

2020 ARRI

EXECUTIVE SUMMARY

Independent Office
of Evaluation

 **IFAD**
Investing in rural people

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ANNUAL REPORT ON RESULTS AND
IMPACT OF IFAD OPERATIONS

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Sri Lanka

Woman picking tea on a plantation in Elkaduwa Matle Area, Sri Lanka. Tea is one of the country's main export crops. The Smallholder Plantations Entrepreneurship Development Programme finances rural income-generating activities such as tea plantations.

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Executive summary

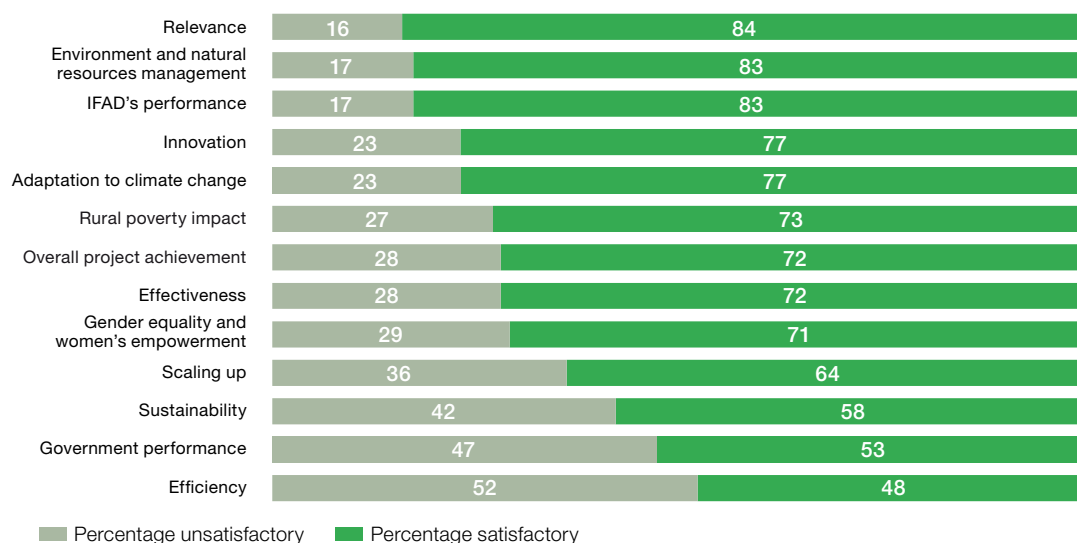
Introduction

1. This is the eighteenth edition of the Annual Report on Results and Impact of IFAD Operations (ARRI), the flagship report of the Independent Office of Evaluation of IFAD (IOE). The ARRI presents a synthesis of the performance of IFAD-supported operations and highlights systemic and cross-cutting issues, lessons and challenges to enhance the development effectiveness of IFAD-funded operations. In terms of methodology and content, the ARRI shares some similarities with the annual flagship reports of the evaluation offices of major international financial institutions (IFIs) such as the African Development Bank (AfDB), the Asian Development Bank (ADB) and the World Bank.
2. **Evolving structure of the report.** Since its inception in 2003, the focus and structure of the ARRI have been revised several times to improve its relevance to the changing priorities and demands of the Fund. In keeping with this continued emphasis on improving relevance, this 2020 ARRI has undergone changes to address: (i) the changing learning and accountability needs of IOE's key IFAD stakeholders, as reflected in feedback from IFAD's Governing Bodies and Management; (ii) recommendations from the 2019 External Peer Review of IFAD's Evaluation Function; (iii) IOE's internal reflection that called for increased utility of the ARRI through a more streamlined document; and (iv) the evolution of the approaches followed by other IFIs.
3. The 2020 ARRI is a pilot of the transition to an ARRI that, along with assisting the accountability function as in the past, seeks to bring more actionable knowledge. It contains two notable changes. First, there is no "learning theme" chapter. Following feedback from the Executive Board, a more comprehensive approach is taken by presenting analysis across a range of interventions and development contexts that can help IFAD-supported projects improve their design and implementation. The focus is on offering insights into recurring factors that positively or negatively contribute to the development effectiveness of IFAD's operations and strategies. Second, this year's ARRI does not include recommendations, in line with practices at other IFIs. The findings of the 2020 ARRI are expected to help identify topics for future evaluations and, in turn, the recommendations provided by these will be more focused and specific.
4. **Evolving ARRI content.** Starting with the 2020 ARRI, while the presentation of performance results will continue to be the bedrock of every edition, the way of presenting learning topics will evolve in order to better contribute to enhancing the development effectiveness of IFAD's operations. This will be further elaborated upon in the context of the revision of the IFAD Evaluation Manual in 2021.

5. **Methodology.** The current and long-term rating performance reported in the ARRI is based on projects and programmes evaluated by IOE. Projects are assessed and rated across 10 evaluation criteria: rural poverty impact; relevance; effectiveness; efficiency; sustainability of benefits; gender equality and women's empowerment; innovation; scaling up; environment and natural resources management; and adaptation to climate change. In addition, the performance of IFAD and the government as partners is evaluated for each project. Finally, two composite criteria that assess project performance (an average of relevance, effectiveness, efficiency and sustainability) and overall project achievement (all 10 criteria) are presented in all evaluations. Following the Good Practice Standard of the Evaluation Cooperation Group of the Multilateral Development Banks for Public Sector Evaluations, IFAD uses a six-point rating scale to assess performance under each evaluation criterion.
 6. These performance measures help IFAD understand whether results were achieved and also offer critical diagnostics, such as the sustainability, relevance to target groups and efficiency of interventions, thereby highlighting areas where improvements are needed. The ratings are obtained from impact evaluations (IEs), project completion report validations (PCRVs) and project performance evaluations (PPEs). Ratings for non-lending activities are obtained from country strategy and programme evaluations (CSPEs).
 7. In line with consolidated practices at other IFIs, the main trends in performance are explained through an analysis of the percentages of moderately satisfactory or better on a three-year moving basis, to highlight long-term trends and smooth short-term fluctuations (an analysis of year-to-year changes would be too sensitive to such fluctuations). The rating performance in this report was drawn from 259 projects that were completed between 2007 and 2018.
 8. To improve its relevance to IFAD's current operations, the 2020 ARRI revised its methodology, and identified recurring issues emerging from evaluation findings related to design as well as to the implementation of interventions at the project and country levels. They were identified using quantitative and qualitative approaches (NVivo software), and were selected for the IEs, PCRVs and PPEs finalized in 2019; once identified, they were traced back to evaluations conducted in 2018 and 2017 (a total of 109 evaluations). The strategic-level analysis is based on the assessments in the CSPEs finalized in 2017, 2018 and 2019 (14 CSPEs). The recurring design issues persisted in designs approved in different years and spread across all geographical regions. Their persistence merits closer scrutiny and offers useful insights for verifying the soundness of the present design processes.
 9. **Process.** The shaping of the 2020 ARRI was underpinned by the principles of responsiveness and collaboration. During the preparation of the report, presentations of the preliminary findings were made to representatives of the divisions in the Programme Management Department (PMD) and the Strategy and Knowledge Department, as well as of IFAD's Senior Management, and feedback was elicited. The report was finalized taking into account written comments received from Management.
- ### Portfolio performance
10. **The most recent performance of projects (completed in 2016-2018) shows that the ratings for the majority of criteria lie in the moderately satisfactory or above zone.** Chart A shows that, except for efficiency, the majority of projects have a higher proportion of positive or moderately satisfactory and above ratings. In the most recent period (2016-2018), the criteria with the highest positive ratings were: relevance (84 per cent),

Chart A Ranking of all criteria by share of overall satisfactory ratings

Percentage of projects with overall satisfactory/unsatisfactory ratings, 2016-2018



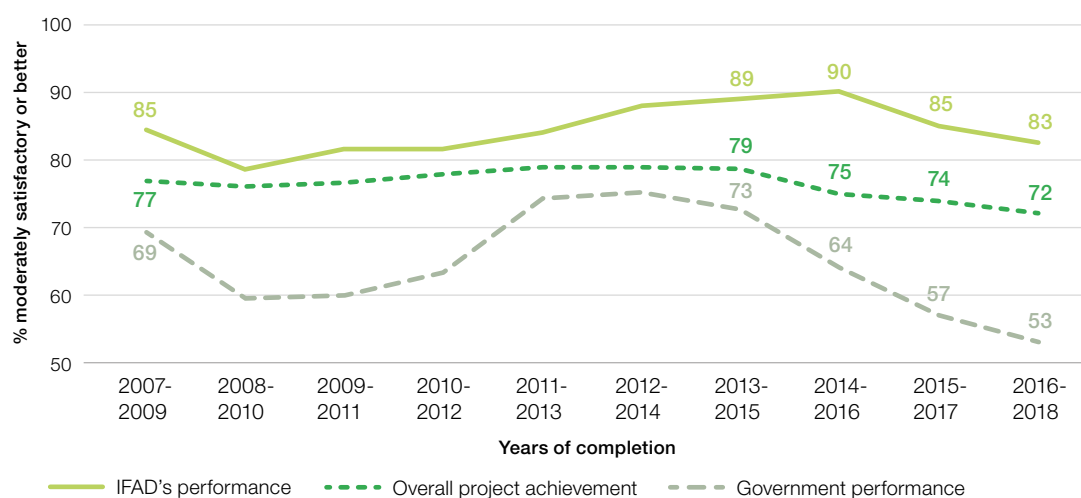
Source: IOE evaluation database (PCR/PPE), April 2020.

IFAD's performance as a partner (83 per cent), environment and natural resources management (83 per cent), adaptation to climate change (77 per cent), and innovation (77 per cent). At the other end of the spectrum were efficiency, sustainability and government performance with a lower proportion of moderately satisfactory or better ratings (48-58 per cent of moderately satisfactory or better ratings).

11. **The historical trend for overall project achievement has been slightly declining in the medium term and is consistent with the project completion report (PCR) trend.** The aggregate performance of IFAD-supported projects, evaluated through the overall project achievement criterion, has shown a slight decline since 2013-2015 (chart B); the proportion of moderately satisfactory or better ratings in the most recent period (2016-2018)

Chart B Combined overview of the performance criteria using IOE ratings

Percentage of projects rated moderately satisfactory or better, 2007-2018



Source: IOE evaluation database (PCR/PPE), April 2020.

is 72 per cent. The ratings in the PCRs for the same criterion follow a trend pattern similar to IOE ratings in the same period.

12. The performance of IFAD's operations in the past five years exhibits four distinct patterns.

The analysis of ratings of projects completed shows four distinct patterns.

1. A flat or slightly declining trend, the latter especially beginning in 2013-15. Three ratings – **relevance, effectiveness and IFAD's performance** – display this pattern.
 2. A more pronounced declining trend. In this case, the decline has been more than 10 per cent between 2013-15 and the most recent period, and includes five criteria – **rural poverty impact, innovation, scaling up, gender equality and women's empowerment, and government performance**. In particular, ratings given for government performance have declined more than for any other criterion, a drop of 20 per cent from 2013-15 until the most recent period.
 3. A declining trend followed by an uptick in the most recent period. Two criteria – **sustainability and efficiency** – have seen an increase in positive ratings for the most recent period. This is noteworthy given that it comes on the heels of a trend that had been declining since 2012-14. Findings from next year's ARRI will confirm whether the recent increase has continued.
 4. A long-term positive trend. Ratings for two criteria – **environment and natural resources management, and adaptation to climate change** – have been mostly on an upward trajectory since 2010-12.
- 13.** The 2007-2018 overall average disconnect (or the absolute difference) between IOE and PMD ratings is -0.29, similar to past ARRI, but it has diminished for some criteria. In particular, effectiveness, adaptation to climate change, and environment and natural resources management show a lower disconnect than the average. The highest disconnect between the mean IOE and PMD

ratings is for relevance (-0.48), while the lowest is for rural poverty impact (-0.16). The difference between the mean ratings of IOE and PMD is also statistically significant for all criteria. A correlation analysis conducted on IOE and PMD ratings suggests that trends in IOE and PMD ratings are consistent overall. The correlation is particularly high for effectiveness, efficiency, rural poverty impact, government performance, project performance and overall project achievement.

14. Performance of countries with fragile situations.

The report also provides an assessment of the performance of countries with fragile situations. The analysis shows that, on average, projects in such countries have a higher proportion of moderately satisfactory or above ratings in the most recent period (2016-2018) as compared to the previous period (2015-2017). However, in the most recent period, for the majority of evaluation criteria, ratings for projects in countries without fragile situations are higher than or equal to the ratings for projects in countries with fragile situations.

Learning from successes and challenges related to project design

- 15.** The ARRI presents a selected range of factors identified by evaluations as contributing to the performance of projects, and hence to the observed trends and/or recent performance. These recurring factors span all five of IFAD's geographical regions. They can be considered systemic in that they persisted in design and implementation.
- 16.** Certain factors are key to a successful design, and findings of evaluations conducted between 2017 and 2019 highlighted the following factors as the ones affecting project design: (i) addressing specificity of the context; (ii) effective social targeting; (iii) coherence of project components and activities;

(iv) incorporating lessons learned from the past; (v) partnerships for results; (vi) identifying and mitigating risks; and (vii) enhancing ownership of interventions by stakeholders. These factors can act as both enablers and constraints to successful project designs. The following are the main findings and lessons concerning a selected few.

17. **Addressing specificity of the context.**

Adequate context analysis in design and implementation is important in all cases but even more so in situations of weak governance, fragile institutions, and inadequate legal and regulatory frameworks. This ARRI presents three common typologies of inadequate context consideration that can result in less-than-desirable outcomes: (i) excessively complex design and overambitious geographical coverage and targets; (ii) a lack of assessment of the government's implementation and coordination capacity that results in implementation delays; and (iii) project designs with ambitious expectations of entering into private-sector partnerships, while not envisioning appropriate incentives and unrealistically estimating risk-aversion.

18. **Effective social targeting. Recent evaluations have shown that beneficiary inclusion is being built into designs in general. However, successful projects have been those that have included a more focused approach through activities adapted to specific beneficiary groups.**

Thus, with regard to gender, successful projects were the ones where: (i) pro-poor targeting determined which commodities and value chain interventions were selected; (ii) women were targeted through activities that provided them with diversified sources of income; and (iii) proper attention was paid to managing the time burden of women, through, for instance, reduced time for water collection. However, targeting for youth was a rare topic in the evaluated sample of projects, given that it is still at an early stage. Livelihoods of young

people face two main challenges: (i) access to assets, goods and services; and (ii) a lack of opportunities to acquire new skills. The analysis in the ARRI confirms the need for a more specific approach on youth with regard to these two challenges.

19. **Learning from past projects. Recent evaluations have shown that lessons learned from the past can be particularly instructive in two areas.** Given the variety of development contexts in which IFAD-supported projects operate, these areas were identified as: (i) the duration required for strengthening the capacities of producers' organizations; and (ii) the institutional capacity of implementing agencies. Both of these are critical in driving the success of IFAD-supported projects. Strengthening capacities of producers' organizations is one of the principal activities in achieving development effectiveness and sustainability. Assessing institutional capacities in advance, particularly when they are weak, helps projects prepare better for implementation.

20. **Establishing appropriate partnerships for development effectiveness was an important recurring factor** in the projects analysed, especially in the latest evaluations. Selecting partners without the right implementation capacities and experience, combined with insufficient contribution requirements, negatively affected the effectiveness of activities. In value chain projects in particular, an excessive focus on production hampered partnerships between actors in downstream activities, especially with and between private-sector stakeholders. Ultimately, this weakened market linkages. However, successful partnerships with technical institutions, such as agricultural research institutes or agricultural technology institutes, are key to ensuring support to project beneficiaries even after project completion, provided these are adequately funded by the government after closure.

Findings and lessons from project implementation

21. While the role of the project design stage is to develop the framework and lay out the most effective pathway for a project to achieve its development objectives, the role of the implementation stage is to ensure that the expected quality standards are met and the timeline is respected, or that the implementation is adapted to changing contexts, and desired outcomes are achieved. In recent evaluations, several factors were highlighted that either supported or impeded project implementation, and were recurring. They are: (i) quality of implementation and supervision support; (ii) quality of project management; (iii) support provided to groups and institutions; (iv) training for strengthening capacities of beneficiaries; and (v) adapting to changes in the external context. Of these factors, the analysis looked at three regarding which the evaluation findings were instructive: (i) training for capacity-building of beneficiaries, a key activity common to most projects; (ii) support to producers' groups and institutions, two common actors in IFAD-supported projects; and (iii) adapting to a changing external context.
22. **Training for capacity-building of beneficiaries.** The evaluations pointed out the positive contribution of training with regard to the enhancement in beneficiaries' human capital. The quality of training itself was particularly effective when accompanied by the right needs assessment and targeting. Evaluations found that **appropriate duration and timing of training enables beneficiaries to reach a certain level of maturity.** In this regard, the delivery of the training has to take into account the needs of the beneficiaries (e.g. women's daily schedule to tend to their children, and a transport allowance) in order to avoid cases of absenteeism and dropouts. Optimal conditions for knowledge transfer cannot be created if training is delivered late in the programme or when there is a considerable time gap between delivery of training and its actual application.
23. **Support provided to groups and institutions. The focus of most projects with regard to farmer groups was on both commercialization and empowerment.** Support to farmers' groups mainly concerned increasing commercialization while empowering the groups. Successful projects were those that helped enhance not only crop productivity but also quality of produce, thus incentivizing the private sector to participate through buying of produce, and those that provided logistical support and pre-financing to farmers' cooperatives. While commercialization was pursued, group empowerment was also promoted through participatory identification of priorities and implementation of the agreed investments, control by the groups over resources, and linkages established with local institutions (e.g. farmers' groups providing input to local government institutions).
24. **Adapting to changes in the external context. IFAD's capability to be flexible and responsive to external events during implementation was challenged, but evaluations highlighted a number of successful cases.** External events led to a delay in implementation and non-achievement of targets, and in some cases, project extension. However, successful cases were those that: (i) developed initiatives on a piloting basis to respond to the launch of a new national or sector plan by the government; (ii) adjusted and sharpened project activities (reducing geographical focus, more strongly involving local agricultural development institutions in the implementation, and refining monitoring and evaluation [M&E] and coordination mechanisms among development partners); (iii) had a stronger focus on community development (especially women and youth) in the face of social unrest; and (iv) reinforced support to decentralized government structures.

25. **Overall, for implementation to be successful, one of the most fundamental drivers is the capacity and expertise of the project management units. IFAD support to project management units remains crucial.** While the factors examined above can act as both enablers and constraints to project achievements, the quality of project management units is fundamental to successful implementation. The level of expertise and qualification of staff and the rate of staff turnover are crucial aspects underpinning the quality of these units. In this regard, IFAD's role in providing quality supervision and implementation support cannot be overstated.

Findings and lessons from non-lending activities

26. **The long-term performance of non-lending activities has oscillated between periods of peaks and troughs.** After an increase until 2011, the more recent decline in overall non-lending activities, comprising knowledge management, partnerships and policy engagement, has been underpinned by the performance for knowledge management, with ratings of 50 per cent moderately satisfactory or above. Partnership-building has performed well recently, with ratings of 64 per cent moderately satisfactory or above, while country-level policy engagement has shown a slight increase to 50 per cent moderately satisfactory or above.
27. **A combination of communication tools has worked well for knowledge management, but knowledge remains confined largely to the project level, not contributing sufficiently to higher-level corporate or policy processes.** Projects used a variety of communication tools, including print and electronic media, for sharing and disseminating knowledge products and reaching out to larger audiences nationally. Exchange visits between projects took place

and learning events were held (however, the quality of M&E systems was variable). Nevertheless, knowledge products were not always customized for use in corporate knowledge repositories or higher-level policy forums. Inputs for higher-level policy forums and corporate knowledge repositories require an added layer of analytical refinement, highlighting policy dimensions and ramifications, which address the concerns of higher decision-making authorities.

28. **Partnerships with government have been fruitful, but collaboration or coordination has been in an initial phase with the Rome-based agencies (RBAs) and uneven with development agencies.** Most projects were anchored to the relevant ministry of agriculture, and this produced a strong relationship between the two parties, with IFAD being the partner of choice, especially in low-income countries (LICs). However, this also meant that the involvement of other line ministries was limited to the project level only. In several cases, collaboration with other development agencies was characterized by insufficient action to build systematic partnerships that would have resulted in the different agencies pooling their resources to achieve better and more efficient aid effectiveness. There was relatively more collaboration with the RBAs as compared to other development partners, albeit at a technical level.
29. **IFAD's strategic support and actions for policy engagement do not always match the scope of the objectives of engagement and the scale of activities required to achieve them.** In countries where IFAD was a relatively small player, collaborations with development partners were instrumental in its engagement with the government. An area where IFAD's contribution to policy engagement stands out is rural finance, and this success merits replication. In other cases, there was some mismatch between the objectives to be achieved via policy

Mexico

A group of Indigenous women from a Maya community in Campeche, Mexico. These artisans only work with wood leftovers such as tree bark, and other small pieces that cannot be sold. They contribute to the mitigation of climate change by taking advantage of their natural resources and avoiding forest exploitation.

©IFAD/Carla Francescutti



engagement in the country strategic opportunities programmes (COSOPs) and the resources (time and staff) and the capacity allocated vis-à-vis the challenge of achieving pro-poor policy change. Most COSOP agendas for policy engagement were relevant to the context, but there was little planning on which policy reform processes IFAD should engage in, and which working groups and task forces IFAD would participate in, mostly due to country offices' limited resources.

30. In terms of income groupings, LICs show an equal or better performance to middle-income countries (MICs) for policy engagement and partnerships.

Country-level policy engagement shows aligned ratings between the two groups of countries. Partnership-building has a significantly better performance in LICs than in MICs. These findings suggest that there have been more opportunities for partnership in LICs, given the greater number of bilateral and multilateral agencies operating there, organized in thematic coordination groups, and thanks to the government's support to donor coordination. The situation has been different in several MICs. Nonetheless, MICs continue to show demand for financing and knowledge partnerships, given the progress made by several of them in reducing poverty and in order to maintain their track record for promoting growth.

Findings and lessons from country strategies and programmes

31. The strategic orientation of country programmes was generally aligned with policies and priorities of IFAD and governments, and adapted to the changing context. The COSOPs were well aligned with the key development and sectoral policies of the government and have offered an opportunity to implement some of these. One reason for the alignment is the consultative process carried out

in developing new COSOPs, including regular consultations with governments and development partners, and stakeholder validation workshops. This has ensured that COSOPs reflect national priorities in agriculture and rural development. While sustainable and profitable access to markets has been the most dominant theme in the more recent cohort of COSOPs evaluated, there has been a clear emphasis on topics such as efficient and climate-smart sustainable production systems, improving the management of natural resources, and building the resilience of smallholder farmers.

32. The mitigation measures proposed to manage the risks identified in the country programmes were at times less specific and less commensurate with the means that IFAD can deploy. Most COSOPs adequately covered risks related to sector-specific policies, fiduciary aspects and risks related to institutional practices. However, some mitigation measures were too broad, thus bringing into question their actual execution or efficacy. For example, some of the measures proposed were rather generic, such as support to producers' organizations to make a useful contribution to the development of agricultural policies, or the establishment of a climate of trust between them and the government through regular meetings and open consultations.

33. From a strategic perspective, the linkages between lending and non-lending activities still require strengthening. The COSOPs continue to be largely hinged upon the investment portfolio, with less attention to non-lending activities. More effective COSOPs are those that lay out a clear and actionable agenda for non-lending activities and provide an indication of the estimated administrative resources and technical support from headquarters and hubs. However, this was not the case for the majority of country strategies evaluated.

Findings and lessons from areas of corporate priorities

34. The 2020 ARRI also presents findings and lessons learned in the four areas of gender, nutrition, youth and climate, which have also been prioritized under the Eleventh Replenishment of IFAD's Resources (IFAD11). The evaluated country strategies and projects that form part of the analysis were designed before the mainstreaming in these four areas had been institutionalized. Therefore, the purpose here is not so much to analyse their performance, but rather to present findings and offer possible lessons that can be relevant and useful to the ongoing efforts for mainstreaming these areas. The headline findings and lessons in each of the four areas are presented below.

Gender

1. IFAD's gender focus has evolved from providing general guidelines on gender inclusion in projects to better-defined gender implementation strategies and action plans.
2. Activities for the empowerment of women have been strongest in training, microfinance and specific income-generating activities.
3. Efforts to reduce gender inequality have yet to fully expand from the project level to the strategic level through a greater use of policy engagement, for instance.

Nutrition

1. Nutrition-related outcomes were not an explicit part of strategic objectives at the programme level.
2. Nutrition-related objectives were expected to be achieved through increased production and incomes.
3. The role of women was especially important in achieving positive nutritional outcomes.
4. The limited evaluability of nutritional outcomes hampered the assessment of nutrition in the evaluations considered in this report.

Youth

1. IFAD's strategic evolution in terms of youth engagement has recently been more pronounced, in line with the Fund's greater emphasis on youth mainstreaming.
2. The buy-in from youth in regard to IFAD's interventions in agriculture is premised on involving youth early in the project design phase.
3. IFAD's work with rural young people requires strategic orientation, involving the use of non-lending activities.
4. Approaches for mainstreaming youth require strong consideration of the relevance of activities and products to their aspirations.

Climate

1. The majority of the evaluated COSOPs developed after 2010 have elements of climate change as part of their strategic objectives.
2. While the climate-related objectives of COSOPs were aligned with related national policies and priorities, evaluations found limited evidence of knowledge and learning from projects being channelled to inform national policies and strategies.
3. There is increasing attention to the interdependent nature of climate change adaptation in projects.
4. Trying to balance the longer-term benefits deriving from climate change measures with the shorter-term economic considerations is challenging.

Conclusions

35. **The 2020 ARRI time series related to performance criteria show that the majority of ratings remain in the zone of moderately satisfactory or above. There has been an overall declining trend in the ratings of completed since 2013-2015, albeit with some variations and exceptions.** There have been different performance patterns across the evaluation criteria in both the recent

performance and long-term trends. Three criteria – relevance, effectiveness and IFAD's performance – show fluctuating trends, with some flattening or decline more recently.

36. There is a more pronounced declining trend in the case of five criteria: rural poverty impact, gender equality and women's empowerment, innovation, scaling up and government performance. Government performance in particular has witnessed the sharpest drop. However, two criteria, namely environment and natural resources management and adaptation to climate change, experienced an upward trajectory. Moreover, both efficiency and sustainability have followed a declining path but have experienced an uptick in the recent period. A comparison of self-assessment and independent ratings shows that the trend in PCR ratings (self-assessment) is similar to the one observed in IOE ratings (independent evaluation) in the period 2013-2018.

37. **Overall, the strategic focus of IFAD's country programmes has adapted well to the changing context, but synergies between lending and non-lending activities need to be better exploited.** IFAD's country programmes are generally aligned with policies and priorities of both IFAD and governments. In this regard, they have tuned their focus with emerging priorities. However, linkages between the lending and non-lending activities are yet to be fully exploited. Evaluations have observed two constraints. First, knowledge generated from projects and partnerships formed with project actors remain relegated at the project level only, and often do not feed into the strategic-level non-lending activities. Second, COSOPs' ambitions in terms of the scope of non-lending activities are not matched with the resources and the capacity available to attain them.

38. **The performance of IFAD-supported projects can be linked to four factors at the time of design: (i) addressing the specific context; (ii) differentiated targeting strategies; (iii) partnerships for results; and (iv) learning from past experience.**

The analysis in the ARRI puts the spotlight on a number of factors that are important at the project design stage and have a strong bearing on the performance of projects. For example, complex design and overambitious geographical coverage and targets have undermined the developmental effectiveness of projects. Similarly, the lack of precise identification of the likely risks to attaining project outcomes early at the design stage has affected performance. Finally, selecting partners without the right implementation capacities and experience to implement the project has negatively affected the effectiveness of IFAD-supported activities.

39. **Key implementation challenges relate to: (i) ensuring that targets in terms of time and quality of delivery are met; and (ii) adapting to changes in the social, political, natural and developmental landscape, especially in countries with fragile situations.** The analysis has highlighted that the transition from design to implementation poses challenges. Internal challenges include ensuring that targets in terms of time and quality related to project activities that were conceptualized at design are met. External changes relate to ensuring that implementation is carried out as planned in the face of shifts in the social, political, natural and developmental landscape. Successful implementation relies largely on the capacity and expertise of the project management units. Performance of project management units is an area of challenge, as reflected in the long-term decline in ratings for government performance. At the same time, the quality of IFAD's supervision and implementation support is key to bolstering and redressing performance.

40. **IFAD's efforts related to gender and climate have important lessons to offer for mainstreaming youth and nutrition.** Findings from evaluations show that IFAD-supported projects have made progress with regard to gender and climate. In the case of gender, there are cases where participation by women has moved from mere inclusion through quotas to specific activities better suited to their needs. In several cases, climate has been elevated from just a project-level activity to becoming part of the strategic objectives in the country programmes. Moreover, in both of these areas, there is clearer specification of targets, and results needed to achieve these targets, with a monitoring framework to track progress. However, evaluations struggled to find clear or explicit links between project activities and outputs, and outcomes related to nutrition. Findings related to youth are still scarce given that this an important but relatively recent area of emphasis. Moving forward, the aforementioned efforts related to gender and climate can be emulated in successfully mainstreaming nutrition and youth.
41. **The areas of declining performance identified in the 2020 ARRI warrant further examination.** The performance trends signify that the perceptible decline in areas of rural poverty impact, gender equality and women's empowerment, innovation, scaling up and government performance requires attention. In particular, government performance is an area that has witnessed a sharp drop in ratings. Given that government performance influences, and is in turn influenced by, other criteria such as efficiency, sustainability and IFAD's performance, to name but a few, these areas should also be further examined. The 2020 ARRI also provides an analysis of the recurring factors, which span a range of interventions and contexts, and their likely links to improving programming.
42. **Moving forward,** this calls for action on the part of Management and IOE. In the case of Management, this discussion could trigger both an examination of the factors underlying the recent trends, and an internal self-reflection and learning within different parts of IFAD to craft solutions that are contextualized to their own areas and situations, and which can help strengthen the development effectiveness of IFAD's programmes.
43. Similarly, the findings in the 2020 ARRI may assist IOE in identifying topics for other evaluation products, such as corporate-level evaluations, thematic evaluations and evaluation syntheses. In turn, these evaluations may contribute to better explaining trends in ratings and other ARRI findings. Moreover, in line with the evolving nature of the ARRI, future editions – in addition to analysing project-level rating trends – could devote further attention to consolidating findings from IOE's higher- and strategic-level evaluations, including CSPEs. This would add to the strategic and forward-looking content of the ARRI.
44. Finally, in the future, in consultation with Management, sections of the ARRI may be dedicated to reviewing ex post the follow-up to the recommendations of selected IOE evaluations and any remaining gaps. This is the current practice at other IFIs.

Sierra Leone

Some representatives
of Kasiyatama Cocoa
Cooperative in front of
their shop in Koidu town,
Kono District.

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Abbreviations and acronyms

ADB	Asian Development Bank
AfDB	African Development Bank
ARRI	Annual Report on Results and Impact of IFAD Operations
COSOP	country strategic opportunities programme
CSPE	country strategy and programme evaluation
IE	impact evaluation
IFAD11	Eleventh Replenishment of IFAD's Resources
IFI	international financial institution
IOE	Independent Office of Evaluation of IFAD
LIC	low-income country
M&E	monitoring and evaluation
MIC	middle-income country
PCR	project completion report
PCRv	project completion report validation
PMD	Programme Management Department (IFAD)
PPE	project performance evaluation
RBA	Rome-based agency

Independent Office
of Evaluation



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