



## Breaking new ground

- 2009** - Change and Reform Agenda introduced
  - legal and administrative framework defined for IFAD Country Offices (ICOs)
  - IFAD's new business model fully implemented through direct supervision, expansion of ICOs and more cofinancing
  - revised Results Measurement Framework launched
  - comprehensive Human Resources reforms introduced
  - Environment and Climate Division created
- 2010** - Strategy and Knowledge Department established
  - new instruments introduced to align resources with strategic objectives:
    - first-ever Medium-term Plan
    - results-based budgeting system
    - strategic workforce planning
  - new, innovative mechanisms developed for cofinancing
  - “scaling up” study by the Brookings Institution undertaken
  - Rural Poverty Report 2011 launched
  - Member States Interactive Platform created
  - new Policy on the Disclosure of Documents approved
- 2011** - Financial Operations Department created under a Chief Financial Officer
  - Ethics Office established
  - Office of Partnership and Resource Mobilization (PRM) established
  - IFAD Strategic Framework 2011-2015 approved
  - Country Presence Policy and Strategy revised
  - first-ever job audit begun
  - first-ever mid-year budget review introduced
- 2012** - Adaptation for Smallholder Agriculture Programme (ASAP) established
  - quality enhancement and quality assurance processes revised and improved
  - Additional Resource Mobilization (ARM) initiative launched
  - IFAD Partnership Strategy approved
  - Budget and Organizational Development Unit created
- 2013** - first Global Forum of Indigenous Peoples hosted by IFAD
  - new Action Plan for Policy Dialogue
  - new Grants and Investments Projects System (GRIPS)
  - revised programme of institutional consolidation launched

# CHANGING LIVES IN A CHANGING WORLD

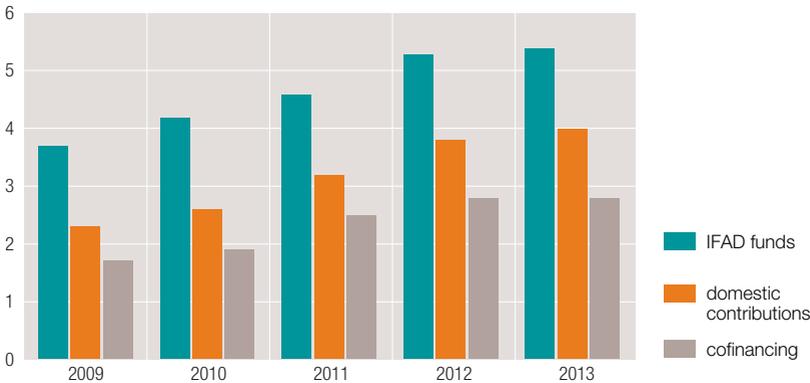
The International Fund for Agricultural Development (IFAD) has undergone a transformation in recent years, adapting itself to an environment more complex and challenging than at any other point in its history: persistent hunger and food insecurity; rising and more volatile food prices; floods, droughts and the ever-more apparent effects of climate change; increasing competition for land; global

financial crisis; and a growing human population that has surpassed 7 billion.

Yet IFAD has delivered more, to more people, and delivered it better. At the end of 2013 there were 241 ongoing programmes and projects worldwide with an IFAD investment of US\$5.4 billion, compared with US\$3.9 billion for 217 programmes and projects at the end of 2009.

## IFAD ongoing portfolio, 2009-2013

Amounts in US\$ billion



Source: IFAD

## **Meeting change with innovation**

In a world in flux, IFAD's mandate hasn't wavered. The Fund remains dedicated to investment in rural people. IFAD-financed programmes and projects help people escape rural poverty and build better lives. While our work in the field is making a difference every day, we focus on sustainable benefits that persist through the medium and long term, to effect a real transformation of rural areas. We offer financing, tools, knowledge and hope.

The confidence of IFAD's Members in its mission and achievements was reflected in the Ninth Replenishment of the Fund's resources. The target contribution level was set at US\$1.5 billion, in order to finance and implement a three-year programme of loans and grants of US\$2.95 billion.

## **CHANGE FOR THE BETTER**

**Burundi:** proportion of households having two meals a day increased from 13% (2000) to 69% (2009); 33,100 vulnerable households helped in restarting agricultural production activities

**Ghana:** US\$2.3 million leveraged from 24 rural and community banks; local value-chain committees established in more than 40 rural districts

**Liberia:** public-private partnership invested US\$1 million to rehabilitate 1,000 hectares of cocoa and coffee plantations

But the members also urged IFAD to raise the quantity and quality of its operations by significantly increasing the resources mobilized from domestic and international partners, in order to achieve investments in agricultural development, poverty reduction and improved food and nutrition security totalling US\$7.8 billion. This would allow IFAD to help lift 80 million people out of poverty and reach a total of 90 million rural women and men with its programmes.

It is the conviction that we must do better, reach further, get the most out of available resources and operate with the greatest efficiency that drove IFAD's Change and Reform Agenda beginning back in 2009, which was followed by the revised programme of institutional consolidation in 2013. IFAD has taken a number of steps to improve the way it operates and achieve impact.

By any measure, the results have been dramatic. We see it in the confidence of our partners, the results of evaluations and, most importantly, the way in which beneficiaries' lives are transformed. And we will continue to respond to the rapidly evolving global environment, by asking hard questions and finding innovative solutions.



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“When we were young, forty or more years ago, it rained a lot more than it does now, and there was grass all year round. There were many more trees. We have seen changes taking place around us; the rain has become less abundant and the forests and grasslands are disappearing.

“Bourgou [*Echinochloa stagnina*] is very important for us. We eat the grain, and we cut the grasses and feed them to our animals. The bourgou was disappearing and we did not know how to cultivate it. The programme taught us how to cultivate, dry and store bourgou. When we store it and sell it later we get excellent prices.”

Hama Barry, Youwarou village, Mali

# SECURING A SUSTAINABLE FUTURE

The need to reduce poverty and food insecurity has never been more urgent. IFAD is positioning itself to meet that need more efficiently and on a larger scale. At a strategic and policy level, in the context of the design of a global post-2015 development agenda IFAD has strived to make sure that the concerns of rural people are heard.

IFAD-supported projects, with their relatively long lifecycles, are inherently transformative: they aim not just to relieve present suffering but to introduce permanent changes that build healthy, vibrant rural communities. The benefits of yesterday's programmes and projects are still being felt now, in the present, in the lives of millions of individuals. And what we do today will have an impact on millions of people tomorrow.

## **Multiple, targeted approaches**

IFAD uses a multifaceted approach to combat the multiple challenges facing smallholder farmers. Poor farmers need more secure access to land and water, better access to financial services, functioning

**76% of the world's  
1.2 billion extremely poor  
people live in rural areas**

markets that provide incentives to invest in improving production, better roads and transportation to get their products to market, and access to technology for up-to-date and reliable market information. The Fund also supports agricultural research and technology that will enable them to raise productivity and

IFAD has invested  
US\$15.6 billion to date  
in projects that have  
reached approximately  
**420 million people**

The demand for  
IFAD's programmes far  
outstrips supply

to improve their resilience to natural resource degradation and climate change. And they need stronger organizations to pool their resources, manage risk and achieve bargaining power, both in the marketplace and in policy forums.

IFAD's transformation responds to an enormous need to increase the depth and breadth of support to smallholder agriculture, both to improve global food security and to reduce poverty.

IFAD works in some of the most remote and environmentally fragile locations, and often with particularly marginalized and disenfranchised populations.

The Fund is committed to reaching rural young people, who will migrate in search of opportunity unless we make agriculture an attractive and profitable enterprise. IFAD also is targeting women – who make up almost 50 per cent of the agricultural labour force in Eastern Asia and sub-Saharan Africa and 20 per cent in Latin America – indigenous peoples and other vulnerable groups. Despite the austere economic climate of today, resources for rural agricultural development must be expanded and used more effectively and strategically.

**“When it comes to global food and nutrition security, increasing production is only part of the story. The full story is poverty, which lies at the heart of food and nutrition insecurity.”**

Kanayo F. Nwanze, IFAD President

## “IFAD has a distinct focus on empowering women and increasing the voice of beneficiaries.”

DFID Multilateral Aid Review

By scaling up and achieving further efficiencies, IFAD and its partners can reach more beneficiaries. Both concepts are embedded in IFAD’s business model and planning methodology. We know that we can’t do it all alone; partnerships have always been key to IFAD’s work.

The cofinancing agreements concluded in recent years bear witness to the confidence that IFAD’s partners place in its ability to deliver. In 2010, an innovative cofinancing trust fund worth €300 million was agreed with the Government of Spain. A US\$1.5 billion framework agreement was signed with the

Islamic Development Bank to provide funding for rural development in 26 countries. IFAD also launched an enhanced partnership with the OPEC Fund for International Development (OFID) in order to promote innovative financing mechanisms to attract private sector investment in agriculture, as well as develop inclusive business models that bring benefits both for investors and for local smallholder farmers.

## CHANGE FOR THE BETTER

**Armenia:** 230% growth in credit available to the agricultural sector

**Morocco:** 14,095 hectares of rangeland rehabilitated;  
20,738 training and extension activities conducted

**Sudan:** in the Gash Delta project, 15,000 people trained, more than half of them women; average area cultivated up 27%; household spending increased by an average of 160%

**Yemen:** 16,000 women graduated from literacy classes



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“One day I was listening to the radio, I heard a talk about microfinance, people in the village were also talking about financing Gum Arabic Producers Associations (GAPAs) to assist them in the production process. The women sent me to Elnuhood to learn about the opportunities available for small producers.”

Halima was trained in microfinance and agroforestry, bought a piece of land and was able to buy a tractor through a loan.

Halima Agib, Sudan

# REFORM FOR RESULTS

IFAD has been making a difference in the lives of poor rural people for more than three decades. But beginning with the Change and Reform Agenda, the organization has challenged itself to be more effective, more efficient and more agile. This initiative has included:

- strengthening the organizational structure
- aligning human and financial resources more closely with strategic objectives
- expanding our role as a knowledge institution
- reforming human resources
- redefining IFAD's business model
- strengthening financial management
- increasing efficiency.

## **Organizational strengthening**

The introduction of new management instruments is allowing the Fund to better align its human and financial resources with its strategic objectives. This realignment is essential to making IFAD more effective and efficient, and is embodied in the Strategic Framework 2011-2015. Three key instruments have been put in place to achieve this:

- first-ever Medium-term Plan (MTP)
- Strategic Workforce Plan (SWP)
- results-based budgeting system.

The MTP includes annual comparative reporting and a clear accountability framework for the execution of the programme of work and the use of resources. The results-based budgeting system links resource allocation to impact – results on the ground – and

**“IFAD has a strong results framework that covers the entire results chain from input to impact and is used to track and improve performance.”**

DFID Multilateral Aid Review

has been used to allocate a greater share of the budget to country programmes. Similarly, the SWP supports optimal deployment of staff to meet country programme needs.

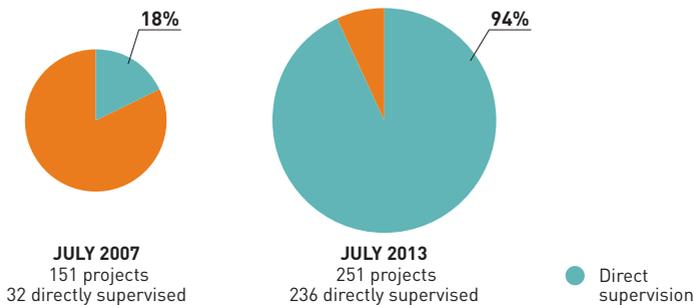
### Human resources reform

Staff are the most vital resource of the institution and are crucial to successfully delivering the programme of work.

Changes in structure have enabled the Fund to respond to emerging needs – the new Environment and Climate Division (2009) the Strategy and Knowledge Department (2010), the Office of Partnership and Resource Mobilization (2011) and the Budget and Organizational Development Unit (2012) – as well as to make its functioning more efficient, for example with the setting up of the Financial Operations Department and Corporate Services Department. The Statistics and Studies for Development Division was formed to ensure that high-quality data and analysis inform IFAD's work.

The SWP has improved the matching of human resources to operational objectives. It was preceded by the job audit concluded in 2012 – the first of its kind by IFAD, or any comparable institution – that assessed job functions, qualifications and skills requirements in relation to the programme of work. The performance management system also has been revised and greater attention given to building staff skills. To further enhance performance, in 2013 IFAD launched a Rewards and Recognition Framework to recognize

#### Direct supervision



Source: IFAD

excellent performance and motivate staff to achieve continuously stronger results. The Framework takes into account best practices on talent and rewards management from other organizations and international institutions.

Other actions in the area of human resources include updating staff rules and implementing procedures, establishing the Ethics Office (2011), and automating human resources processes for increased efficiency. In 2013 a revised competency framework was introduced that better responds to the Fund's performance needs.

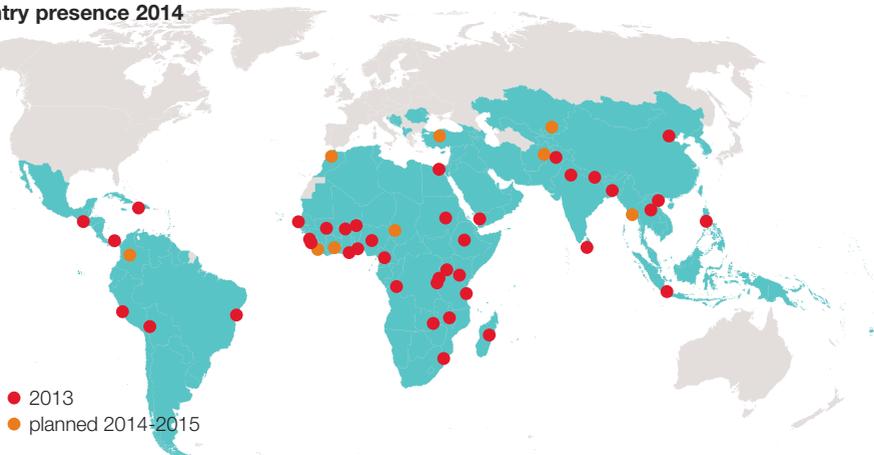
### IFAD's new business model

Direct supervision and country presence are two of the pillars of

IFAD's new business model. Taking responsibility for supervising its own projects, rather than leaving supervision in the hands of cooperating institutions, has been a key transformation of the way IFAD does business. Projects are now supervised more frequently and usually at a lower cost; the flow of disbursements has increased, while the response time for meeting the requests of Member States has been shortened.

The establishment of IFAD country offices – which reached 40 by the end of 2013 – has brought benefits for Member States, partner institutions and beneficiaries alike. As a result of the closer coordination and greater efficiency offered by direct supervision at the country

### Country presence 2014



Source: IFAD

level, IFAD has increased the programme of loans and grants, thereby extending the reach of its services to a larger population. Most countries with country offices have performed better than those without.

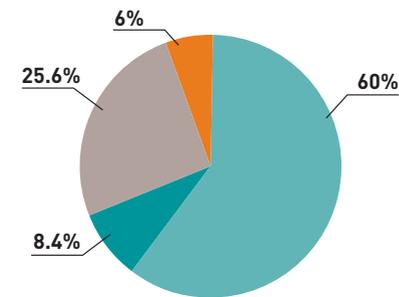
## Financing investment in rural people

The implementation of the new business model has helped mobilize resources from both donors and developing Member States, as well as promoting higher and faster disbursement of IFAD funds. This has added further to IFAD's impact on the ground. In 2010, cofinancing from external and domestic sources increased by about 140 per cent over

2009. IFAD has stepped up its role as an advocate for poor rural people and for agricultural development, which is yielding concrete results. The growth in IFAD's financing has shown a strong upward trend in recent years. Domestic contributions tripled in value between 2007 and 2011, from US\$274.2 million to US\$834.3 million. While the IFAD programme of loans and grants was US\$2.9 billion for the Eighth Replenishment, due to the Fund's success in mobilizing cofinancing, the total of investment for the period was worth US\$7.0 billion.

In 2012, IFAD launched the Adaptation for Smallholder Agriculture Programme (ASAP), a multi-year and multi-donor financing window to drive a major scaling up of successful multiple-benefit approaches to smallholder agriculture. It blends tried-and-tested approaches to rural development with relevant adaptation know-how and technologies. ASAP is now the single largest climate change initiative for smallholder farmers worldwide, whose focus is to build their climate resilience.

2014 budget allocation



- 1: Country programme development and implementation
- 2: Policy dialogue, resource mobilization and strategic communication
- 3: Corporate management, reform and administration
- 4: Support to Members' governance activities

Source: IFAD

## The power of knowledge

IFAD's new Strategy and Knowledge Department has been active in promoting the agenda of agricultural development. The publication of the *Rural Poverty Report 2011* focused attention on the critical importance of agricultural development, the role of smallholder farmers, and the urgent steps needed to improve livelihoods and food security and reduce rural poverty.

IFAD's strength in knowledge generation was confirmed by the assessment of the United Kingdom's Department for International Development (DFID), which noted IFAD as "a recognized source of specialized knowledge in the UN system". In 2013 IFAD updated its knowledge management framework to foster the exchange of knowledge both internally and with partners and clients.

IFAD has also strengthened its engagement in global policymaking and advocacy forums, including its involvement in processes related to the evolving post-2015 development agenda, in order to ensure that the concerns of rural people are heard. In 2013 IFAD supported civil society involvement in preparation for the 2014 International Year of Family Farming to foster national and regional policy change in favour of smallholder and family farming. IFAD is also supporting the African Union's 2014 Year of Agriculture and Food Security, and is a member of the Steering Committee.

As outlined in the IFAD Policy on the Disclosure of Documents approved by the Executive Board in 2010, IFAD started implementing a regime of full disclosure as of 1 January 2012. The implementation of the new policy has contributed to further enhancing IFAD's transparency, as well as contributing to the learning agenda of sharing lessons and challenges from IFAD-funded activities. By early 2014 IFAD had disclosed over 700 documents.

In IFAD's Eighth Replenishment period a programme of loans and grants worth US\$2.9 billion was delivered – with cofinancing total investment was US\$7.0 billion

### **Strengthening financial management**

In order to strengthen its financial oversight, in 2011 IFAD established a separate Financial Operations Department, headed by a Chief Financial Officer, which is distinct from the new Corporate Services Department. In addition, the Controller's and Financial Services Division was reorganized and the Treasury Services Division was strengthened. The first-ever mid-year budget review was conducted in 2011. These changes are leading to greater effectiveness and efficiency.

### **More efficient and more effective**

As a result of the focus on effectiveness and efficiency in the new business model, IFAD is reducing costs while maintaining quality. For example, the 2011 *Report on IFAD's Development Effectiveness* (RIDE) showed that overall development effectiveness increased despite reduction in administrative overhead costs. The efficiency ratio for 2012 was 11.4 per cent, significantly better than the target of 13.5 per cent in the Results Measurement Framework (RMF). IFAD was ranked fourth among 31 donors in the area of maximizing efficiency by the Centre for Global Development of the Brookings Institution.

The 2012 *Annual Report on the Results and Impact of IFAD Operations* of the Independent Office of Evaluation (IOE) suggested that the performance of IFAD-funded projects was better than the agricultural-sector operations of several major comparator institutions. The corporate-level evaluation on efficiency in 2012—the first evaluation of its kind carried out in multilateral and bilateral development organizations—found that IFAD was making progress in instilling a stronger budget management culture.



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“Before the project started we used to live on our meagre resources. We had some land and used to grow some local crops and to own livestock, like cows and goats. And we would live our lives using those resources. There’s no industry or factory in this area. There’s no college to help one progress. There’s no way of doing business here.

“With the coming of this road and the coming of the project we were given a way to progress. The project set up schools here and also started businesses. It brought new ideas. When one sees and hears new things one learns from them.”

Abdul Shakoor, sheep farmer, Pakistan

# SEEING IS BELIEVING

A series of independent evaluations have shown that IFAD's change and reform programme is bearing fruit. The assessment of the Multilateral Organisation Performance Assessment Network (MOPAN)

carried out in 2010 recognized IFAD's Results Measurement Framework for its use of quality indicators and clear hierarchy of results. Another MOPAN

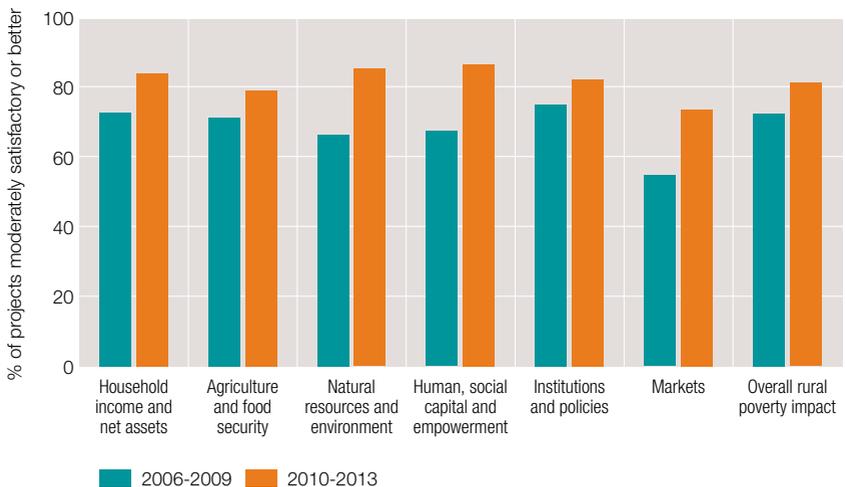
assessment in 2013 found that the Fund had made steady improvement over the previous three years, and was instilling a results-oriented culture throughout the organization.

The United Kingdom's Department for International Development (DFID) conducted a Multilateral Aid Review that recognized that IFAD has

**“IFAD's key strengths include both its corporate and country focus on results.”**

MOPAN assessment

## Rural poverty impact at project completion



“It has a fully independent Office of Evaluation that strives to be at the forefront of good practice in evaluation.”

DFID Multilateral Aid Review

“a unique mandate that is critical to reaching the Millennium Development Goals”. It also singled out IFAD’s ability to change and transform: “IFAD learns from evaluation findings, implements recommendations, monitors and reports back to the Board”. Independent reviews have not only verified that IFAD is an institution that is able to reform itself, they have also confirmed that the reforms now under way are taking IFAD in the right direction.

This is confirmed by the findings of IFAD’s Independent Office of Evaluation, which found that “The shift to direct supervision and implementation support has had a huge impact on the work of CPMs [country programme managers], and has set in motion a gradual shift of the centre of gravity of IFAD’s work from headquarters to the field. Together with the outposting of CPMs, this change will create great opportunities in terms of enhancing efficiencies and development effectiveness”.

## CHANGE FOR THE BETTER

**Bangladesh:** land titles approved for over 1,200 poor families on newly accreted coastal lands

**China:** in Ningxia and Shanxi, 14,000 hectares of natural pastureland restored

**Viet Nam:** 2,500 village savings and credit groups established, serving 26,000 members

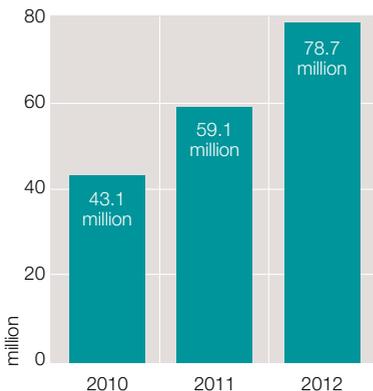
In the key area of gender, the Independent Office of Evaluation has found that “IFAD operations are very good at promoting gender equality and women’s empowerment, an area in which the Fund is developing a comparative advantage.”

Giving women the same access as men to agricultural resources and inputs could increase production on women's farms by 20-30%, reducing the number of hungry people in the world by 100-150 million

The Australian multilateral assessment of 2012 highlighted IFAD management’s track record in organizational change and ability to make difficult decisions. It also gave IFAD a strong rating for cost and value consciousness, as well as its focus on results. A 2011 Swedish assessment of IFAD noted that IFAD works in a results-focused way and commended reforms such as the introduction of the Managing for Development Results framework.

IFAD’s results have received other kinds of recognition as well. In 2013, The U.S. Treasury recognized IFAD and the African Development Bank with the Development Impact Honors award for their work in Uganda. Also in 2013, the United Nations Climate Change Secretariat bestowed the Momentum for Change Lighthouse Activities award on ASAP.

**People receiving services from IFAD-supported projects**





©IFAD/Pablo Corral Vega



“Before the project, we didn’t know anything about life insurance or savings. When a mother died, her children were often abandoned. I raised many of these abandoned children. When you are poor all you have to leave your children is more poverty.

“But this life insurance is very good for all of us. Now we will not have to suffer as much.”

Margarita Puma Taco, Sierra Sur project, Peru

# THE FUTURE OF IFAD IN A CHANGING WORLD

Despite the serious fiscal constraints faced by donors and governments, it is clear that IFAD's message is getting through. IFAD's Member States sent a strong signal when they decided to substantially increase the size of the target for the Fund's programme for the period of its Ninth Replenishment (2013-2015), which coincides with the final years of the global campaign to achieve the Millennium Development Goals (MDGs). IFAD received strong and renewed commitments from traditional donors, emerging economies and countries that are more often aid recipients – a powerful show of support.

In the Ninth Replenishment of its resources, Member States announced a target of a 25% increase over IFAD's Eighth Replenishment

With its proven ability to deliver results, IFAD has achieved new stature as a leader in combating rural poverty. Over the coming years the Fund will build on its successes to enlarge its programme, its impact, its efficiency and its presence in the field.

For IFAD's Ninth Replenishment, Member States, recognizing that "IFAD is highly successful in reducing poverty and food insecurity", agreed to a Member contributions target of US\$1.5 billion and a programme of loans and grants of US\$2.95 billion to be delivered over the period 2013-2015.

In addition, an ambitious set of commitments was agreed, which will both deepen and extend reform and also expand the impact IFAD makes on rural development, poverty reduction and food and nutrition security.

## Where we're headed

The Brookings Institution report on IFAD found that “scaling up is a critical element of IFAD’s mission, in light of independent evaluations of its interventions, and its future role as an IFI and a UN agency”. With enhanced resources and an enlarged programme of work, IFAD aims to reach 90 million people during the period of the Ninth Replenishment.

IFAD’s ability to scale up and reach more beneficiaries is demonstrated not just in evaluations, but on the ground, in communities and people’s lives. The number of people obtaining services through IFAD-supported projects jumped from

29.2 million in 2007 to 59.1 million in 2010 and to 78.7 million in 2012. In 2012, 4.46 million people received training in crop production (compared with 1.72 million in 2008). In the same year, 1.51 million people were trained in business and entrepreneurship, an eightfold increase over 2008. IFAD sees tremendous untapped potential in smallholder agriculture, and especially among some of its target groups, such as women and youth. They have the capacity to lift themselves and others out of hunger and poverty, if given the chance.

**“Yes, we face a serious economic crisis. For much of the world, fiscal austerity is the new order of the day. Yet even in these difficult times, we cannot afford to cut loose those who are hardest hit. We cannot break our solemn pact with the world's poor.”**

United Nations Secretary-General Ban Ki-moon,  
7 Billion Day, 31 October 2011

Demand for IFAD-supported programmes exceeds supply. This has led to the exploration of alternative and innovative financing to extend IFAD's resources beyond what can be generated through the replenishment process. The Additional Resource Mobilization (ARM) initiative is looking at ways for IFAD to scale up investment in agriculture, bring about transformation in smallholder agriculture and promote equitable and resilient growth. Among the modalities under consideration are supplementary funding, South-South cooperation, Islamic finance and leveraging private-sector resources.

Partnerships and involvement of the private sector will continue to be essential parts of IFAD's strategy. While an estimated nine out of ten jobs in the developing world are in the private sector, the public sector still has a crucial role to play in providing the appropriate policy environment and the infrastructure needed for businesses to thrive and for economies to grow.

**“Farming is a business, whatever the scale. When poor rural farmers are given the tools and knowledge they need to connect to value chains and are able to organize themselves effectively, there are significant gains in household income and food and nutrition security. Whole communities benefit.”**

Kanayo F. Nwanze, IFAD President

## “IFAD knows how to scale up and has done so successfully many times.”

Brookings Institution

The period of the Ninth Replenishment coincides with the final years before the 2015 target date of the MDGs, and the development of a new post-2015 agenda. The Member States have set operational, institutional and financial goals for the Fund, which will strengthen its contribution to achieving the first MDG of reducing by half the proportion of poor and hungry people, as well as deepening its focus on gender equality and women’s empowerment. Reforms will also continue enhancing IFAD’s efficiency and value-for-money.

We believe – and have always believed – that the interlocking goals of food and nutrition security and poverty reduction will be won or lost in the rural areas of developing countries. IFAD will continue to fulfil its historical mandate and to grow as an organization in order to meet the challenges in years to come and to invest in rural people so that they can transform their lives and communities.

## CHANGE FOR THE BETTER

**Brazil:** more than 15,000 households received technical training; 4,500 people learned to read; 500 rural libraries were set up; 14,000 women were assisted in having their citizenship recognized

**Haiti:** an IFAD-supported project enabled more than 400 community-based organizations to support 24,000 members, of whom 60% were women

**Peru:** 16,000 families reached, 500 business plans developed with producer organizations

**Plurinational State of Bolivia:** 8 million trees planted and over 800,000 hectares of terraces created to reduce erosion and minimize the effects of desertification

## Among the commitments for 2013-2015 are to:

- Strengthen country leadership and ownership
- Reduce delays in project implementation
- Enhance IFAD's efficiency, including through consolidation and deepening of human resources reforms
- Strengthen assessments of economic returns on investment during project design
- Increase focus on strategic long-term partnerships
- Explore the scope for raising financing from other sources
- Strengthen national monitoring and evaluation systems
- Enhance IFAD's results management system
- Strengthen analysis of climate change and environmental issues in IFAD's operations to support innovative approaches
- Promote expanded economic opportunities for rural women
- Conduct impact evaluations to demonstrate value for money

These are some of the commitments that will guide IFAD during the coming years. They have been agreed upon with the Fund's Member States, who recognize that investing in smallholder agricultural and rural development on a long-term basis is one of the most powerful ways to eradicate poverty and hunger and stimulate sustainable and inclusive economic growth. This is a strong endorsement of the mandate that has guided the Fund since its inception.

With IFAD's proven record of delivering value for money, its successful business model and its capacity to transform itself in response to new challenges, it will continue to increase its role as a leader in rural agricultural development.

**“Agricultural and rural development is essential for enduring food and nutrition security. It is a pathway to employment, wealth creation and economic growth. It is the basis for social cohesion. It is the foundation for political stability, gender equality and the precursor for global peace and security.”**

Kanayo F. Nwanze, IFAD President

IFAD is an international financial institution and a specialized United Nations agency dedicated to enabling poor rural people to improve their food and nutrition security and escape poverty. IFAD champions smallholder farmers and rural entrepreneurs in international forums, providing a global platform to spur discussion of rural policy issues and increase awareness of why greater investment in agriculture and rural development is essential.

The Fund provides low-interest loans and grants to developing countries to finance innovative agricultural and rural development projects. It is among the top three multilateral institutions working in agriculture in Africa. Since its creation in 1977 it has:

- Mobilized over US\$22 billion in cofinancing and funding from domestic sources for rural development, in addition to IFAD's own contribution of about US\$15.8 billion in loans and grants
- Supported 948 programmes and projects in partnership with 120 recipient governments
- Empowered some 430 million people to grow more food, learn new skills, start small businesses, build strong organizations and gain a voice in the decisions that affect their lives

Cover photo: A fish vendor at Mbour harbour, Senegal.



International Fund for Agricultural Development

Via Paolo di Dono, 44 - 00142 Rome, Italy

Tel: +39 06 54591 - Fax: +39 06 5043463

E-mail: [ifad@ifad.org](mailto:ifad@ifad.org)

[www.ifad.org](http://www.ifad.org)

[www.ruralpovertyportal.org](http://www.ruralpovertyportal.org)

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