



Corporate-level Evaluation IFAD's Support to innovations for Inclusive and sustainable smallholder agriculture

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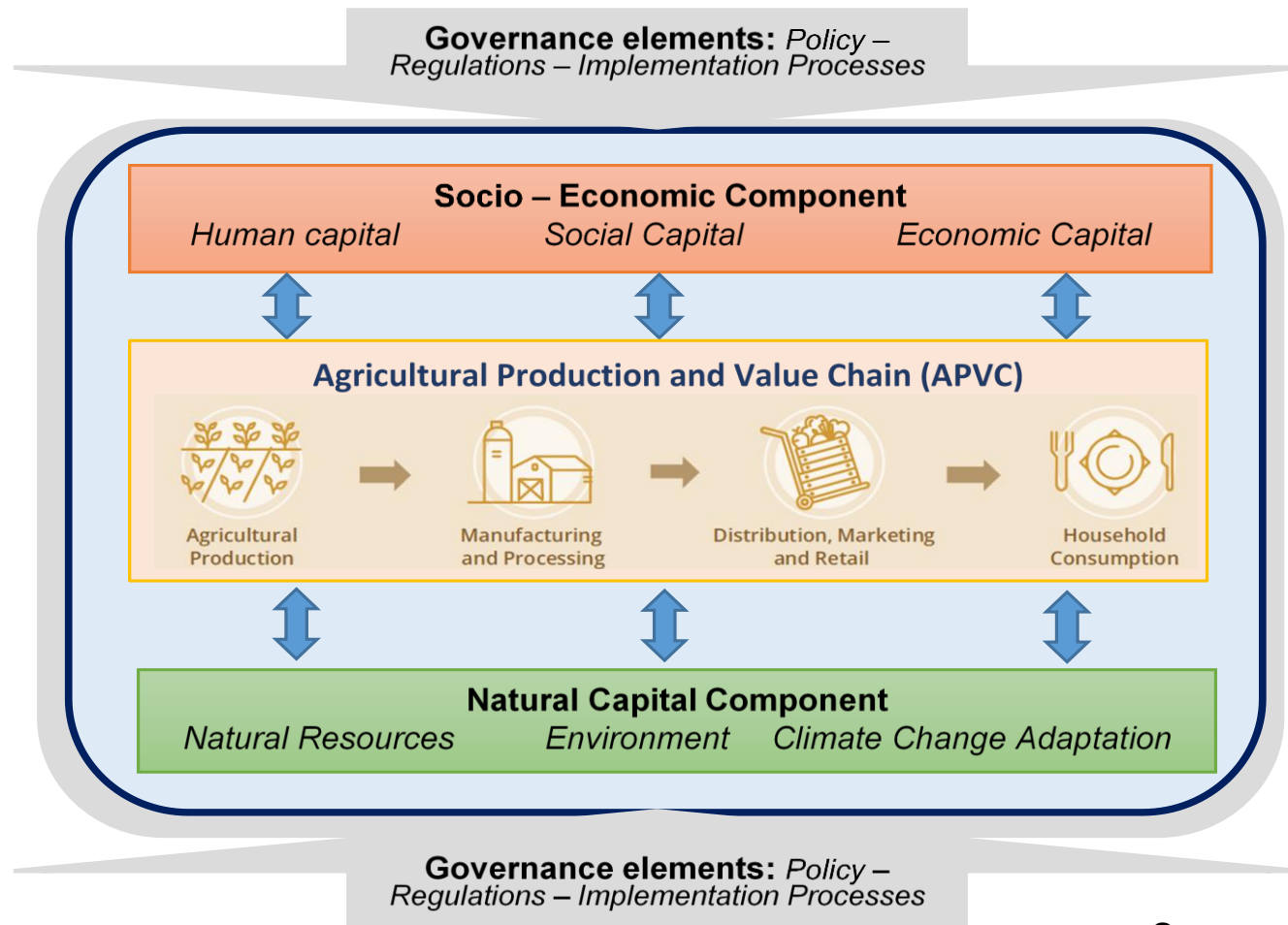
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Introduction

- The CLE was approved by the Executive Board (EB) of IFAD during its 125th session.
- **Objectives:**
 - Assess IFAD's efforts to promote agricultural innovations, contributing to address rural development challenges
 - Assess IFAD's contribution for diffusion and scaling up of successful pro-poor innovations
 - Identify recommendations for improving IFAD's approach and performance in promoting innovations for rural transformation
- **Methodology:** non-experimental, including quantitative and qualitative approaches: 508 loan projects and 240 large grants analysed; Case studies in 20 countries.

Innovation and the agri-food system



Trend of IFAD-supported innovations

- Innovations supported (2009–2019) are mostly **socio-economic, socio-institutional and technological** about 60%
- Innovations relating to **value chains and natural components** are fewer (about 30%), but are on the rise
- **Loan investment projects** support the promotion of innovations at the dissemination stage (71%); mostly, these innovations have already been tested and proven elsewhere
- The **grant programme** supports innovations at the development stage (79%), showcasing their importance

Corporate processes



2007 Innovation Strategy: a key milestone of IFAD's agenda, but did not include strategic objectives or operational framework.



Innovation and scaling up have been among IFAD's engagement principles since 2007.



- Innovation became a key word in **all corporate documents**.
- **Specific funding** for innovation has been allocated only since 2019, after the 2004 innovation mainstreaming initiative.
- **Recent corporate initiatives** show a positive shift towards embracing innovation, e.g. the 2019 Innovation challenge.

IFAD-supported innovation processes



- **Numerous individual initiatives exist, due to the lack of overarching guidance.**
- **Tension tends to arise when genuine innovations are involved.**
- **Partnerships supporting innovation processes are less effective at the national level.**

Innovation effectiveness and impact



Very effective:
innovations pertaining
to social capital,
agricultural
technologies &
natural resources
management



Less effective:
innovations in the
economic capital and
value chain domains

**Governance innovations
complement others and
lead to greater
effectiveness & impact**

**Effectiveness and impact
increase when
innovations, addressing
multiple challenges are
bundled for
implementation. This
gives a transformative
feature to the package**

Inclusiveness and Scaling up

INCLUSIVENESS

- Few women-specific innovations;
- Socioeconomic innovations with governance ones are more impactful on women's empowerment;
- For youth, human capital innovations were successful

SCALING UP

Most scaled up:

- Successful innovations related to economic capital, production and governance
- Those bundled together for transformative change



Natural resources management and climate change adaptation

- Several agricultural production innovations contributed to the sustainable management of natural resources (NRM);
- Specific NRM innovations are few, but successful; e.g. for the management of marine and inland waters, as well as terrestrial ecosystem;



- Some production related innovations also contribute to reduce the risk of crop failure, corollary to climate change (CC).
- Most specific CC innovations are recent and effective; e.g.: information system and protective measures.

EXAMPLES OF INNOVATIONS OBSERVED BY THE EVALUATION TEAM

Society for Intensification of Agricultural Production (SIPA): a transformative innovation

- **Société d'Intensification de la Production Agricole (SIPA)**
 - small and medium specialized rural enterprises
 - modern, intensive agricultural production and commercial
 - limited liability companies; members are young people and women
- **Challenges** addressed: rural youth unemployment; low agricultural productivity and production in semi-arid areas; rural exodus.
- **Contributing actors:** Local authorities; Government; Financial institutions; Private sector.



SIPA: Key features

■ Agro-food system components addressed by the SIPA model:

- Human and social capital: 100 to 150 members on average
- Productivity: high yield commodities are produced (productivity; improved or modern cropping practices)
- Economic capital: linkage with financial institutions
- Access to market: by contracting private actors



■ Results achieved:

Better usage of land resources in the semi-arid regions; Income generation for youth (about 10,000); Scaling up by the government.



SIPA: Key lessons

■ Enabling factors:

- Accountability of beneficiaries; their participation;
- Productivity and profitability of the system
- Involvement of local authorities and Government;
- Access to credit and to market

■ Constraints:

- Lack of cooperation by landlords;
- Difficulty to mobilize beneficiaries' participation;
- High running cost undermining profitability;
- High indebtedness and low entrepreneurial skills and culture



Innovation in Value Chains (VC)

Two examples of innovations bringing value chains at a higher performance level have been selected.

- 1. In Bangladesh, the duck egg value chain in a region under water six months a year**
 - 2. In the hills of an island of Indonesia, in the smallholders' cocoa value chain affected by diseases and low productivity**
- How could value chains with a low performance level be upgraded in such a way that smallholders receive a better income?**



VC initiatives: Partnership in Bangladesh

Context: Long-term partnership between IFAD and an MFI umbrella organization (PKSF). Within IFAD projects, MFIs have been invited to promote inclusive value chains and not only financial services

The duck value chain story

- Opportunities:
 - Duck raising, an activity for the poor and landless, performed in slack time when farmland is under floods
 - Duck eggs have a good inland and export market
- IFAD projects tackling the constraints:
 - Innovations in egg hatching and duckling raising induced new specialized farms.
 - Innovations in organizations among duck farmers.
 - Cooperatives promote access to vet services, offer credit through revolving funds and sell in bulk. Duck farmers can buy ducklings.

4P Initiatives in Indonesian Cocoa VC

- **Context:** Cocoa diseases threatening the industry supply. The « Mars chocolate » company implemented research and training centers. Some farmers were trained as « cocoa doctors » and developed nurseries
- **The 4Ps innovation story**
 - Opportunities:
 - Availability of improved planting materials and technologies
 - Market demand
 - IFAD projects tackling the constraints
 - Grants to cocoa doctors adopting innovative improved varieties, running nurseries and selling good seedlings
 - Extension workers enabled to set up cocoa farmer field schools
 - Revolving funds for FFS groups, who can afford to adopt improved seedlings and practices
 - and allowing for monitoring by national decision-makers

VC-Innovations: Lessons learned

IFAD's ability to partner with resourceful organizations allowed to take advantage of the innovations these partners could develop or adjust: innovative and long-term partnerships (4Ps, MFIs umbrella) have been a key factor of success

IFAD could bring in complementary and missing resources to foster adoption and upscaling of innovations

- Bundling innovations targeting different segments in a VC successfully contributed to its step by step upgrading towards a more productive trajectory
- Bringing in national decision-making institutions allowed for upscaling
- This process of bundling innovations targeting different segments in a VC could have been performed more explicitly and therefore more effectively.

Gender Action Learning System (GALS): a transformative innovation

- **IFAD Policy on Gender (2012):** (i) promote economic empowerment (ii) equal voice & influence in rural institutions & organizations; (iii) achieve a more equitable balance in workloads & sharing of economic & social benefits.
- Often the biggest challenge for women is a lack of confidence and capability to act – and lack of family/community support
- The GALS innovation was intended to address women's constraints via household-level methodologies
- By bundling access to resources, capacity building & social support/transformation – there were transformative impacts.
- The Rural Women's Economic Empowerment programme is implemented as a joint programme (JP) by FAO, UN Women, WFP and IFAD (& NGOs).
- Within RWEE, IFAD has supported the GALS methodology
 - originally developed together with OXFAM in Uganda
 - Now FAO has picked up and replicated

Gender Action Learning System (GALS): a transformative innovation

- Work begins with training of ‘change catalysts’ or ‘champions’ at community level
- They then work at **household level** to support the **family** (all members) to **analyze their current situation** – including gender inequalities – in order to address current constraints & develop a **shared vision** for them & the household’s future → development of an **action plan**
- GALS enables households & communities to reflect on their current situation in relation to the opportunities and barriers faced by women and men
- Adapt the techniques to fit local conditions (eg. literacy, communication)
- GALS can apply two approaches – for poorest households, using mentoring, hygiene, etc. – and for slightly stronger households, to discuss possible business plans (eg. links to finance with RWEE)
- Further development in Kyrgyzstan - piloted the Business Action Learning for Innovation (BALI) methodology

GALS: Outcomes

GALS participants speak of transformations in their personal lives, starting a chain towards significant socio-economic and political impacts.

It is a household-based approach, regarding both men & women, young & old, and their gender roles.

- ✓ In Kyrgyzstan, women report a changed role within the family & are empowered (socially, economically & politically). Some have stood for local elections.
- ✓ In Rwanda, benefits of GALS have been the empowerment of women through their increased participation in farmer organizations and project activities.
- ✓ IFAD Guatemala recently won an award for their work with the GALS methodology.
- ✓ Naturally, this is difficult to scale up as a very granular approach – it also needs to be bundled with access to funding and training (as in RWEE) – otherwise empowerment is not enough



Summary of evaluation key findings

- ✓ The IFAD business model supporting innovation promotion is overall satisfactory.
- ✓ However, there no corporate/strategic objective has been defined and a supporting operational framework is lacking;
- ✓ Minimum guidance is also lacking;
- ✓ There is an insufficient allocation of specific resources to foster the innovation culture;
- ✓ Innovation processes are weak at the national level, in terms of government support, synergy and partnership; and
- ✓ There is little focus on promoting innovation bundles for transformation.

Recommendations

1. Set clear corporate goals for the IFAD innovation agenda; develop and implement operational frameworks.
2. Improve the operating model supporting innovation.
3. Dedicate greater attention to bundles of innovations that have transformative features.
4. Enhance the innovation culture through greater allocation of specific resources.
5. Increase funding and operational partnerships for innovation support.
6. Streamline knowledge management tools for accessing and sharing better, innovations-related information.

Thank you