What is innovation?

A new practice, approach/method, process, product or rule brought or implemented for the first time, considering the context, timeframe and stakeholders, with the purpose of improving performance and/or addressing challenge(s).

Inclusive and sustainable agricultural innovations:
• accessible to and suitable for farmers diverse by gender, socioeconomic group, geographical coverage...
• economically, socially and environmentally suitable

Transformative innovations lift poor farmers above a threshold that protects them from certain shocks

Innovations strengthen and improve the quality of IFAD’s country programmes. They are critical for IFAD to fulfil its mandate of investing in rural people and enabling inclusive and sustainable rural transformation.

Evaluation period: 2009-2019
Coverage:
508 loan projects
240 large grants
20 country case studies

Scope:
corporate strategies, policies and processes; development effectiveness (operational results and contribution to change)

Previous CLEs on innovation: 2002, 2010
Key documents:

Innovation categories

Innovations are meant to improve the performance of agri-food systems. In the IFAD context, these include 4 components, which also serve as categories for innovations:

<table>
<thead>
<tr>
<th>Category</th>
<th>% of IFAD projects supporting these innovations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Production &amp; Value Chain</td>
<td>31%</td>
</tr>
<tr>
<td>Socioeconomic</td>
<td>60%</td>
</tr>
<tr>
<td>Natural</td>
<td>16%</td>
</tr>
<tr>
<td>Governance</td>
<td>44%</td>
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</tbody>
</table>
Key findings:

IFAD’s business model for innovations was found as one of the best, by comparison with RBAs and IFIs; however, it set no specific objective for IFAD’s innovation agenda.

Innovations addressing natural resource management and climate change adaptation performed satisfactorily.

IFAD was successful in promoting a diversity of stand-alone innovations, which were effective and likely to have contributed to project impact. However, they lacked transformative features.

Satisfactory results were achieved by innovations relating to gender and women’s empowerment (especially socioeconomic ones), and indigenous and marginalized groups.

In terms of scaling-up and sustainability of innovations, results were mixed, e.g. due to difficulties in sustaining smallholders’ access to rural finance.

Main recommendations:

1. Set clear corporate and strategic goals for IFAD’s innovation agenda, and develop and implement operational frameworks.

2. Improve the operating model supporting its innovation processes.

3. Dedicate greater attention to bundles of transformative innovations.

4. Enhance innovation culture within the IFAD business model, to steadily and effectively support the Fund’s innovation agenda.

5. Increase funding and operational partnerships that contribute to supporting IFAD’s innovations agenda.

6. Streamline knowledge management tools for accessing and sharing innovations-related information.