a need to provide implementation support, considering the limitations of state governments.
	<b>B.3</b> Support donor coordination / harmonization and work with other IFIs	- 2008 COSOP Partnership section: the Fund will strengthen its cooperation with the Inter-American Institute for Cooperation on Agriculture (IICA), the Andean Development Corporation (CAF) and Global Environment Facility (GEF).  - Strategic Objective 4: policy dialogue with MERCOSUR countries, through Commission on Family Farming (REAF).
	<b>B.4</b> Strengthen collaboration with civil society organizations and the private sector	Reflected in 2008 COSOP. According to the 2011 and 2013 COSOP reviews:  IFAD continues to forge partnerships with civil society organizations (i.e. Forum of Civil Society Organizations in the Semi-Arid Regions);  -Greater partnership with private sector for services such as technical assistance, establishment of productive alliances with small farmers, and provision of non-reimbursable funds and know-how.
<b>C. Explore other geographical focus and targeting options</b>	<b>C.1</b> Add Northern region of the country	2008 COSOP focus on the North-East region only. Focus on the Northern region of the country has not been pursued in 2008 COSOP due to limited funding and limited experience, and request from Government on North-East. However, it could be considered in the future, since IFAD is aware of the needs of the rural poor in the north and, within the limits of its resources, will attempt to create the conditions for expanding operations to that region.
	<b>C.2</b> Consider indigenous peoples in the Amazon	2008 COSOP does not focus on Indigenous peoples in the Amazon for the following reasons: (i) indigenous

Recommendation title	Sub-theme	2008 COSOP follow-up
		<p>communities are often geographically disperse; (ii) IFAD lacks concrete experience with indigenous populations in Brazil; (iii) the special relationship that indigenous peoples have with the National Foundation for Indigenous Affairs, a federal entity that IFAD has never worked with; and (iv) limited IFAD resources. Nevertheless, 2008 COSOP considers indigenous peoples in the North-East (some <i>quilombas</i> are direct beneficiaries of the Piauí Semiarid Project).</p>
<b>D. Refine Priority Areas</b>	<b>D.1</b> Support services for small farmers and enhance rural non-farm opportunities	<p>Reflected in 2008 COSOP, Strategic Objectives 1 and 2.</p> <p>According to the COSOP reviews of 2011 and 2013, all the new projects are oriented to strengthen capacities among beneficiaries to generate new agricultural and non-agricultural businesses in rural areas focusing on women and young people. However, COSOP reviews argue that more technical assistance and implementation support is required, since the rural organizations are not used to promote non-farm activities.</p>
	<b>D.2</b> Enhance market linkages (promoting access to market, development of market infrastructures and provision of market information)	<p>Reflected in 2008 COSOP, Strategic Objective 1.</p> <p>According to the 2011 and 2013 COSOP reviews, all the new projects have a clear orientation towards the promotion of market-oriented agricultural activities and the access to markets.</p>
	<b>D.3</b> Support to agrarian reform settlements	<p>Reflected in 2008 COSOP and confirmed in 2011 COSOP review.</p>
	<b>D.4</b> Strengthen rural financial services at the grassroots level	<p>Reflected in 2008 COSOP and 2011 and 2013 COSOP reviews.</p>
<b>E. Operating Model</b>	<b>E.1</b> Explore out-posting CPM & option for sub-regional office covering MERCOSUR countries	<p>No out-posting of CPM but set-up of country office and a Country Programme Officer for Brazil in 2011.</p> <p>2013 COSOP review highlights relevance of the set-up of IFAD office in Brazil, its contribution to the dialogue with Federal and State authorities, its support to broadening the intervention area (covering 8 out of 9 states in the North-East, only Maranhão is left) and the implementation strategies (combining investment projects, coordination actions and policy dialogue initiatives).</p>
	<b>E.2</b> Bring two new projects under direct supervision and improve M&E	<p>2008 COSOP indicates that all new projects will be under direct supervision, also through consultants and CPM missions.</p> <p>2011 and 2013 COSOP reviews indicate that all projects financed by IFAD in Brazil through loans and grants have been directly supervised by IFAD and the presence of IFAD in the country and dialogue opportunities have been strengthened.</p>
		<p>Reflected in 2008 COSOP.</p> <p>According to the COSOP review of 2011, there is need to improve M&amp;E systems through RIMS, annual COSOP reviews, etc. However, so far the PROCASE project only adopted the RIMS system and COSOP reviews have been only in 2011 (mid-term review) and 2013.</p>

<i>Recommendation title</i>	<i>Sub-theme</i>	<i>2008 COSOP follow-up</i>
	<b>E.3</b> Increase within PBAS allocation to Brazil and funding to "non-lending" activities.	<p>PBAS allocation to Brazil for the periods 2007-09, 2010-12 and 2013-15 were respectively: 49.90 US\$ million, 49.58 US\$ million and 47.6 US\$ million. This indicates that there was no increase but actually slight decrease in the latest PBAS.</p> <p>Non-lending activities are in two out of four 2008 COSOP Strategic Objectives (Strategic Objective 3 - KM and Strategic Objective 4 - policy dialogue).</p>

## Mapping of 2008 COSOP objectives and related interventions (lending and non-lending) supported by IFAD

<i>Instruments available to achieve the objective</i>	<i>Key assumptions</i>	<i>Expected intermediate results</i>	<i>COSOP Objectives</i>
Loan component projects typically support agricultural production and some have sub-components on marketing	<p>Production and productivity will increase for smallholder farmers, farm-gate prices will be sufficiently high to ensure profitability</p> <p>No major obstacles to market products, competitive markets requiring specific intervention / investment</p>	<p>Technical package promoted by loan-projects lead to substantial production surplus.</p> <p>An increased proportion of agricultural produce can be marketed without major post-production losses and prices are sufficient to make a profit.</p> <p>Surplus production will be available for processing (see next objective)</p>	1. <i>Increase commercial agricultural production by small farmers and access to markets.</i>
<p>Most of the loan-based projects have sub-components supporting off-farm activities.</p> <p>There is also one fully-dedicated loan-project: <i>Projeto Dom Távora</i> - Rural Business for Small Producers Project, State of Sergipe.</p>	<p>Training service providers for rural enterprises have adequate competencies and network to support micro and small entrepreneurs.</p> <p>Availability of rural financial services is either not a constraints or can be ensured by other existing public programmes.</p>	<p>New rural enterprises are created, previous existing enterprises are expanded, generating a demand for unskilled labour.</p> <p>In turn this generates additional demand for primary production.</p>	2. <i>Improve access by the rural poor to off-farm employment and business activities in rural areas and villages, focusing on women and young people.</i>
<p>Three types of instruments: (i) loan sub-components supporting extension and farmers' field visits.</p> <p>(ii) loan components and sub-components supporting farmers' organizations.</p> <p>(iii) non-lending activities such as knowledge management (e.g. studies, workshops). These are financed through grants or through dedicated loan components.</p>	<p>Extension services are adequately prepared and current on available techniques and extension delivery approaches. The same are <u>scale-neutral</u> and there are no major barriers for poor farmers and clients. Technologies are adapted to semi-arid environment.</p> <p>Support to farmers' organizations is providing the required technical and organizational skills and responding to their main needs and interests.</p> <p>Systematization is done of experience from IFAD and from other programmes and this adequately captures technical content.</p> <p>Knowledge sharing events are targeted to the right audience that will allow knowledge to be disseminated to extension services and to farmers.</p>	<p>Rural poor learn and adopt techniques that improve productivity and grow crops in a fragile environment.</p> <p>Poor rural entrepreneurs learn and apply technical / managerial skills.</p> <p>Local organizations, associations are able to better network with public institution and with private sector entrepreneurs and offer services that are valuable to their members.</p> <p>Grassroots experience from IFAD operations is known to key partner public agencies and international agencies with a close mandate.</p>	3. <i>Improve, through knowledge generation and dissemination, the capacity of the rural poor and of relevant institutions in the north-east to co-exist with semi-arid conditions, adapt to climate change and better exploit the development potential of the semi-arid region.</i>
These are mostly funded through grants with regional or global scope and correspond to non-lending activities.	<p>Sufficient work of analytical quality is conducted <u>prior to</u> participating in fora and exchange events.</p> <p>Activities and discussions are targeted at the right audience and participants have influence on policies and are willing to engage.</p>	At the state, federal, regional and international level, IFAD's experience is acknowledged, debated and used to inform strategies, programme and policy design and to guide their implementation.	4 <i>Deepen the discussion on rural poverty reduction and family farming policies at the national and international levels.</i>

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