



**DEMOCRATIC SOCIALIST
REPUBLIC OF SRI LANKA**

COUNTRY STRATEGY AND PROGRAMME EVALUATION

**MAIN EVALUATION FINDINGS
AND RECOMMENDATIONS**

National Workshop, Colombo, 13 March 2019

Presentation outline



IFAD in Sri Lanka –
Overview



CSPE scope



Main findings – Highlights



Storyline and conclusions

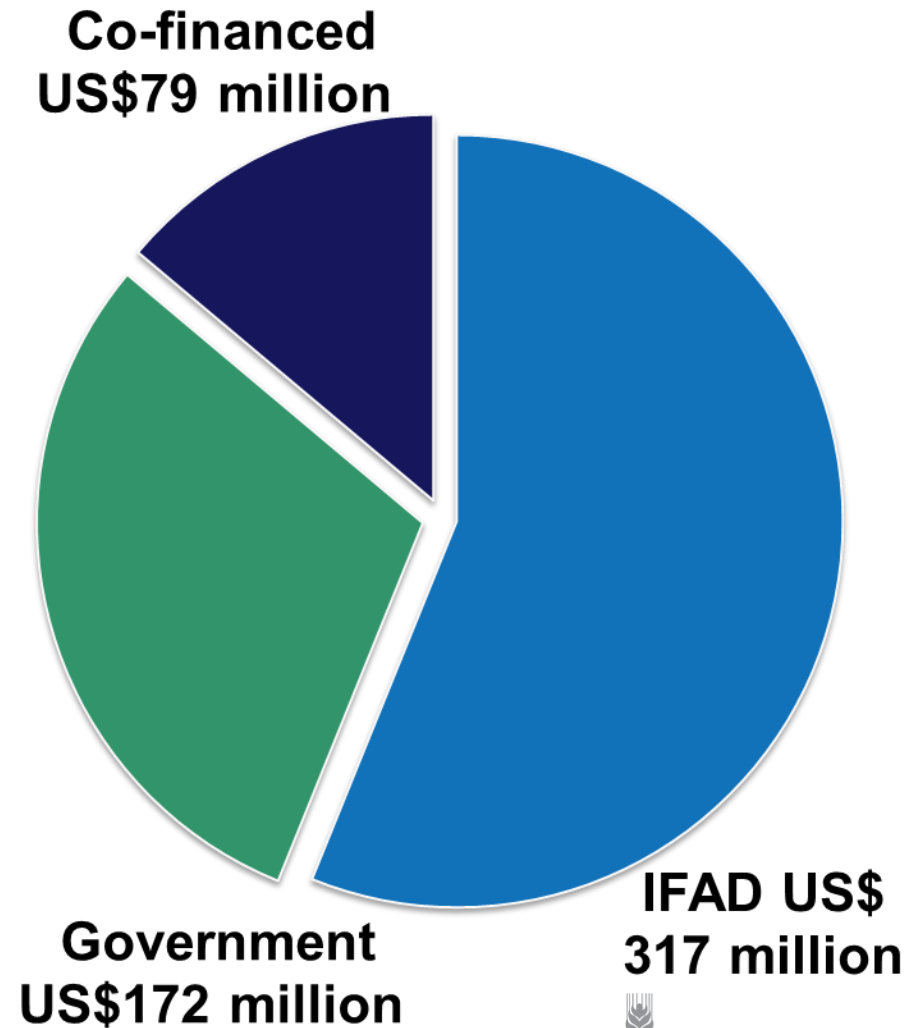


Recommendations

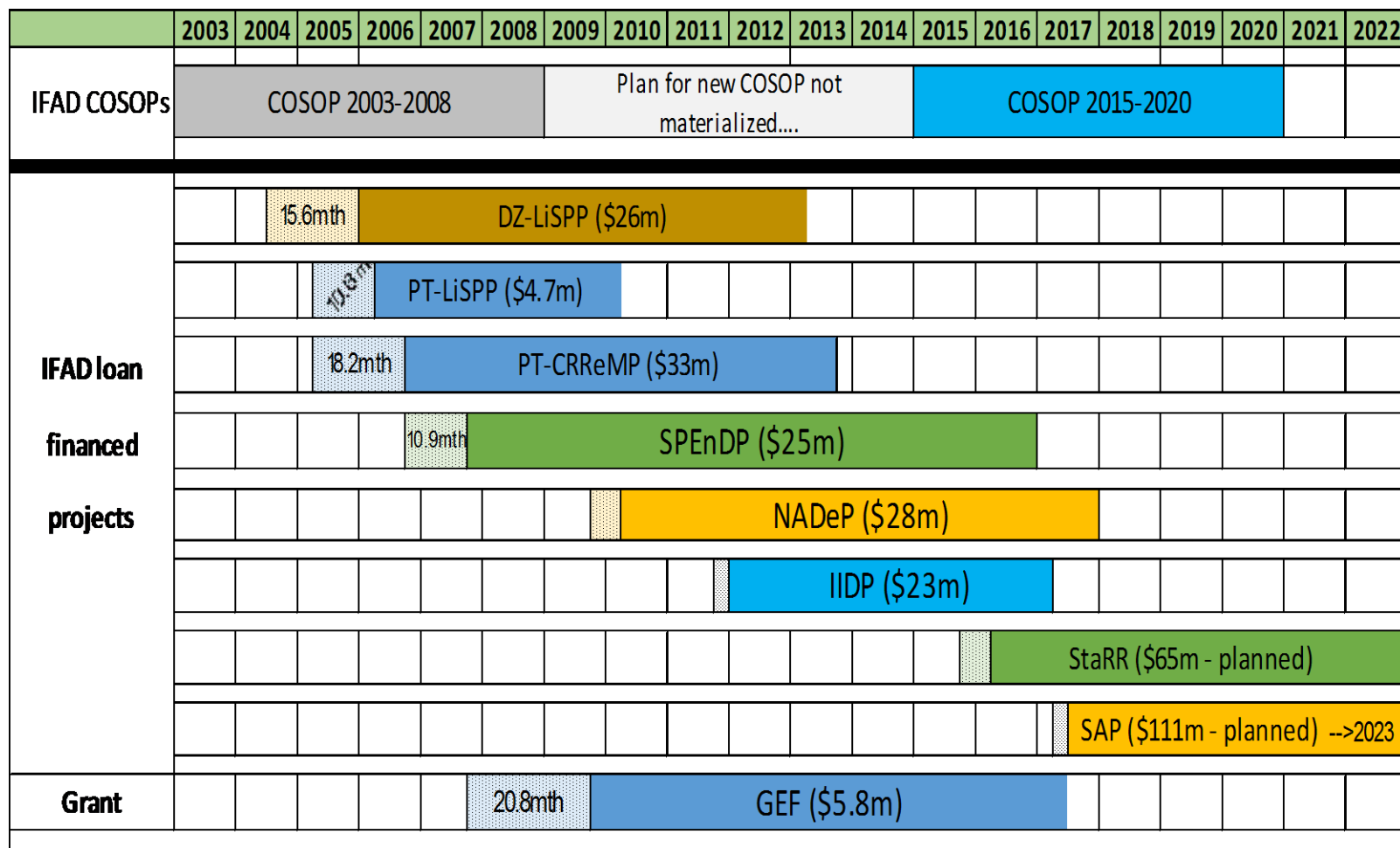


IFAD in Sri Lanka: overview

- Since 1978, 18 projects
- Total portfolio cost: US\$576 million
- IFAD financing: US\$317million in loans
- Country strategic opportunities programme (COSOP): 2003 & 2015
- Country presence 2008-2016
- Estimated outreach by evaluated portfolio: ca. 230,000 households

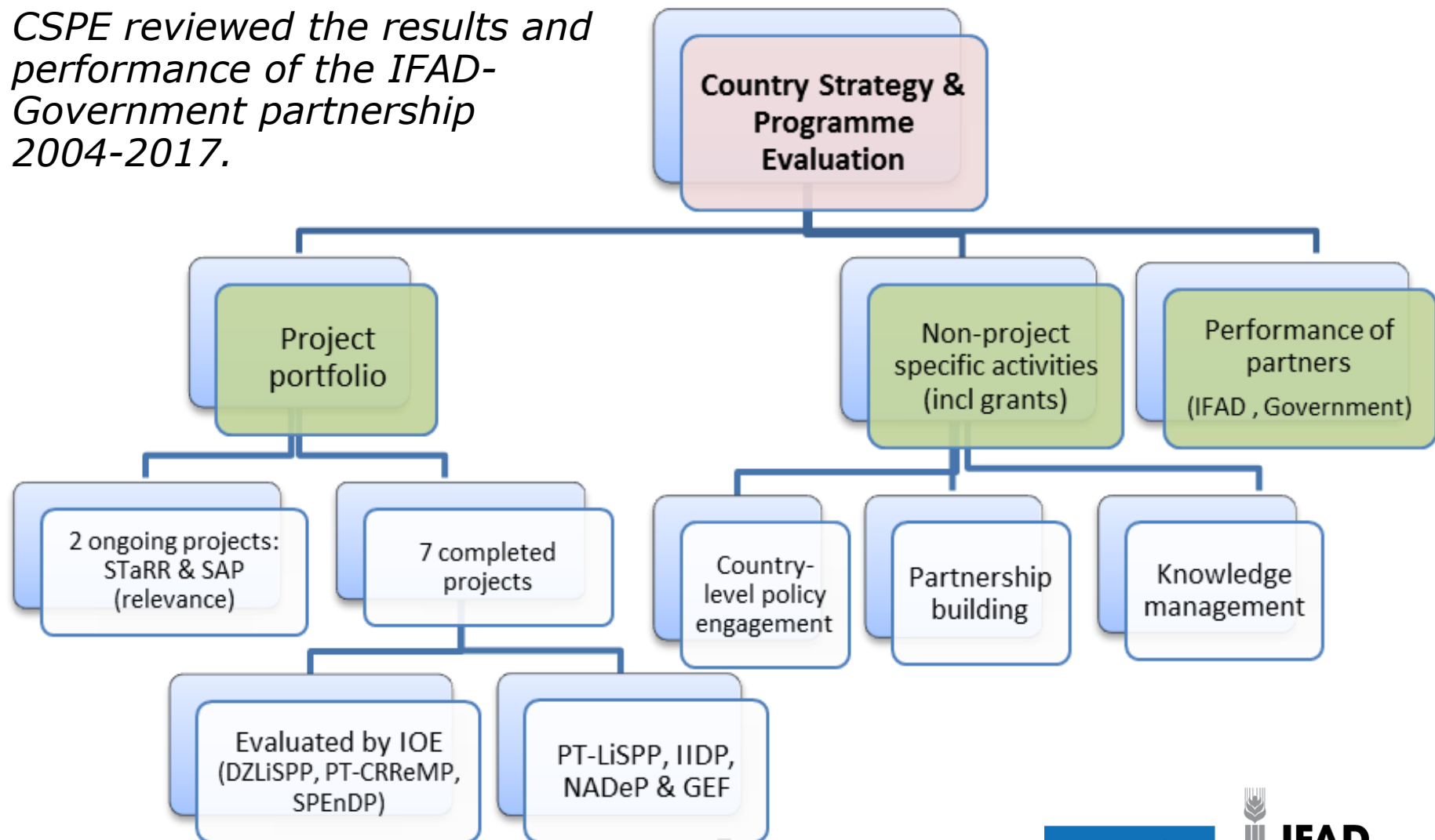


IFAD in Sri Lanka (2003-): timeline



CSPE scope and key building blocks

CSPE reviewed the results and performance of the IFAD-Government partnership 2004-2017.



Main evaluation findings - highlights

Project portfolio – strengths (1)

Contribution to **improved agricultural productivity and production:**

- Upgrading or establishment of tea and rubber small holdings
- Irrigation development (micro & major schemes)
- Improved technologies



Improved access to markets through partnerships with agribusinesses, access roads

Access to finance with subsidized targeted bank loans (ca. 35,000 loans) – for agriculture and non-agriculture activities

Main evaluation findings - highlights

Project portfolio – strengths (2)

Some achievements in post-tsunami projects:

- Institutions and policies related to coastal resources management (GEF).
- Housing and social infrastructure – though outside IFAD mandate.
- Improving livelihoods of coastal communities, e.g. eco-tourism.



Main evaluation findings - highlights

Project portfolio – strengths (3)

Some projects operated in “niche” areas among development initiatives:

- DZ-LiSPP – the first development project to focus on micro-irrigation schemes.
- SPEnDP/STaRR – focus on smallholder plantations, complementing Government long-standing support.



Main evaluation findings - highlights

Project portfolio – challenges and issues (1)

- Scope for more systematic support to facilitate innovative technologies to promote resource use efficiency (e.g. water) and to strengthen climate resilience.
- Partnerships with agribusinesses, more careful consideration could have been given on how to ensure added value of public funding.



Main evaluation findings - highlights

Project portfolio – challenges and issues (2)

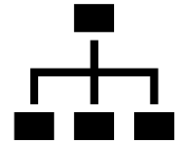
- The projects basically relied on credit lines, with little effort to leverage systemic change in financial service delivery.
- Weaknesses and relevance issues in project designs in some cases due to inadequate context analysis.
- Poverty focus and targeting performance has been wanting – also influenced by the nature of interventions.
- All projects affected by start-up delays and slow implementation, although disbursement rate at completion was all above 90 per cent.

Main evaluation findings - highlights

Non-lending activities

- ❖ Performance of non-lending activities (i.e. knowledge management, partnership building and country-level policy engagement) has been generally weak.
- ❖ Knowledge management – largely limited to project level and only with a couple of projects.
- ❖ Generally good relationships with government agencies at project level, but little collaboration with other development agencies and partners.
- ❖ Inputs and outcomes in terms of policy engagement have been limited, although there is increased attention.
- ❖ There was a missed opportunity for the IFAD country presence between 2007 and 2016 to upgrade non-lending activities.

Storyline and conclusions



While individual projects were largely relevant, the decision to respond to post-tsunami and post-war needs affected the coherence of the country programme.

-- leading to diverse projects and a lack of strategic direction during the middle part of the evaluation period.



However, the portfolio has been more streamlined – in focus and number – and is now well positioned to contribute to sustainable rural transformation.

Storyline and conclusions (cont.d)

- ⚙ Targeting has proved challenging also given the poor are becoming a minority and as the portfolio increases commercial orientation.
- 🌳 Support for agribusiness partnerships and access to finance achieved good outreach, but more consideration could have been given to how to leverage added value and innovations.
- 📊 With a more streamlined portfolio, it is important that projects be catalytic in nature, leveraging additional investments and that non-lending activities play a more prominent role in the country programme.

Recommendations

- 1. Sharpen the strategic focus and coherence of the country programme for stronger and more sustainable impact.** Better mainstreaming priority issues such as climate resilience, nutrition and youth.
- 2. Strengthen the poverty orientation and develop a strategy for inclusive – but sufficiently discriminating – targeting:** A clear target group definition and targeting strategy.
- 3. Focus on steering the country strategy and programme to play a more catalytic role for rural transformation with enhanced partnerships.** More attention to analytical work, knowledge management and policy engagement

Recommendations (cont.d)

4. Strengthen the strategy and operational frameworks to enhance and ensure additionality of partnerships with the private sector. To explore opportunities for project support for cost/risk-sharing to leverage private-sector investment and innovations

5. Revisit the approach to rural finance support, sharpen the focus and explore opportunities to innovate - to leverage more systemic improvement

Thank you for your attention and support!

