

IFAD

International Fund for Agricultural Development

1. Facts and figures

Type of organisation: UN specialised agency, international financial institution

Established in: 1977

Headquarters: Rome

Number of country offices: 40

Head of organisation: Kanayo F. Nwanze (Nigeria)

Dates of Board meetings in 2013:
Governing Council meeting 13–14 February, Executive Board meetings 10–11 April, 18–19 September and 11–12 December

Norway's representation on Board:
Norway shares a seat on the Board with Sweden on a rotating basis. In 2013 Norway is the Board Member and Sweden the Alternate Member

Number of Norwegian staff: 0

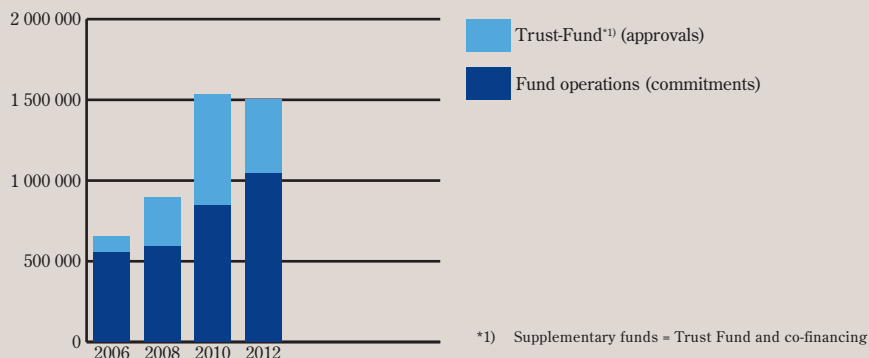
Competent ministry: Norwegian Ministry of Foreign Affairs

Website: www.ifad.org

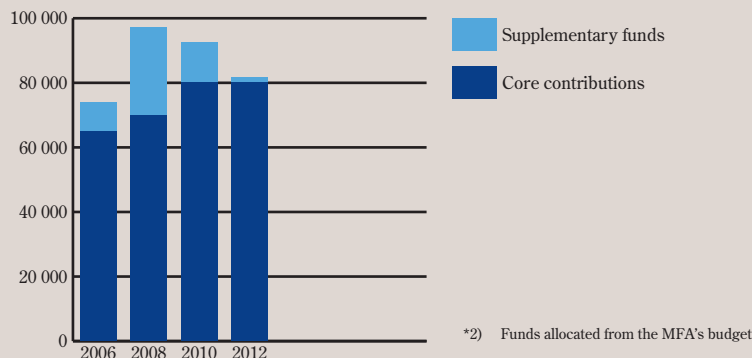
The five largest donors of supplementary funds, and Norway (1000 USD) in 2012:

	Donors	Amount
1	EU-CGIAR	212 394 296
2	EU	105 536 754
3	Italy	48 097 982
4	UK	24 432 952
5	Netherlands	21 642 109
7	Norway	13 293 203

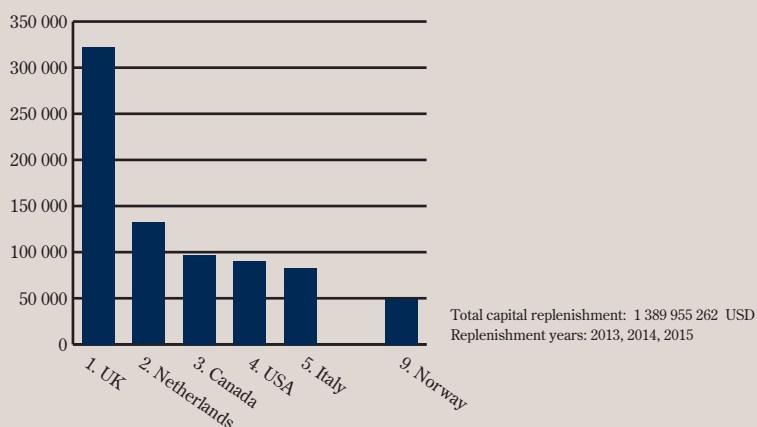
Total revenues (1000 USD). Broken down by loans, grants.



Norway's contributions^{*2)} (1000 NOK)



Latest replenishment of fund and the five largest donors, and Norway, in 2012 (1000 USD)



NORWEGIAN MINISTRY
OF FOREIGN AFFAIRS

Mandate and areas of activity

The International Fund for Agricultural Development (IFAD) is a specialised agency of the United Nations that was established to increase food security and combat rural poverty. IFAD provides loans on concessional terms to poor countries, as well as to middle-income countries with rural poverty problems. IFAD seeks to ensure that the rural poor have the necessary know-how and are organised to increase their revenues within a sustainable framework that is adapted to climate change, and to increase food production and food security. IFAD has intensified its efforts to promote climate-change adaptation, and works to reduce greenhouse-gas emissions.

IFAD provides technical advice and training in the agricultural sector, supports agricultural research and helps to improve market access and market information. With the help of the funds received by IFAD through its replenishment negotiations, the Fund mobilises several times that amount of funding from other partners. Its partners in recipient countries are government authorities, organisations for the rural poor and other non-governmental organisations, as well as the private sector. The government authorities themselves are responsible for implementing the loan-financed programmes, but IFAD oversees the implementation and provides advisory services on both technical matters and policy formulation.

IFAD also works in partnership with other multilateral agencies and Member States. IFAD previously had a limited permanent presence in Member States, but this presence has increased sharply in the past few years. Due to its dual nature as both a UN agency and an international financial institution, and its specialised mandate targeting poor small-scale farmers, IFAD has a unique role in the global aid architecture.

Results achieved in 2012

The goal for the 2013–2015 replenishment period is to help lift 80 million people out of poverty. Since it was established, IFAD has reached 300 million poor people in rural areas, and in 2012 IFAD worked directly with 60 million people. IFAD

reports that at the end of June 2012, it had 271 loan-financed projects with a total value of USD 5.5 billion, and 389 grant-financed projects with a total value of USD 246 million.

Evaluation reports show that progress has been made in terms of relevance and poverty reduction, and the Fund's ability to scale up activities. One of the areas in which improvements have been achieved is market access for small-scale farmers. In 2011, 4.8 million farmers received training in improved agricultural practices and technologies, 1.4 million were trained in entrepreneurship and 3.2 million in various local community activities. However, this type of reporting does not show the impact of projects and programmes. IFAD reaches many rural poor through its activities, but should improve its reporting of results with regard to the effect of its work on their standard of living and opportunities. IFAD is focusing on improving this aspect in the current replenishment period.

To strengthen the role of women, IFAD partners with FAO, WFP and UN Women in countries such as Ethiopia. The focus is on improving women's access to productive resources, and strengthening their status and rights in both the local community and their own household. Norway will consider providing support for the joint efforts of the four agencies. Globally, 50 per cent of the beneficiaries of IFAD programmes are women. More women than men have received training in entrepreneurship, local management and animal husbandry. IFAD's new policy on women's empowerment and gender equality was finally approved by the Governing Council in February 2012.

While Norad considers the policy to be good, a great deal remains to be done before it is fully implemented. A comprehensive strategy for IFAD's approach to climate change was adopted in 2012, and the IFAD Environment and Natural Resource Management Policy was adopted in 2011. In 2012, the Executive Board also approved the creation of a fund for climate adaptation for smallholder farmers.

IFAD has been in Mali since 1982 and has monitored projects itself since 2010; a country office was established in 2012. IFAD has financed 12 projects, five of which were in progress during the evaluation period (2007–2012). The evaluation shows that good progress was made in the Fund's collaboration with the Malian Government in the last five years prior to the crisis. Programmes have been in line with Mali's own national plans. With regard to livestock, improvements were achieved through the intervention supported by IFAD, while results were less positive with regard to agriculture. In general, projects were most successful in the northern regions.

Efforts to build capacity have produced relatively good results and may, in the long term, impact positively on project sustainability. Although effectiveness has been somewhat disappointing, and investment costs have been higher than estimated, the projects have nonetheless helped to improve nutrition in the project areas.

IFAD has gradually become more actively involved in donor coordination, particularly increasing its cooperation with the World Bank and the African Development Bank. Clearer task-sharing and better cooperation on infrastructure are recommended.

The evaluation recommends greater focus on conflict analyses and risk assessments and stronger emphasis on regions in the south, in view of the higher population density and greater poverty in these areas. More importance should also be attached to the private sector and collaboration with entrepreneurs. Furthermore, it is necessary to consolidate projects in order to strengthen their sustainability. The sustainability of activities in the northern regions is now threatened by the crisis.

2. Assessments: Results, effectiveness and monitoring

The organisation's results-related work

IFAD has adopted a Strategic Framework for 2011–2015, in addition to which guiding principles are laid down in the replenishment rounds, most recently for 2013–2015. A major programme of reforms has been carried out and the Fund now receives good marks internationally for its measurement of and reporting on results. IFAD's own results measurement instrument showed an achievement rate of over 80 per cent. Over 60 per cent of IFAD's staff are directly engaged in the development and implementation of country programmes. The results reported correlate well with the Fund's strategic objectives.

Topping the Strategic Framework's hierarchy of development objectives are IFAD indicators relating to the UN Millennium Development Goal 1 on eradicating extreme poverty and hunger. IFAD's country strategies focus explicitly on results, and the connection between IFAD's activities and the results achieved at project, sector and national level are clearly evident. Cross-cutting considerations are also included in IFAD's result chain, and IFAD now has gender-segregated data. Evaluations confirm that IFAD scores well in relation to most evaluation criteria, and that the projects are relevant for the recipients. A comparison with other international financial institutions carried out by IFAD's Independent Office of Evaluation shows that IFAD projects achieve better results than those of the agricultural projects of the Asian Development Bank and the African Development Bank, while they are at about the same level as World Bank projects. At country level, results show that IFAD is contributing to eradicating poverty. This is confirmed by reviews such as MOPAN and the UK's Multilateral Aid Review.

IFAD's Independent Office of Evaluation (IOE) is organisationally autonomous, since it reports directly to the Executive Board, and the Executive Board approves its budget and programme of work. At the same time, there may be reason to question whether the IOE conducts itself independently in all

cases. The Executive Board is responsible for appointing the IOE Director, but flaws have been revealed in appointment procedures which IFAD will seek to remedy. The IOE presents its findings in an annual report which IFAD follows up.

IFAD also has a corporate planning and performance management system, which covers the factors that are directly affected by IFAD activities. IFAD's Executive Board is actively involved in the dialogue on results, evaluations and monitoring of follow-up and change. The organisation has a solid web-based information system that facilitates follow-up by Board members, donors and Member States. However, IFAD has potential for improvement with regard to communication with the governing bodies and transparency in relation to the follow-up of Board decisions.

Planning and budgeting systems

General strategic planning primarily takes place through the preparation of a report, a draft resolution and goals for replenishment rounds. The current strategic framework covers the period 2011–2015. An annual programme of work and budget for both IFAD and the Independent Office of Evaluation are submitted to the Board for approval.

Oversight and anti-corruption

IFAD was awarded good marks for its audit, anti-corruption and risk-management systems in the 2010 MOPAN review and by the UN's own Joint Inspection Unit. In 2010, IFAD's Executive Board adopted a revised mandate for IFAD's internal oversight function, with a separate Office of Audit and Oversight (OA). An external auditor is appointed by and reports directly to the Executive Board. The Executive Board has its own Audit Committee. Guidelines on transparency were recently adopted to ensure the transparency of IFAD's operations. While these guidelines are a step in the right direction, IFAD nonetheless appears to be less transparent in several contexts than a number of other international organisations.

As early as 2005, IFAD adopted its own anti-corruption policy, which affirms its principle of zero tolerance. IFAD has reporting, investigation and sanction systems that function well, with transparent reporting practices. There is an effective system of internal financial oversight and reporting. Where relevant, matters are turned over to national authorities for follow-up. In 2011, IFAD established an independent Ethics Office that follows up on staff members' programme work.

Institution-building and national ownership

IFAD has received some positive feedback in external reviews for its efforts to promote national ownership and align its activities with the recipient country's priorities. The Fund ensures that interventions are tailored to local contexts and adapts its technical advisory services to other ongoing activities. The projects are implemented by the countries themselves. The relevance of the projects is measured at 98 per cent in IFAD's own results framework.

IFAD still has weaknesses in terms of effectiveness and sustainability, particularly institutional sustainability. A more realistic perspective is required when designing projects, institutional frameworks must be improved, local capacity

must be strengthened and technical support must be better adapted to the recipient country's needs. In 2010, IFAD commissioned an analysis of upscaling potential that provides a good starting point for further efforts. IFAD emphasises that upscaling is one of the organisation's most important development tasks at present, and is closely related to management and dissemination of the knowledge that IFAD acquires in the projects it supports.

Willingness to learn and change

IFAD is considered to be an effective organisation that is open to reform. Following a critical external evaluation a few years ago, the Fund has built up a comprehensive results-monitoring system that is of high quality and highly reliable. However, important personnel management reforms have yet to be carried out. Furthermore, IFAD faces challenges in terms of capacity to deal with a rapidly expanding work programme.

It is essential that the President address both the personnel management reform issue and the capacity challenges in his second and last term of office. The greatest challenges by far lie in the institutional sustainability of different types of co-operation. As a result of the improved results framework and results reporting, several weaknesses have been revealed.

3. Norway's policy towards IFAD

The Norwegian Government emphasises the need for intensified Norwegian efforts to promote food security by focusing on agriculture, fisheries and aquaculture in development co-operation. This objective has been pursued in the white paper *Towards Greener Development: A Coherent Environmental and Development Policy (Meld. St. 14 (2010–2011))* and again in the Strategy on Food Security in a Climate Perspective. The synergy gains achieved by focusing on the three priority areas of forestry, clean energy and agriculture will ensure a more coherent approach to the goal of green growth.

In the light of IFAD's mandate to promote food security and reduce poverty, the Fund is key to implementation of the strategy. IFAD also plays a significant role in efforts to promote equalisation. IFAD often works with highly marginalised population groups, with special focus on women, young people and indigenous populations. Norway and other Nordic countries have been a driving force in the advancement of gender equality, with a focus on women in Africa. A replenishment target of USD 1.5 billion was set for 2013–2015, which

is an increase of 25 per cent from the previous replenishment level. On this basis, IFAD will be a relevant partner in Norwegian development cooperation in the years to come. Norway sits on IFAD's Executive Board and is also a member of the Evaluation Committee, which advises the Board on evaluation issues.

Norway has strongly underscored the importance of co-operation between the three Rome-based food and agriculture organisations. There appears to be some progress in this respect and the UN Committee on Food Security has become a common arena for collaboration. Sustainability will be another priority area, where IFAD has potential for improvement. Norway will continue to spur efforts to promote gender equality, given the key role played by women in primary industries. Women's access to production inputs and their role in local organisations are pivotal issues. Increasing the number of Norwegian employees in IFAD will be another important objective.

Norwegian Ministry of Foreign Affairs

Visiting address: 7. juni plassen 1 / Victoria terasse 5, Oslo,
P.O.Box 8114 Dep, NO-0032 Oslo, Norway.

For more information, contact the Section for Budget and Administration by e-mail at: sbf-fn@mfa.no. This document can be found on our website: <http://www.regjeringen.no/en/dep/ud/selected-topics/un>.