

COUNTRY STRATEGY AND
PROGRAMME EVALUATION

Republic of

Türkiye

Executive Summary



IOE

IFAD
Investing in rural people

Independent Office of Evaluation

Executive summary

A. Background

1. The Independent Office of Evaluation of IFAD (IOE) undertook in 2023 a country strategy and programme evaluation (CSPE) of IFAD's engagement in the Republic of Türkiye. The CSPE covered the 2016 country strategic opportunities programme (COSOP) and four projects implemented between 2015 and 2022. The total estimated cost of the projects covered by the CSPE amounts to USD 233.2 million, including USD 136.6 million financed by IFAD, and USD 96.6 million from the Government of Türkiye (GoT), domestic bank co-financiers, and beneficiaries.
2. **CSPE objectives.** In line with the IFAD's Revised Evaluation Policy (2021) and Evaluation Manual (2022), the main objectives of the CSPE were to assess the results and performance of the IFAD strategy and programme, and generate findings and recommendations to support the future partnership between IFAD and the Government of Türkiye (GoT) for enhanced development effectiveness and sustainable rural development. The evaluation findings, lessons, and recommendations are also expected to inform the preparation of the new COSOP in 2024, to be undertaken considering that Türkiye reached in 2021 the threshold to undergo the IFAD graduation process.
3. **Country context.** Türkiye is a country located between the Mediterranean and the Black Sea with a total area of 785,350 km² and 7,200 km of coastline. The country has a population of 84.78 million people, and currently hosts an estimated number of 3.5 million refugees as of February 2023. It is an upper middle-income country and has the 19th largest economy in the world. The Turkish Statistical Institute (TurkStat) estimated the monetary poverty (percentage of households with less than 50 percent of the median disposable income) at 15.0 percent in 2020, slightly down from 16.1 percent in 2011. Challenges persist in terms of gender equality. The country ranked 124th (out of 145 countries) in 2022 in the Global Gender Gap Index, lagging behind other Central Asian countries. Nearly half of the population (48.3 percent) is under the age of 30, and 24.4 percent of the population is between the ages of 15 and 29 years. According to TurkStat, the unemployment rate among young people was in 2021 20.8 percent (17.9 percent for men and 26.1 percent for women).
4. Türkiye has in 2022 the largest agricultural economy in Europe, according to OECD data. The diversity of agro-ecological conditions allows to produce diverse crops (including apricots, cherries, chestnuts, figs, hazelnuts, olives, tea, and tobacco). Animal production contributed 47 percent to the total agricultural production in 2020, and the sub-sector remains the source of raw materials for meat, silk for milk feeding, woollen textile and leather industries. Still, the country faces agricultural challenges, among which are land fragmentation (which dissuades farmers from investing in appropriate technologies, restricts access to irrigation, limits the choice of crops, and increases production costs), a lack of contemporary technologies and decision-making tools for efficient cropping patterns in remote areas, and low animal feeding levels resulting in non-optimal productivity due to expensive feed inputs. In relation to climate change and the environment, the country is facing a warming temperature trend and a decreasing trend in precipitation with a negative effect on the availability of groundwater for agricultural production, even though Türkiye has a legislative approach centred around sustainably safeguarding the environment, forest resources, and biodiversity.
5. **IFAD's strategy and operations during the review period.** The overall goal of the 2016 COSOP was to contribute to rural poverty reduction in upland areas of Türkiye through two strategic objectives: (i) to enhance market access for productive, poor smallholder farmers, and (ii) to mainstream sustainable natural resource management (NRM) into all aspects of upland agricultural production and

increase upland climate change resilience. The COSOP's strategic themes were access of productive poor people to markets, climate change resilience and agricultural value-chain. The portfolio covered by the evaluation includes two completed projects that were approved under a previous COSOP, and two projects on-going (at the time of the CSPE) designed under the 2016 COSOP.

B. Performance of IFAD's country strategy and programme

6. **Relevance** is rated moderately satisfactory. IFAD's country strategy objectives were aligned with the GoT's long-term strategies (2001-2023) of enhancing competitiveness and productivity in all economic areas of the country. Furthermore, all projects focused on supporting farmers to move from subsistence farming toward commercial agriculture, reducing regional economic disparities, and reducing rural-urban migration. Climate resilience was considered in the design of the two most recent projects in IFAD's Türkiye portfolio in alignment with IFAD's Strategic Framework 2016-2025. **The geographic targeting of upland and mountainous areas was found to be relevant, as poverty rates are higher in those areas,** offering opportunities for improvements in agricultural incomes. This geographical targeting allowed IFAD to reach rural communities underserved by others, including programmes of the GoT and other partners due to their remoteness, low population densities and relatively high operation costs compared to operations in lowland areas. However, **reaching the poorest people with limited productive assets within the targeted areas was often difficult as they lacked the resources required to participate in matching grant schemes.** This led to revisiting the matching conditions for the poorest people.
7. **The overarching theme of inclusive rural livelihoods' resilience for smallholder farmers living in remote upland areas and thematic approaches were relevant, but the CSPE identified relevance gaps.** The 2016 COSOP design did not include a theory of change, nor was an operational resilience framework prepared after to provide pathways and guidance on how to induce the sustainable improvement of rural livelihoods, taking into account the country context of agricultural development. Additionally, the analysis of the important theme of climate change adaptation was insufficient in older projects. Finally, the implementation arrangements were different according to the main themes of projects (value chain development (VCD) by three projects and natural resource management (NRM) by one, and effective collaboration was absent between the two general directorates in charge of the project oversight and implementation.
8. **Coherence** is rated moderately satisfactory. **IFAD support has played a catalytic role in deploying sound interventions to tackle rural poverty in mountain areas and this will continue.** IFAD's comparative advantage in applying development approaches to address rural poverty in geographically remote and marginalised areas was explicitly acknowledged by most stakeholders. There was a clear consensus among GoT and international stakeholders that the reliability and flexibility of the IFAD approach responded to the needs of smallholder farmers. Externalities that the Turkish economy faced over the evaluation period strongly corroborate that IFAD's support will continue to be relevant and complementary to the GoT efforts to reduce economic inequalities and poverty in the highland areas in the near future. There was a thematic convergence between IFAD's support and the supports of other key external partners (European Union, the Japan International Cooperation Agency, and the World Bank) of the rural development in Türkiye. However, the evaluation found no evidence of synergy developed with various domestic partners (e.g. research institutions) that are important for rural development activities. **While there were efforts to learn from previous interventions in designing new ones, evidence showed internal coherence gaps** related to insufficient learning within the country programme (across the two general directorates), a weak consolidation of achieved results in one region before

moving to another, and a very low contribution of grants to the program effectiveness.

9. Regarding the other sub-domains of coherence, **knowledge management (KM)** is rated moderately satisfactory, while **partnership building and policy engagement** are rated moderately unsatisfactory. The portfolio demonstrated mixed results for knowledge management. For example, while two studies planned in the COSOP for knowledge management were not delivered, three unplanned but important studies were carried out in collaboration with UN organisations (UNDP and FAO). While most design documents for portfolio projects described processes of KM and learning, planned KM outputs were mostly limited to communication products. **The CSPE noted an increasing effort in delivering knowledge products through documentation and dissemination of information materials on best practices of IFAD-supported projects, and also published on Internet.** However, evidence was limited on the extent to which knowledge produced was converted into lessons learned and used for informed decision-making within and beyond the program.
10. **Evidence showed strong positive partnerships between IFAD and the GoT, but partnerships with other actors described in the 2016 COSOP were limited, even absent.** The government partners that had effective collaborations with IFAD programme were the Ministry of Treasury and Finance, the Presidency of Strategy and Budget and the MoAF (at central and provincial levels). However, collaboration with other government institutions (e.g. the Turkish Cooperation and Coordination Agency and Regional Development Agencies) have not yet materialized. IFAD continues to explore options for co-financing with other international financial institutions, as well as effective partnerships with strong private actors, however, results have yet to materialise.
11. In relation to policy engagement, **the evaluation found no evidence of concrete policy results or changes due to IFAD-supported operations over the evaluated period.** Among factors that explain this insufficient policy engagement results, there are: the government holds minimal expectations for IFAD to contribute to policy matters, as the Fund's focus is on smallholder farmers in marginalized areas, whose issues are not prominent in national agricultural strategies. IFAD has also not been proactively engaged in policy matters due to its location in Istanbul, and its knowledge management framework lacked the necessary robustness to generate lessons for informed decision-making. The CSPE found only a few examples of policy decisions at the provincial level that more related to scaling up results, as presented below.
12. **Effectiveness** is rated moderately satisfactory. Available data as of the end of 2022 showed that the portfolio projects reached 72.4 percent of the total intended targeted households and this outreach is expected to increase due to the two on-going projects. The IFAD-supported programme contributed to **increased agricultural productivity and production in both crop and animal production systems, as well as more resilient agricultural ecosystems in upland areas.** Outputs achieved that supported the increase in agricultural productivity and production reached 77.4 percent of the cumulative planned targets, for instance: the promotion of vegetables, orchards, new forage crops (Triticale and Hungarian Vetch) and forage cropping (66.6 percent achieved), constructed or rehabilitated 473 barns (76 percent achieved), and 225 km of pastures roads.
13. **Supports to VCD activities for processing and marketing of agricultural products (crop- and animal- related), and for access of poor farmers to markets led to modest results,** because numerous actions (e.g., equipment or facilities for storage, packaging, and processing) reached better-off farmers, and effective partnerships with strong private actors for the access to markets of smallholder farmers (living in the targeted mountain areas) have not yet occurred.

Evidence suggests, however, the positive contribution of support for economic diversification and livestock production to improving smallholder incomes, for instance with greenhouses (641 promoted, 52 percent achieved), and livestock productivity enhancement [473 livestock barns (76 percent achieved), pasture roads (225 km) and livestock water points].

14. **IFAD's support contributed to improving the resilience of beneficiary households to climate shocks, by strengthening their absorptive and adaptive capacities** and enhancing sustainable NRM in targeted areas, by applying a landscape approach and improving the hydrological functioning of the micro-catchment areas. However, the programme made little effort to strengthen grassroots organizations and enable them to take on responsibilities for the management of rehabilitated rangelands (see further elaboration under sustainability).
15. **Innovation** is rated moderately satisfactory. **Numerous technologies, practices, and processes were introduced and promoted by the programme, which were new to the projects' beneficiaries**, even if not necessarily innovative in the country context. These include improved fodder crops (Triticale and Hungarian Vetch), shepherd shelters, juice extractors, dairy cattle milking machines, and seed drillers. While these technologies were found to be relevant and effective in addressing system challenges, interviewed farmers explained that most of the introduced technologies were already applied elsewhere in the country, but were accessible in the targeted area for the first time thanks to the projects.
16. **Efficiency** is rated moderately satisfactory. The evaluation found relatively quick project start-ups and responsive project management units operated at relatively low cost. **Low costs per beneficiary household and positive economic internal rates of return also show that the country programme has converted inputs into results cost-effectively.** However, three out of four projects experienced significant delays and low rates of disbursement resulting in project duration extensions. **Multiple delays were also encountered in procurement stemming from lengthy processes.** Field visits confirmed positive results presented in economic and financial analyses of the two completed projects (AKADP and MRWRP), including economic benefits to beneficiaries through the development of greenhouses, livestock water facilities, and pasture roads.
17. **Impact** is rated moderately satisfactory. **Livestock activities, supported by the two completed projects) contributed to moderate positive changes in household incomes**, mainly through enhancements or improvements in livestock practices (including forage cultivation, and pasture road developments) and facilities (including construction and rehabilitation of livestock markets). Results of the impact assessment of the Murat River Watershed project showed no significant increase in income from crop or tree farming activities, but a seven percent reduction in the multi-dimensional poverty index in the intervention areas. The evaluation found that **the programme contributed to building human capital with capacity development activities, but the results were insufficient in strengthening the social capital**, namely in fostering collective actions to address shared constraints. Improvement in household food security was possible through the increase in productivity and income. However, evidence of project contributions to improved nutrition was lacking as none of the portfolio projects included activities directly addressing nutrition issues.
18. **Gender equality** is rated moderately satisfactory. Even if projects faced challenges in reaching women at times, the outreach of women beneficiaries by the programme was significant, representing 46.1 per cent of the cumulative set target. However, the portfolio projects often only reported results related to gender inequality at the output level, or with anecdotal evidence. The evaluation found that **projects took into account gender gaps in the country context, and supported actions that**

led to empowerment of beneficiary women, including increased income, and increased participation and leadership in decision-making bodies like with cooperatives and multi-stakeholder platforms. There are indications that projects have contributed to changes in perceptions of women's roles in targeted communities, even if the scale was limited. Anecdotal evidence also suggests contributions to reducing the workloads of women through mechanization. It was observed that older projects in the portfolio primarily adapted to social norms and attitudes, while newer projects have paid more attention to addressing gender-discriminating factors.

19. **Sustainability** is rated moderately satisfactory. The evaluation found that projects in the portfolio have successfully reached individual farmers deemed "economically active", as well as cooperatives capable of covering the initial investment costs and sustaining activities. In such instances, the sustainability of benefits was high. Similarly, the key government agencies (at the provincial level) with responsibility for long-term management are well-prepared and have sufficient resources. Indeed, as with completed projects, ongoing projects are embedded in government institutions and rely on government supports for the financial sustainability. **These government agencies and decentralised administrations are strong enough to ensure the sustainability of projects' benefits**, even if the CSPE noted a few challenges related to the maintenance of upland roads. However, regarding the community-based organizations and user groups involved in NRM activities, the sustainability prospect is weak, as these organisations were often informal and lacked adequate structure and capacity.
20. **Scaling up** is rated moderately satisfactory. **Evidence suggests several positive scaling-up achievements through governmental institutions at the provincial level.** Project results (e.g. of innovations such as the shepherd shelters and forage crops, the pilot strawberry orchards initiative, erosion control, and afforestation) have been scaled within provinces. In several cases, scaling up by other partners has yet to happen, and additional follow-up on these opportunities is still needed.
21. **NRM and climate change adaptation** are rated moderately satisfactory. Overall, the country programme focused on NRM, rehabilitation of degraded lands, and climate change adaptation, but achieved results varied widely across the projects. Only the Murat project had an explicit focus on environmentally sustainable land use and climate change adaptation, even if the project design did not benefit from a master watershed management plan and only targeted the micro-basin level. **The Murat project made significant contributions to restoring degraded lands, managing natural resources in upland areas, and watershed management to benefit poor people inclusively and to enhance their resilience to climate change.** The CSPE found no reported negative effects on ecosystems resulting from activities of projects in the portfolio, which all supported climate change adaptation strategies through the diversification of economic opportunities.
22. **IFAD's and the Government's performance** are rated moderately satisfactory each. **IFAD strengthened its presence in Türkiye over the evaluation period and its approach to developing the COSOP and portfolio projects in an inclusive manner.** Nevertheless, IFAD's visibility was weakened by its location in Istanbul, while key national and international partners are in Ankara. IFAD responded well to some challenges during the evaluation period (e.g. GoT's budget limitation policy and reallocation of resources after the earthquakes of February 2023) but could have done more to anticipate risks known in the country context (e.g. inflation and earthquake). While IFAD regularly conducted supervision and implementation support missions, it did not sufficiently outline and monitor the set-up and running of project steering committees.

23. **The GoT has demonstrated political and economic commitment to IFAD's supported programme and has contributed significantly to the development and implementation of projects** both at the central and provincial levels. It has fulfilled its fiduciary responsibilities for financial management and procurement. The project management was responsive to contextual changes (including economic volatility and COVID-19) and adjusted the projects accordingly to the needs and priorities. However, the Government's strategic and operational support for the country programme has functioned under two approaches under two different general directorates (under the same Ministry in charge of agriculture and forestry) with insufficient cross-learning. Furthermore, three of the four projects in the portfolio did not establish effective project steering committees and faced persistent problems with staffing, procurement, and financial management systems even with the partnership with UNDP (tasked with performing the financial management of three out of four portfolio projects).

C. Conclusions

24. IFAD's country strategy and programme appropriately prioritized support for upland and mountainous regions, which face heightened vulnerability to climate change, elevated economic poverty rates, and rural-urban outmigration. The CSPE assessed as relevant: (i) the overarching theme of resilience in social and ecological livelihoods (addressed by the country's strategy and programme; (ii) the geographic targeting of upland / mountain areas for the supports; and (iii) the increasing efforts over time to target women, youths, and nomadic groups. However, the absence of an explicit resilience framework tailored to the country and intervention context contributed to weakening the coherence of specific themes addressed by the four evaluated projects.
25. Over the evaluated period (2016-2022), the strategic partnership between IFAD and the GoT was solid, and this was translated into an effective operational involvement of government agencies within targeted provinces. Nevertheless, strategic and operational partnerships were not diversified and the engagement on policy matters was insufficient. It seems clear that due to externalities, which negatively affected the Turkish economy in recent years, IFAD's support will remain pertinent and useful in the near future to support the GoT efforts to reduce regional economic disparities.
26. The programme contributed to increasing agricultural productivity and production, as well as to improving the sustainability and resilience of ecosystems. Similarly, the rehabilitation of degraded lands and afforestation positively supported better natural resource management, especially in the framework of a watershed management approach, even if the CSPE noted the lack of a master plan for watershed management. Those results were instrumental in enhancing both the ecosystem and economic resilience of smallholder livelihoods. The programme achieved mixed results in increasing smallholders' incomes, because supports for livestock production have had a positive contribution to smallholder incomes' increase, while supports for VCD have had limited incidence on these.
27. Findings indicate gaps in strengthening the social capital within targeted rural communities, while with supported cooperatives, the sustainability prospect is positive. The programme's focus on community-based organisations was minimal, especially in terms of the management of natural resources. This was because the development of social bonding and bridging capital was not embedded explicitly within the programme strategy, and this gap can be attributable to the lack of a resilience framework. Only cooperatives supported by projects, which are usually managed by better-off farmers as private businesses, showed positive sustainability prospects. Additionally, the public institutions responsible of implementing the projects also showed strong capacities to sustain the projects' benefits.

D. Recommendations

28. The CSPE made the following recommendations for consolidating achievements and improving areas that merit further attention.
29. **Recommendation-1: Further prioritise in the next strategy, the resilience of rural livelihoods in the mountain areas of Türkiye in an integrated manner, by deploying innovative approaches that build on the existing country potentials in value-chain segments.** To this end, it is crucial to develop a resilience framework, adapted to the intervention contexts that is aligned with an overarching theory of change for the COSOP. The framework should integrate the ecosystem resilience through sustainable management of natural resources and climate change adaptation, as well as economic livelihoods improvement through pro-poor value chain activities and access to markets.
30. **Recommendation-2: Leverage the strategic partnership between IFAD and the GoT, beyond portfolio oversight, to foster engagement on policy matters and effective knowledge management for greater scaling up of results.** It is necessary that IFAD identifies the right entry points to engage in policy debates (informally and formally) aligned with the country context, and key strategic partners at the central and provincial levels should widen the space for IFAD to do this. Following the identification of entry points, IFAD should strengthen the country programme KM framework for improved performance in generating relevant knowledge and lessons, with the active involvement of government stakeholders. Organising debates / discussions at strategic and operational levels on knowledge generated (related to the policy themes identified) will be critical for the identification of options for scaling up positive results, as well as their incorporation in policy / strategic decisions. It will also be useful to engage with diverse national and international players in the agricultural sector, to share perspectives on key topics of interest for IFAD's country programme. Learning events should be organised by the country team to contribute to improving IFAD's visibility.
31. **Recommendation-3: Improve the inclusiveness of the country programme towards poor/vulnerable rural women, as well as young men and young women.** In relation to gender, the programme should consider the following points: (i) Building on the success of supported women-led cooperatives, bolster support to increase and improve the women-led cooperatives, through financial, technical and managerial trainings to empower more women; (ii) In line with contextual challenges, ensuring the collaboration and/or approval of men (relatives) in specific project activities exclusively targeting women, e.g., learning visits; (iii) Acknowledging in the targeting approaches, intersectional needs and interests of women, by accounting for differences, such as: age, marital status, education level, disability etc; (iv) Developing activities that improve perceptions (among men and boys) towards women's roles and their participation in agricultural activities in targeted communities. In relation to young people, the following improvements should be considered: (i) Developing guidance for rural youth targeting and support, specific to the intervention areas (considering their needs, interests and challenges); (ii) building on good practices of youth support in the Turkish context (e.g., by promoting technologies to ease working effort, digital technologies, economic diversification, etc.); (iii) Adopting approaches that target youth who have returned to rural areas, with good financial incentives to help them work in agricultural production, in line with VCD activities, and to access economic networks and social opportunities.
32. **Recommendation-4: Strengthen the programmatic approach in the delivery of IFAD's support, and foster the learning culture, to address persistent implementation challenges.** First, consolidate results achieved in the targeted interventions areas, by providing continuous support over a significant period, taking into account the critical and specific contextual challenges addressed. Second, foster

the learning culture and the continuous improvement as one IFAD supported programme under the MoAF, by reinforcing mechanisms to interact and share experiences that involve stakeholders at central and decentralised levels. Additionally, enhance the programme's M&E systems to go beyond the capture of output data to also measure and report on outcomes and impact, ensuring consistent disaggregation by sex and age, where possible. Finally, address the recurrent implementation challenges in procurement and steering committees, by learning from management methods that already proved to be successful within the country programme.