



2018 Annual Report on Results and Impact of IFAD Operations (ARRI)

Learning Event
26 October 2018

Independent Office
of Evaluation



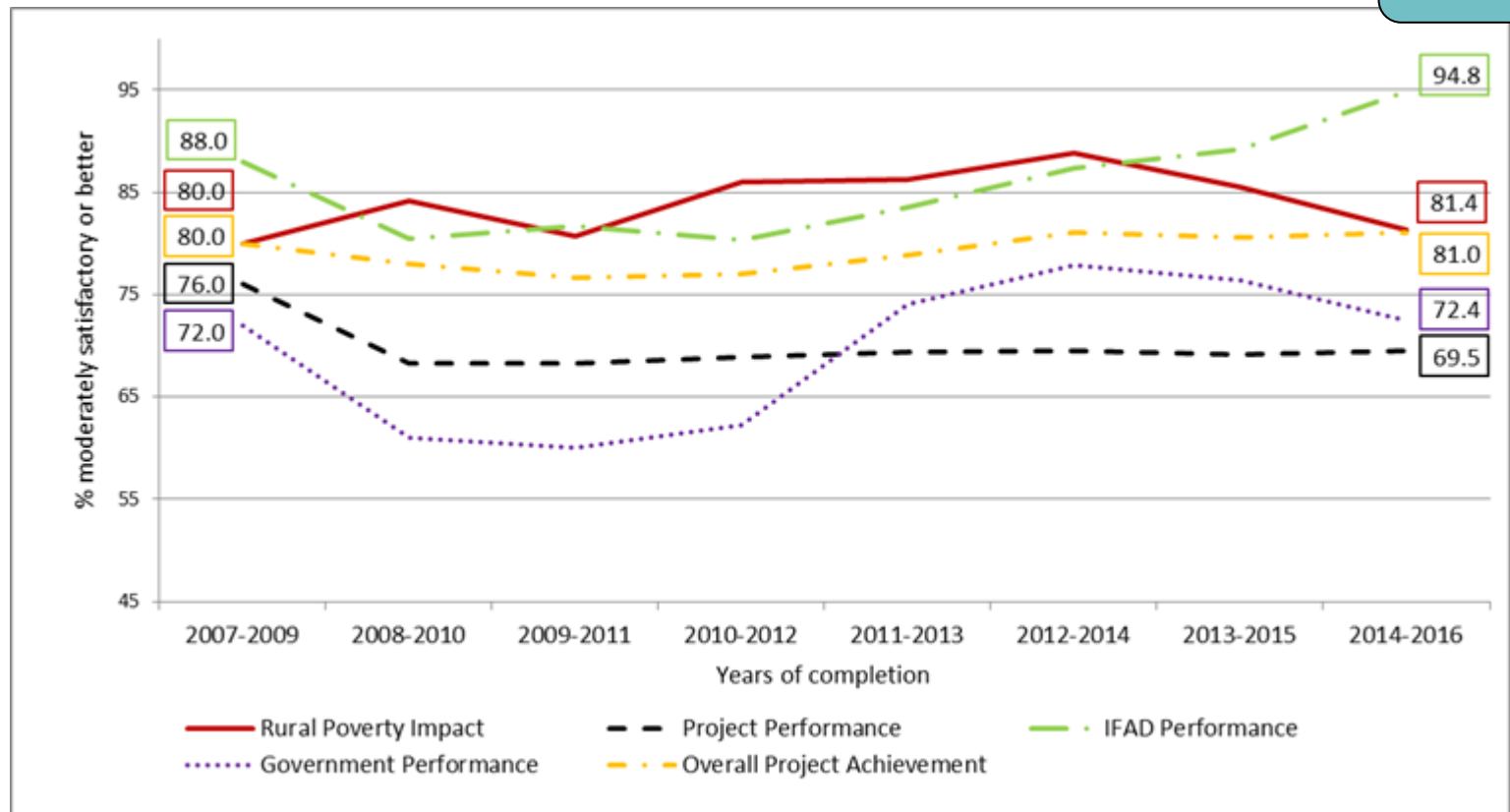
Investing in rural people

Overall, mostly positive ratings but **flat and deteriorating** performance in recent periods

Overview of main evaluation criteria

% of projects rated moderately satisfactory or better

76% of all ratings MS+



IFAD project performance better than **other regional IFIs**, but lower than **World Bank** globally and in NEN

External benchmarking with agricultural portfolio of other IFIs

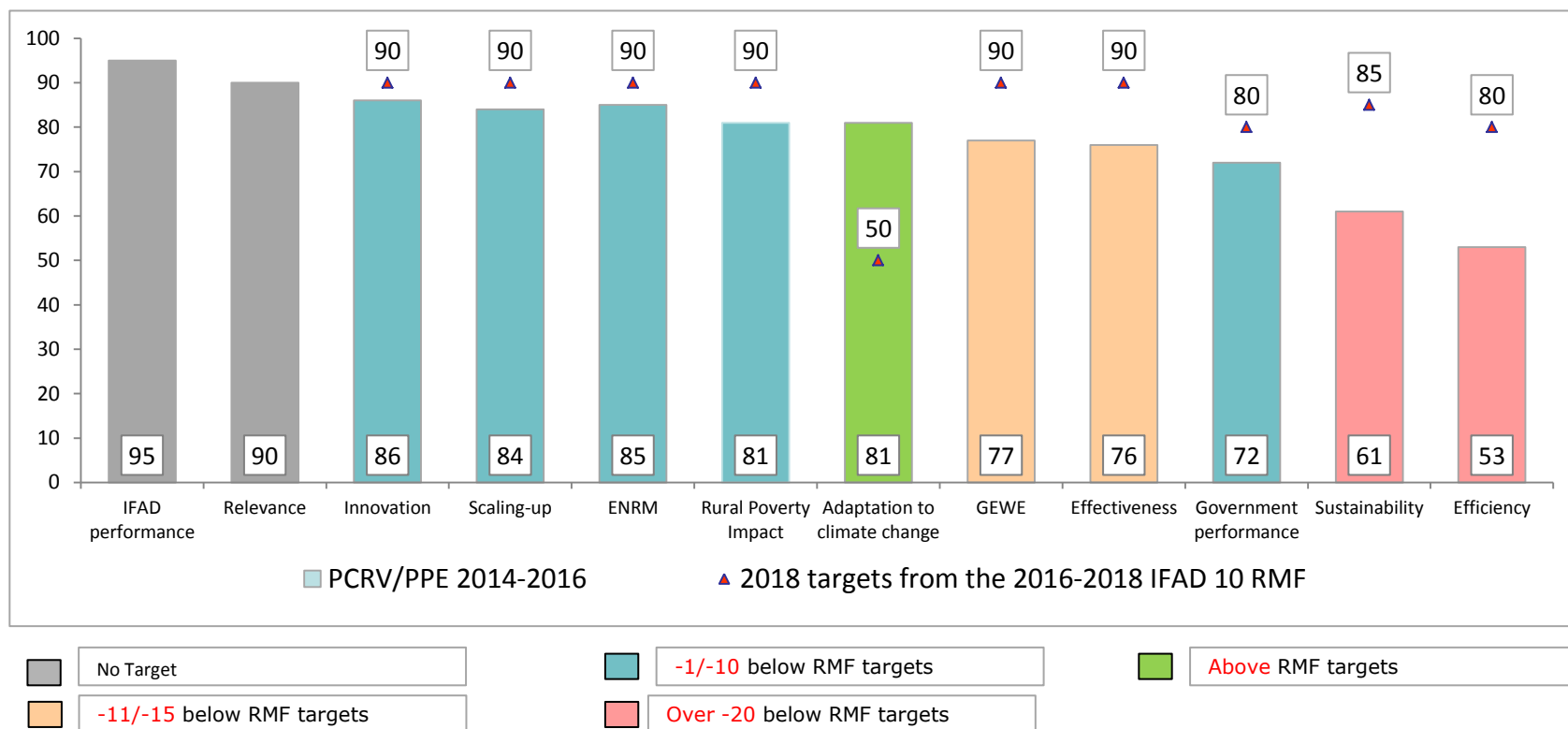
Percentage of project with positive performance ratings (2002-2016)

Global	IFAD	World Bank
	71	74
Asia & Pacific	IFAD Asia	AsDB
	86	62
Latin America & Caribbean	IFAD LAC	World Bank
	77	77
Africa	IFAD Africa	AfDB
	70	48
Near East/North Africa/ Europe	IFAD NEN	World Bank
	70	79

Majority of criteria are **below IFAD10 RMF targets**

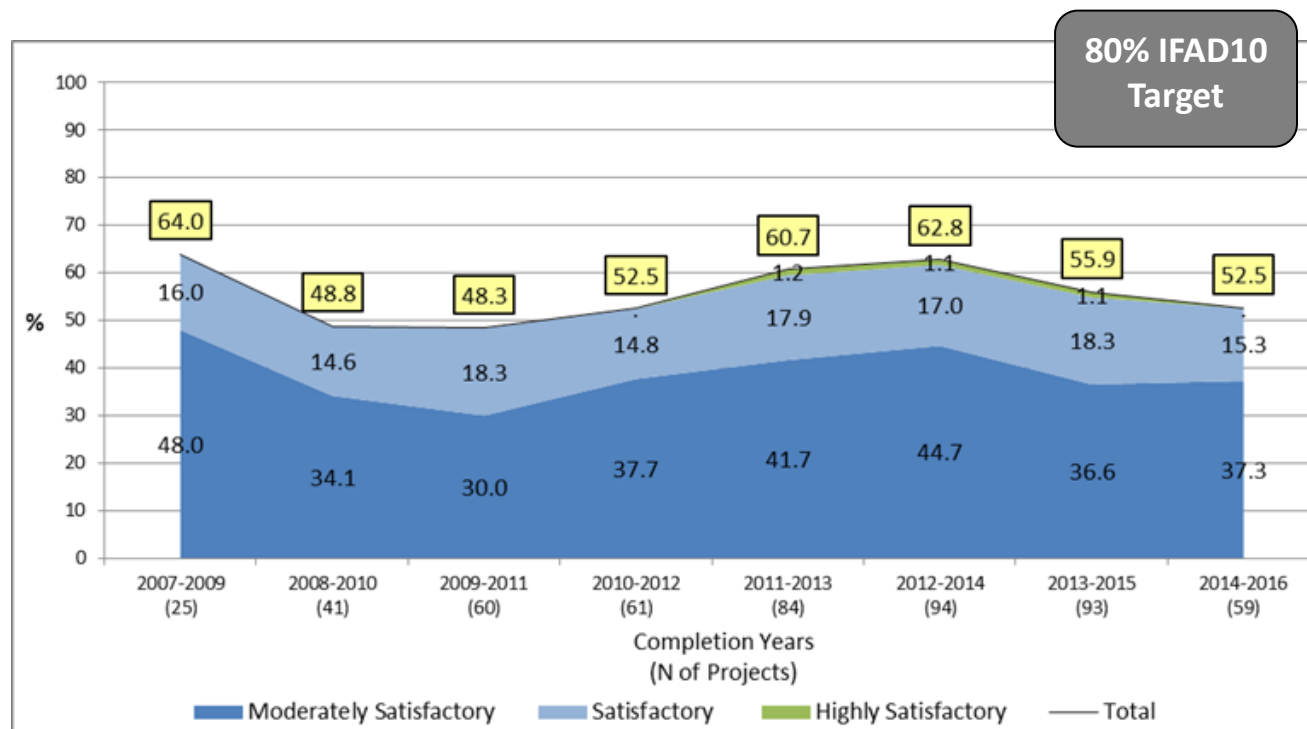
Evaluation criteria assessment (2014-2016)

% projects rated moderately satisfactory or better



Efficiency remains the lowest performing criterion and has declined further

Efficiency: 53% of projects MS+ (PCR/PPE data series)



Key Facilitating Factors

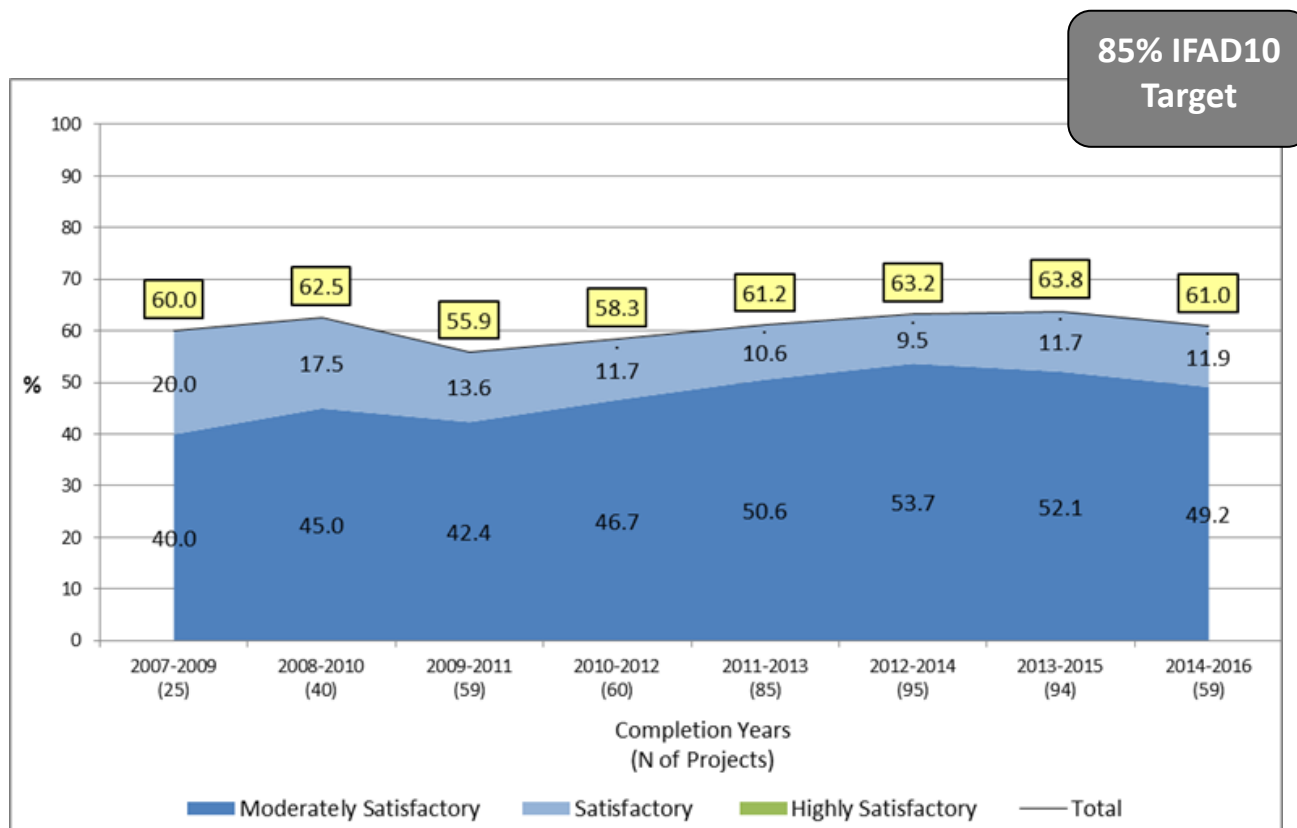
- Low project management costs
- Limited staff turnover
- Good partnership arrangements and good integration with governments

Key Constraining Factors

- Delay in start-up, implementation
- Long procurement processes
- High turnover of staff in project management units

The trend in **sustainability of benefits** is flat and recently declined to 61%

Sustainability of benefits: 61% of projects MS+ (PCR/V/PPE data series)



Key Facilitating Factors

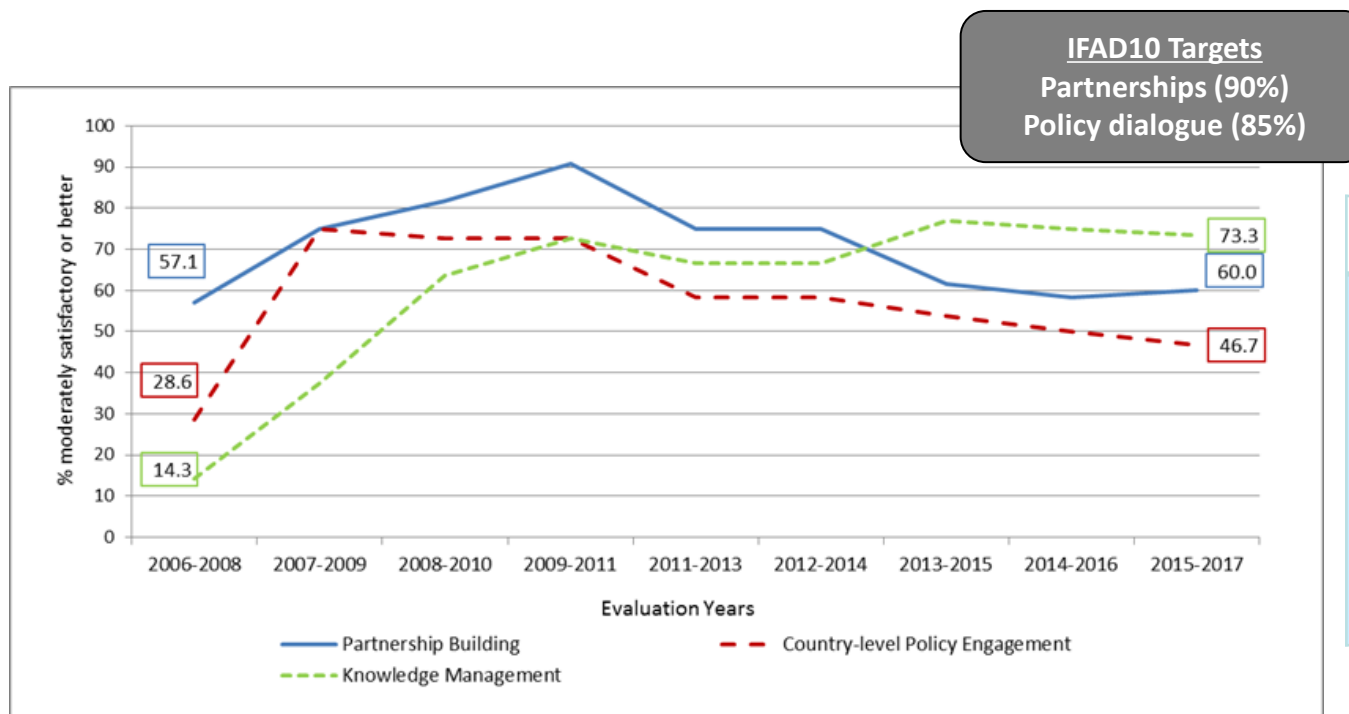
- Valid **exit strategy**
- Investing in **community infrastructure**
- **Training** processes and exchange of expertise

Key Constraining Factors

- Absence of a **long-term plan** for sustainability (exit strategy)
- Strategies with limited **market-orientation**
- **Late disbursements** delaying implementation

Limited progress in **non-lending activities**, except Knowledge Management

Performance of non-lending activities: 69% of ratings MS+ (CSPE database)

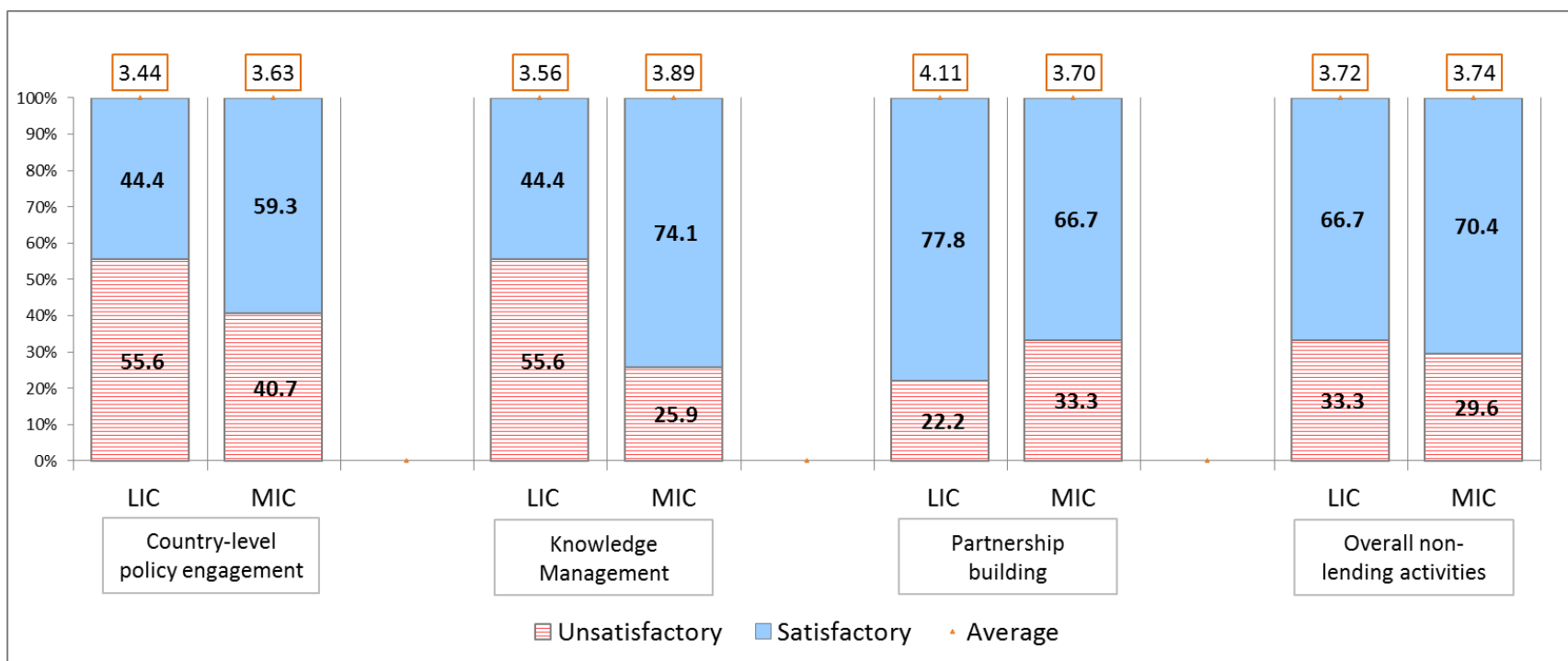


Key Facilitating Factors

- Building **strong knowledge management** platforms within country programmes.
- Specific budget for **country-level policy engagement** to integrate into country programmes.
- More focus on to the quality and mix of **partnerships**.

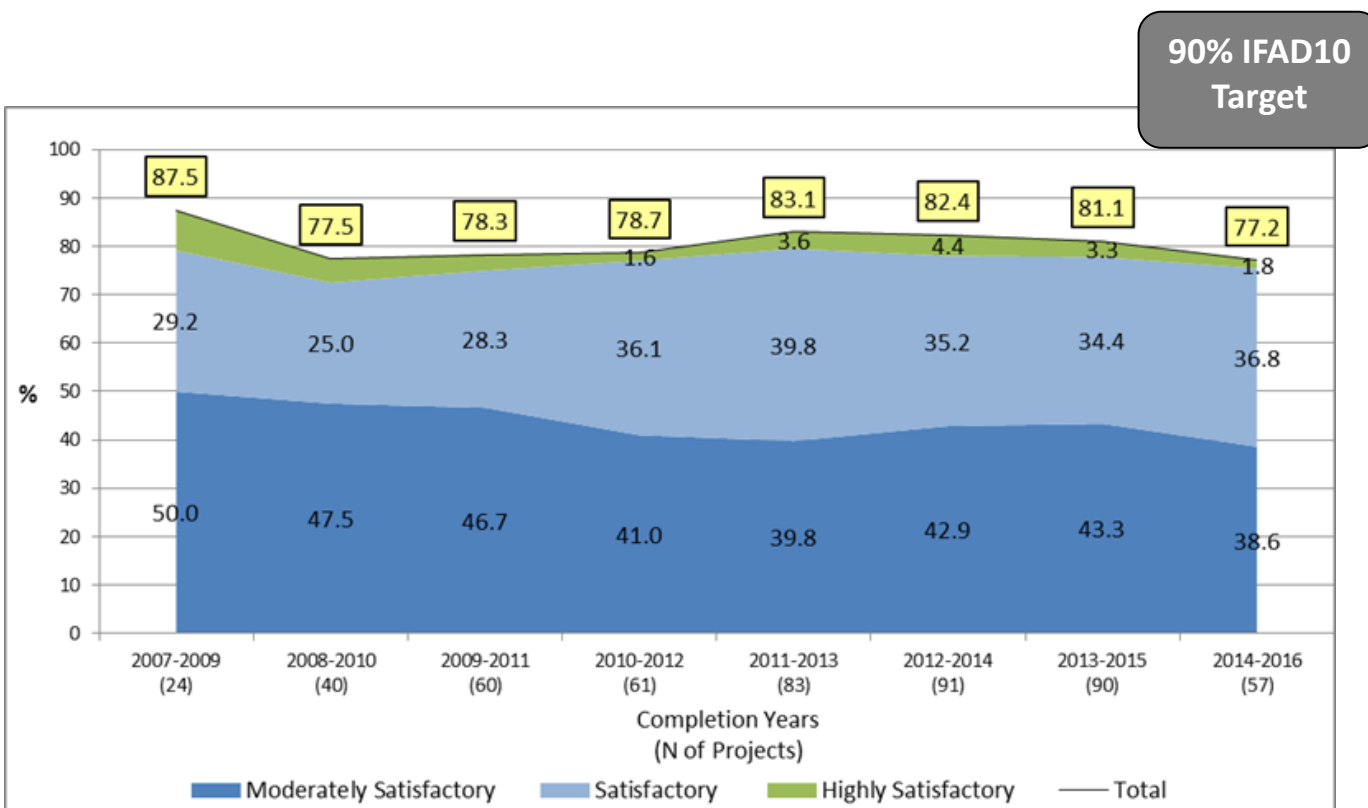
Performance in **country-level policy engagement** and **knowledge management** is better in MICs than LICs

Performance of non-lending activities in LICs and MICs (CSPE database)



Recent decline in **gender equality and women's empowerment** indicates the need to focus on targeting to “leave no one behind”

Gender equality and women's empowerment: 77.2% of projects MS+ (PCR/PPE data series)



Key Facilitating Factors

- Gender-sensitive **project design**
- Awareness **campaigns and trainings** on gender equality, women's rights and domestic violence
- Promotion of **women's leadership** in groups and management positions

Key Constraining Factors

- Non-alignment with **project's operational strategy** on gender
- Absence of a specific project issue in the **design phase and of outcome data**.
- Low women's participation in project staff **capacity building**

IFAD Policy on Targeting – leaves room for interpretation

- Defines **poverty** as **context-specific** and **multidimensional** – economic but also a condition of vulnerability and exclusion – and based on **national poverty lines**.
- Defines **target groups** a “rural people living in poverty and experiencing food insecurity in developing countries.”
- Adds IFAD “proactively strives to reach extremely poor people who have the potential to take advantage of assets and opportunities for agricultural production and rural income-generating activities.”

Finding 1 - Lack of agreement on IFAD target group and strategies needed

- IFAD's commercialization work tended towards better-off small farmers – **the economically active poor** – rather than poorer households.
- In Georgia, program leases went to medium and large agro-processing companies including biggest wine companies – **none went to farmer groups.**
- Need to **strike balance between market-oriented and poverty-focused projects/components.**

Finding 2 – Effective targeting strategies are informed by robust poverty analysis

- **Differentiated analysis** of marginalized groups (e.g., women, youth, indigenous peoples) supported by strong capacity and resources;
- Strong contextual analysis for **realistic, clear, and practical** targeting strategies;
- **Flexible** to allow for adjustments in a changing world, particularly countries and regions in fragile situations.
 - IFAD design guidelines lack specificity on addressing fragility
 - Need to include conflict analysis or risk assessment of affects of IFAD intervention

Finding 3 – Robust data, monitoring and supervision crucial for implementation

- A lack of **credible poverty data** challenges targeting
 - Insufficient disaggregation of national data
 - Lack multidimensional poverty data
- Some countries have addressed lack of poverty data by incorporating **participatory data collection** approaches
- Monitoring targeting during supervision allows for **adjusting targeting strategies** to changing context
- Therefore, **investment in related systems** and capacity development is needed.

Finding 4 – Reaching the poorest and “last mile” is costly but essential in SDG context

- **Remote and fragile areas** where most vulnerable people live post cost-associated challenges (i.e., logistics, travel, capacity).
- **More time and resources** are needed to design and implement projects targeting people on the “last mile.”
- Pursuing **efficiency can push targeting away from poorest** and most vulnerable people, towards those with the resources and capacity to leverage investments.

Finding 5 – Government commitment and partnership important to reach poorest

- Importance of **government commitment** to prioritizing rural poverty, poverty reduction and follow-up actions e.g. systematizing poverty targeting data;
- IFAD experience points to value of **engaging in policy dialogue** with governments to ensure most vulnerable are a priority;
- **Partnering with other organizations** may be best way to meet (basic) needs of the most vulnerable, e.g. Belgian Survival Fund.

2018 ARRI Recommendations

1. **Conduct a systemic review of IFAD project-cycle processes** and examine the resources committed to each.
2. **Revise IFAD's Targeting policy** and related guidelines.
3. **Develop appropriate targeting strategies based on robust and differentiated poverty and context analysis** that are flexibly implemented.
4. **Establish strong M&E systems** and tap into local knowledge through country-level partnerships **to capture differentiated poverty data.**
5. **Ensure sustainability** of rural poverty impacts **with exit strategies** that are **inclusive of targeted beneficiaries and sufficient project duration.**



Thank you!

Questions & Answers