The ARRI is the flagship report of the Independent Office of Evaluation of IFAD (IOE). The report’s objectives are to present a synthesis of IFAD’s performance and highlight issues, lessons and challenges that IFAD must address to enhance operational effectiveness.

**MAIN HIGHLIGHTS**

Areas of strengths

- **Rural poverty impact**: 92.3%
- **Gender**: 90.7%
- **Innovation & scaling up**: 87.5%

Significant contributions have been made in the domains of household income and assets, human and social capital empowerment as well as food security and agricultural productivity. There are opportunities for performance improvements to ensure that projects are able to realize their full potential, especially in poverty targeting, nutrition, environment, access to markets and private sector engagement, and in ensuring the sustainability of grassroots institutions.

Projects contributed to expand women’s access to and control over fundamental assets, strengthen their participation and decision-making role at all levels and representation in local institutions, and facilitated their access to basic rural services and infrastructures. IfsAD should devote more attention to the design of gender strategies and to the development of gender action plans, which should be part of the whole annual planning and reporting process.

Projects were successful in introducing participatory and innovative approaches to rural development and improved agricultural and non-agricultural technologies and methodologies, previously unknown in the intervention area. Further efforts are needed to ensure successful approaches and innovations promoted through IFAD operations can be scaled up by Government, development partners and private sector, beyond individual project areas or provinces.

**Areas for improvement**

- **Targeting strategies**: Insufficient attention and efforts were devoted to ensuring that all projects focusing on food security are nutrition sensitive and in line with the organization’s core mandate and the requirements of the new Global Agenda.
- **Operational efficiency**: Big time lags between project approval and entry into force may increase expenditures on management and supervision and delay project implementation and benefits to the rural poor.
- **Nutrition**: Poverty analyses do not sufficiently capture the differences among groups of rural poor, and as a result, project activities often do not reach all target beneficiaries.
- **Monitoring and evaluation (M&E)**: Weak project M&E systems and results measurement impinge on the assessment and attribution of impact to IFAD operations on rural poverty, and in particular on income, food security and nutrition.
- **Non-lending activities**: Overall performance in non-lending activities (e.g. knowledge management, policy dialogue, partnership-building) is only moderately satisfactory, with signs of decline in performance at country level.
LEARNING THEME ON KNOWLEDGE MANAGEMENT (KM)

How can operations learn to improve performance?

The 2016 ARRI identifies six cross-cutting lessons that strengthen IFAD’s learning loops

1. Integrating KM into country strategies is key for success
   COSOPs do not always address KM at the country level thoroughly, so IFAD falls short in making it a strategic advantage

2. Time and budget availability and stability are key to enhance learning and KM
   IFAD’s strategy and framework has not discussed the financing of KM, leaving these activities in competition for scarce resources

3. Aligning human resources and incentives strongly supports the promotion of KM
   Operational staff are overburdened, and are not directly evaluated on KM

4. M&E systems which can capture experiences and lessons are key to ensuring a solid KM function
   Underperforming M&E systems must be improved to transform data into knowledge

5. Capturing and communicating tacit knowledge is important
   Tacit knowledge, which is passed on person to person is difficult to capture in a systematic way

6. Knowledge partnerships enhance the reach of KM
   Widening knowledge partnerships is key to strengthening the analytical base of IFAD’s KM work at country level

RECOMMENDATIONS

1. Targeting
   Future operations should adapt approaches and activities to the complexity of contexts and target groups.

2. Food Security and Nutrition
   All new projects, when relevant, should be nutrition sensitive, with explicit nutrition objectives, activities and indicators.

3. Partnerships
   Strong partnerships should be clearly articulated in the COSOPs and implemented through country programme activities. Performance in partnership building should be closely monitored and reported.

4. Knowledge Management
   Resource, time, and efforts should be invested in systemizing knowledge management, and align the strategy, systems, financial and human resources, and incentive structure to facilitate gathering, dissemination, and use of knowledge.

5. 2017 Learning Theme
   The recommended learning theme for 2017 is financial management and fiduciary responsibilities.

Independent Office of Evaluation
International Fund for Agricultural Development
Via Paolo di Dono 44 - 00142 Rome, Italy
Telephone +39 0654591 | Facsimile +39 065043463
evaluation@ifad.org | www.ifad.org/evaluation

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Investing in rural people