1. Background and context

1.1. Agriculture and rural development have always been an important element in economic growth, food security, and poverty reduction in developing countries. The food crisis of the early 1970s led the World Food Conference in 1974 to decide “an International Fund for Agricultural Development should be established immediately to finance agricultural development projects primarily for food production in the developing countries.” IFAD, a specialized agency of the United Nations, was subsequently established as an international financial institution in 1977. By 2010 it was supporting US$2.4 billion worth of loans and grants to 92 countries annually and currently has 260 professional staff. Activities typically include rural financial services, including microfinance; linking smallholders to markets with higher value products; crop, livestock and fisheries improvement; and support for producers’ associations.

Chart 1: Timeline of IFAD reforms

2. Analysis of IFAD’s development effectiveness

2.1. This section of the report assesses IFAD’s overall development effectiveness. While obviously related to organisational effectiveness – the subject of the next section – the focus here is on the role and contribution IFAD ultimately makes to development in the field. The review finds that IFAD has several strengths with respect to development effectiveness, but some ongoing challenges as well.

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2 http://www.ifad.org/governance/index.htm
2.2. **IFAD has a mandate focused on poor rural smallholders.** IFAD has a clear, focused, targeted— and perhaps even unique— clarity of purpose and position engaging with poor smallholders in developing countries. IFAD notes that it is “the only international financial institution mandated to contribute exclusively to reducing poverty and food insecurity in the rural areas of developing countries.” Part of the IFAD logo is the simple, clear, readily understood message “enabling poor rural people to overcome poverty”. IFAD states that it “has an absolute advantage when it comes to working with and advocating for smallholders. As an international financial institution and a United Nations specialized agency, we are the only such organization dedicated exclusively to reducing rural poverty in developing countries.”

2.3. **This conclusion is supported by other independent assessments.** The recent and comprehensive Multilateral Aid Review by the United Kingdom’s Department for International Development (DFID) concluded that “IFAD has a unique mandate and specialised knowledge, critical to reaching Millennium Development Goal 1 (reducing poverty and hunger).” A recent independent report by the Brookings Institute also noted that: “IFAD has established a track record over 30 years as a reliable, steady supporter of community-based rural development, at a time when other donors substantially reduced their engagement; as a de facto “vertical fund,” IFAD benefits from the popularity that such funds enjoy in today’s development assistance, where governments and the general public in donor countries value the thematic focus, results orientation and accountability of vertical funds.”

2.4. **IFAD has responded to related development challenges, such as climate change, without losing its focus on smallholders.** Agriculture is a cause, and a victim, of environmental stress and climate change. According to the Intergovernmental Panel on Climate Change, farming directly accounts for 13.5 per cent of greenhouse gas emissions, and land use changes (often cutting down jungle for fields) are responsible for a further 17.4 per cent. IFAD has increased its program attention to issues such as natural resource management, desertification, multiple water use management, land tenure, and preserving and rehabilitating vast peat swamps (a cross border source of ecosystem degradation and loss of carbon sequestration in South East Asia). IFAD has recently created a new Environment and Climate Division within the organisation.

2.5. **IFAD has a pro-poor focus at the country level, and engages well with fragile states.** In 2010, 84.5 per cent of IFAD’s program and project financing was to low income food-deficit countries as defined by the FAO and 56.3 per cent to the United Nations classified least developed countries. IFAD also engages extensively with fragile or conflict-affected countries including Afghanistan, Pakistan, Sudan, Nepal, Mozambique, West Bank, Timor Leste and Solomon Islands. DFID concluded that “IFAD has strong performance …. in fragile states with evidence of impact in country.” IFAD’s loan and grant financing instruments have four different levels of lending terms, calibrated to take account of specific country economic circumstances and capacity for developing countries to achieve debt sustainability.

2.7. **IFAD emphasises strategic management, with a focus on results and outcomes.** IFAD states that: “several results-oriented reforms have been implemented recently through IFAD’s Action Plan for its Development Effectiveness, including: the reformulation of IFAD’s Strategic Framework, the establishment of results-based Country Strategies and Programmes, an enhanced quality-at-entry process, a new supervision policy, knowledge management and innovation strategies, and enhanced country presence.” IFAD also has a clear approach to Managing for Development Results. It also has a Performance Based Allocation (PBA) system which seeks to balance country needs while rewarding good performance. In 2008, 94 per cent of IFAD’s resources annual commitments were...
made in line with the PBA.\textsuperscript{15} IFAD has a transparent Results Management Framework with indicators aimed at capturing better country program management; better project design; and better supervision and implementation, as well as a four tier results matrix used for results based budgeting.\textsuperscript{16} IFAD also assesses its impact on rural poverty using five “impact domains.” It concludes around 80 per cent of projects now perform “moderately satisfactory or better” with respect to four\textsuperscript{17} of those impact domains. However, only around 50 per cent of projects have a “moderately satisfactory or better” rating when it comes to the fifth impact domain: natural resources and the environment.\textsuperscript{18} IFAD believes all these various systems contribute to clear measures of success on the ground. For example, a snapshot of progress half way through the Eighth Replenishment shows that in 2009 36 million people were receiving services from IFAD in 2009, 51.49 per cent of whom were female; that there were 4.8 million active borrowers (again, mainly female) from rural financial services; that 4.9 million hectares of land was under improved management; that 322,000 hectares of land was under rehabilitation; and 28,000 marketing groups formed.\textsuperscript{19}

2.8. **Independent assessments confirm IFAD’s strong focus on results.** The Multilateral Organisation Performance Assessment Network (MOPAN)\textsuperscript{20} Survey of 2010\textsuperscript{21} found IFAD’s key strengths included a clear link between its mandate and its result focused strategy; a good results measurement framework; transparency in its aid allocation decisions; and independence of the evaluation unit. IFAD’s Results Measurement Framework was noted for the use of quality performance indicators and a clear hierarchy of results. Similarly, the results-based Country Strategic Opportunities Programs (COSOP) were acknowledged for aligning expected results to national development goals. The DFID review found that “IFAD makes an important contribution to MDG 1 and has a good results framework that is used to push for continual improvement.”\textsuperscript{22} DFID rates IFAD’s overall contribution to UK development objectives “strong”, and its strategic / performance management at 3 out of 4.

2.10. **IFAD has an integrated, market-friendly, framework for understanding rural poverty.** IFAD recognises that food security is as much to do with economic development, employment, and raising rural incomes as it is about increasing crop productivity. Unlike some UN organisations, it has a market-friendly approach to development, and sees smallholders as legitimate and important parts of the private sector. IFAD’s *Rural Poverty Report 2011* contains substantial and evidence-based insights into the challenges and opportunities facing rural smallholders.

2.11. **As a small organisation, IFAD invests heavily in partnerships and harmonisation.** IFAD is a signatory to the 2005 Paris Declaration on Aid Effectiveness. Harmonisation forms part of the context within which the IFAD Strategic Framework 2007-2010 was prepared. The Programme Management Division participates in harmonisation and alignment initiatives, as far as this involves coordination and streamlining of program activities with those of other donor agencies, and aligning these with agendas and systems of governments to whom loans are given through the IFAD portfolio.\textsuperscript{23} IFAD tends to be rated well by other organisations in terms of its capacity for partnerships. DFID’s Multilateral Aid Review, for example, gives it a score of 3 out of 4 for “partnership behaviour.” FAO claims it, WFP and IFAD work closely together and well, “delivering as one.”\textsuperscript{24}

2.12. **IFAD demonstrably achieves its core mandate of mobilising resources for agriculture and rural development in developing countries.** IFAD states that, since 1978, it has mobilised close to US$20 billion in co-financing and funding from domestic sources for rural development, in addition to IFAD core funding contributions of more than US$12 billion in loans and grants.\textsuperscript{25} IFAD

\textsuperscript{15} Common Performance Assessment System (COMPAS) Multilateral Development Banks 2008 Report. Page 30
\textsuperscript{16} IFAD Medium Term Plan 2010 – 2012 page 26 and 40
\textsuperscript{17} The five impact domains are: household income and assets; food security and agricultural productivity; human and social capital and empowerment; natural resources and the environment; and institution and policies.
\textsuperscript{18} IFAD tends to be rated well by other organisations in terms of its capacity for partnerships. DFID’s Multilateral Aid Review, for example, gives it a score of 3 out of 4 for “partnership behaviour.” FAO claims it, WFP and IFAD work closely together and well, “delivering as one.”
\textsuperscript{20} MOPAN is an informal network of 16 donor countries, including Australia, that have a common interest in assessing the organisational effectiveness of the major multilateral organisations they fund.
\textsuperscript{23} http://www.ifad.org/operations/phil/finance/role.html#donor accessed February 14, 2011.
further states that “for every dollar contributed to the Eighth Replenishment, IFAD mobilised another US$6 more from its partners for rural development”.  

2.13. Despite these positive findings, there are areas where IFAD needs to improve if it is to leverage up its development effectiveness and impact.

2.14. First, scaling up is “mission critical” to IFAD’s development effectiveness. IFAD has often been a good incubator of innovative pilots and new approaches. However the key to IFAD’s ultimate development effectiveness cannot be judged by the quality of its own projects: it is simply too small by itself to have noticeable impact. IFAD acknowledges that “scaling up – broadly defined as replicating, expanding and adapting successful approaches and innovations – is key to effective development”. IFAD therefore commissioned its own Corporate Level Evaluation on innovation and scaling up.

2.16. Second, IFAD makes low use of country systems. MOPAN donors in-country rated IFAD as inadequate on four out of the five micro-indicators related to its use of country systems. Data from the 2008 Survey on Monitoring the Paris Declaration indicate the proportion of IFAD loans and grants that is captured in the budgets of client countries (Indicator 3) is low in relation to the target of the Paris Declaration. IFAD notes there are definitional issues that may limit the extent to which the data on this indicator can fully reflect IFAD operations.

2.19. IFAD also has a mixed record with respect to policy dialogue. On the one hand, IFAD has some strong formal statements in support of policy dialogue. For example, the IFAD Medium Term Plan states that “with most of the net food-deficit countries contributing less than 10 per cent of their fiscal allocations to the agricultural sector, IFAD’s policy dialogue work at the country level is vital to developing a conducive environment and the conditions needed to generate the intended food security and rural development impacts.”

2.21. IFAD has had some success at helping shape international agendas and policy on agriculture. Examples include the President of IFAD chairing high level food security issues at the World Economic Forum, IFAD’s role in the G8 Summit in l’Aquila, and contribution to OECD Ministers of Agriculture negotiations on food. The opportunities – and need – for IFAD to further contribute to international policy discussions will increase over coming years as food prices rise and become increasingly centre stage in a range of international economic and development forums. All the members of the G20, except Australia and Russia, are active members of IFAD.

3. Analysis of IFAD: Organisational effectiveness

3.1. This section of the report assesses IFAD’s organisational effectiveness. While clearly linked to development effectiveness, the focus in this section is on the internal workings of IFAD and the way it conducts its business. Once again, IFAD has strengths but also challenges.

3.2. IFAD’s hybrid nature as a UN organisation and an International Financial Institution (IFI) is, on balance, a strength. IFAD was intentionally set up as a hybrid: both a UN specialised agency and an IFI. This is therefore a logical starting point for assessing its organisational effectiveness. As a UN agency, IFAD is clearly valued by developing country members. It is seen by them as an essentially apolitical, technically focused institution, not prone to the potential unpredictability of bilateral partners financing or political overlays.

3.3. The hybrid nature of IFAD does, however, impose constraints and challenges for IFAD. Its UN character means it has reduced flexibility in areas such as staffing and procurement policies yet its IFI character means it must have especially strong financial expertise and processes. Its relatively small size as an IFI also means that it sometimes does not get included in policy or programming discussions alongside other IFIs such as the World Bank or the multilateral development banks. Its IFI character and operating model means it is sometimes less able to participate easily in the “one UN” activities.

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26 Statement by IFAD President Nwanze to the 34th Governing Board on 19 February 2011.
Strategic Programming - Australia’s Engagement with IFAD

3.4. **IFAD is implementing organisational reforms.** An Independent External Evaluation of IFAD in 2004 led to formulation of a comprehensive Action Plan to strengthen IFAD’s overall performance. The Action Plan was subsequently endorsed by the Executive Board in 2005. IFAD notes that “the Action Plan document defined more than 40 deliverables in the three broad areas of: strategic planning and guidance; project quality and impact; and knowledge management and innovation. As of the end of 2007, the Action Plan was very much on track: all 14 of the deliverables to be presented to the Executive Board had been (met), a majority of the other deliverables had been completed, and the outputs of the Action Plan were already starting to transform the way IFAD goes about its business.”

3.5. **Independent assessments confirm progress is occurring, but more needs to be done.** Three recent reviews of IFAD - the 2010 MOPAN review, the DFID review, and a review commissioned by Canada, the Netherlands and Norway have each come to the conclusion that IFAD is making progress on reforms. This is especially so in areas such as project and program management, results management, and the shift to in-country direct supervision and engagement. However, the reports are unanimous that more needs to be done, especially in the areas of human resource management and financial management.

3.6. **IFAD is generally judged quite favourably in comparison to other organisations.** DFID’s Multilateral Aid Review, released in March 2011, makes an assessment of 43 multilateral development agencies. IFAD is judged “strong” in terms of contributing to the UK development objectives (along with 17 other organisations); “good” in terms of value for money (along with 16 other organisations) and “satisfactory” in terms of organisational strengths (along with 15 other organisations). Chart 2, from the DFID Review, summarises IFAD’s strengths and weaknesses alongside the World Bank’s IDA for comparison.

3.7. Other assessments also rated IFAD, overall, relatively positively against its peers. IFAD was judged fourth best out of 31 bilateral and multilateral organisations when it came to “maximising efficiency” (especially because it focused selectively on one area: smallholder rural development) in a review published by the Centre for Global Development. It was also judged best out of the 31 agencies for “reducing administrative burden on recipients” in the same survey (although this could simply reflect IFAD’s low level of engagement at the country level until recently).

3.8. The MOPAN 2010 report gave IFAD scores of adequate or strong on all 19 MOPAN key performance indicators. The following areas of IFAD performance received generally high ratings in the MOPAN review: corporate focus on results; country focus on results; aid allocation decisions; financial accountability; monitoring external results; and presenting performance information.

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29 http://www.ifad.org/actionplan/index.htm
3.9. The COMPAS Multilateral Development Banks 2008 review \(^{34}\) similarly recorded generally positive findings for IFAD’s strategic management and corporate governance.

**Specific issues of organisational effectiveness**

3.8. This section looks more closely at several specific areas of operational effectiveness: effectiveness and efficiency of projects; in-country presence; financial management; human resources management; and knowledge management.

**Quality and efficiency of project management**

3.9. IFAD projects rate reasonably well on quality, with “sustainability” being the lowest scoring indicator. Overall, IFAD projects are rated “moderately satisfactory or better” at quality at entry in 2010. More specifically, over 90 per cent of projects were rated “moderately satisfactory or better” in terms of expected impact on poverty measures; gender equity and target population; and effectiveness of thematic areas. Almost 80 per cent of projects were rated moderately satisfactory or better with respect to innovation, learning and scaling up during quality at entry and 72 per cent were rated satisfactory or above with respect to sustainability. \(^{35}\) IFAD projects are rated moderately satisfactory or better at completion, using assessments by IFAD’s Independent Office of Evaluation (OIE) and IFAD management.

3.10. IFAD had 17 per cent of its projects classified as “at risk” \(^{37}\) in the latest COMPAS Report. \(^{36}\) This is a higher proportion than the Islamic Development Bank (16 per cent), the Inter-American Development Bank (15 per cent), the World Bank (12 per cent), the African Development Bank (6.4 per cent) or the Asian Development Bank (6.4 per cent). However, as these figures involve self-reporting by agencies, it is unclear whether IFAD has a more “at risk” portfolio or is simply more stringent in its self-assessment (possibly even more candid) than others. What is perhaps important is management’s response to projects at risk: the so-called ‘pro-activity index’. The COMPAS review reports that 63 per cent of IFAD projects rated as “actual problems” in the previous year have been upgraded, restructured, closed, cancelled or suspended.

3.11. Project level efficiency needs to improve. IFAD uses the OECD DAC definition of project efficiency. \(^{39}\) The 2010 ARRI focused on the efficiency of IFAD operations and found that around 59 per cent of projects evaluated in 2009 had a moderately satisfactory or better performance in terms of efficiency. One factor that may explain relatively low levels of project efficiency is the fact that IFAD does tend to work in the most remote and hard to reach areas. This increases unit costs. (However, it could also increase cost-effectiveness of poverty reduction activities, because poverty concentrations are also usually higher in remote rural areas). Whatever the reason, as shown in Chart 3, the efficiency of IFAD operations has been the lowest performing criteria in evaluations undertaken by the OIE since 2002.

**Chart 3: Project-level efficiency rated lowest of four criteria**

\[^{34}\] Common Performance Assessment System (COMPAS) Multilateral Development Banks 2008 Report
\[^{37}\] The definition, used by MOPAN, is the number and percentage of projects in execution as of the end of FY08 with unsatisfactory implementation progress and / or with development objectives not likely to be achieved”.
\[^{38}\] Common Performance Assessment System (COMPAS) Multilateral Development Banks 2008 Report
\[^{39}\] The IOE has issued an Issues Paper on Efficiency. It says “Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD DAC) defines efficiency as ‘a measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to result’. IOE also uses the same definition in undertaking evaluations (see table 1 in the IOE Evaluation Manual). The key concept is a comparison of resources used to generate development results. The resources can be time or expertise, but are most commonly financial or economic. Results can be outputs or impacts, but efficiency is also sometimes assessed on the basis of outreach and activities (e.g. cost per training or cost per beneficiaries).”
3.12. IFAD management said at the 34th Governing Board in February 2011 that project economics, including especially project efficiency, are now analysed as a requirement in project design, and monitored during supervision; that project economics are a specific focus of quality assurance reviews; and that IFAD efficiency is addressed through internal operational effectiveness measures.

3.13. Increasing the size of projects could improve efficiency and effectiveness. One of the ways IFAD is working towards greater efficiency, as well as increased development impact, is to increase the size of its projects, and to move towards more programmatic approaches. Since the IEE, IFAD has been evolving towards larger projects, as shown in Chart 4.

3.14. IFAD’s increasing in-country presence has the potential to improve effectiveness and efficiency. The 2010 ARRI identified that IFAD’s investments were more efficient and effective where in-country presence and direct supervision were tangible. For example, the recent India Country Programme Evaluation identified that the shift to direct supervision and implementation support with an enhanced role for the IFAD country office led to reduced supervision costs and increased efficiency. IFAD’s in-country presence is increasing. IFAD now has 29 operational country offices and plans to open 5 more in 2011 and a further 6 by 2014 to bring the total to 40. By the end of 2011 10 offices will be in Asia/Pacific representing 16% of the budget and 23% of the staff FTE allocated to country presence. Overall, in the countries now covered by country offices, IFAD finances a total of 135 projects – 125 ongoing and 10 that have yet to start work. These projects account for 51 per cent of IFAD’s current portfolio in number terms, and 60 per cent in value terms.

Chart 5: IFAD Country Offices 2003 - 2011


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41 IFAD Draft Annual Report 2010 page 49
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3.16. **IFAD supports results based country programs.** One of the key deliverables of IFAD’s Action Plan for Improving its Development Effectiveness was an updated format for results-based Country Strategic Opportunities Programs (COSOPs) delivered in 2006. This provides a strategic framework for design and supports IFAD in making strategic choices about operations in a country, identifying opportunities for IFAD financing, and for facilitating management for results.

3.17. **However more needs to be done to link activities to country programs.** The 2010 review by the Brookings Institute found that the COSOP plays a limited role in country program management.

**Financial management**

3.18. **IFAD has been successful at leveraging additional funding.** As shown in Chart 6, IFAD has leveraged core funds from the Eighth Replenishment with co-financing and domestic funds.

3.20. **But IFAD is benchmarked worse than peers for some aspects of financial management and administration.** The COMPAS review found that IFAD had the lowest disbursement ratio and one of the less satisfactory variances between planned and actual project duration. MOPAN finds that withdrawal procedures to effect disbursement take much longer in IFAD than in the World Bank. The MOPAN review found that gaps remain in linking disbursements to reported results. Further details are in Charts 7 and 8 below.

**Chart 6: IFAD leverages additional financing**

![Chart 6: IFAD leverages additional financing](image)


**Chart 7: Disbursement ratios**

**Chart 8: Average delay in disbursement**

3.21. **IFAD is reducing the time taken to deliver finances.** The pace of actual delivery of the Fund’s financial assistance has accelerated in recent years. The time between approval and first disbursement of resources from IFAD to the recipient was reduced by 25 per cent in 2010.44

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44 IFAD (2011) IFAD at the mid-term of the eighth replenishment. Note REPLIX/I/R.2 to consultation members for the first meeting of the Ninth Replenishment 21 February 2011.
Similarly, the time lapse between receiving a withdrawal application from the recipient and the disbursement of funds is on track to being halved. Actual disbursements are also rising quickly – by 19 per cent in the four quarters to October 2010, and by 26 per cent relative to 2006. In principle, there is the potential that they will rise more rapidly in the future as commitments increase and improvements in efficiency in the processing of loans and grants are realised, including through implementation of a new financial system.

**Human resource management**

3.22. **IFAD needs to further improve Human Resource (HR) and administrative management.** The DFID Multilateral Aid Review concludes that IFAD “needs to reform its HR procedures to increase performance and flexibility. It needs to improve its financial management and streamline administrative procedures for greater operational efficiency.” Amongst other things, IFAD has relatively high levels of administrative support staff per professional staff, as shown in Chart 9. However, this ratio is improving gradually.

**Chart 9: High levels of administrative support to professional staff, now being managed for improved efficiency**

[Graph showing the ratio of administrative support to professional staff over time, with a trend line indicating improvement]


3.23. **In sum, IFAD faces a range of organisational challenges.** DFID judges IFAD’s organisational strengths as only “satisfactory”. In essence, DFID notes IFAD has a strong results framework and partnership culture. However “administration costs are currently too high and project efficiency needs to improve”; IFAD “needs to build on its recently introduced country presence”. The DFID review also finds that “disbursement rates are low in comparison with other agencies and administrative procedures need to be streamlined.”

3.24. **IFAD Management is responding to efficiency concerns.** To manage corporate overheads, the IFAD Executive Board introduced an institutional efficiency ratio in 2005. The ratio is calculated by determining the percentage of IFAD’s annual administrative budget in relation to its program of work. It was decided that the percentage should not exceed 17.1 per cent and the Fund was required to work towards reducing the ratio to a target of 13.5 per cent by 2012 within the context of the corporate results measurement framework for the Eighth Replenishment (2010-2012). The efficiency ratio has been diminishing consistently and is expected to be around 14.4 per cent in 2011 and close to the 2012 target despite increases in the program of work and the administrative budget since 2005, as shown in Chart 10. If external resources directly managed and supervised by IFAD are included in the program, the institutional efficiency ratio is 9.4 per cent which is comparable to other multilateral development banks.

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Knowledge management, monitoring and evaluation, and mainstreaming

3.25. **IFAD performs strongly on knowledge management within the institution.** MOPAN survey respondents provided a positive assessment of IFAD for consistently monitoring its delivery and external results and for involving stakeholders and beneficiaries in these activities.

3.26. **IFAD also has an active program of knowledge management and dissemination to external audiences.** IFAD has commissioned and published policy relevant research, often in partnership with other organisations, on topics such as land grabbing; remittances in rural areas; weather index insurance; indigenous peoples; community participation; and rural youth.

3.27. **IFAD has strong evaluation processes.** IFAD’s Independent Office of Evaluation (IOE) is responsible for evaluating IFAD’s operations and policies. The IOE reports directly to the Executive Board and is structurally independent of IFAD’s management. IFAD received the highest rating in the MOPAN assessment for the independence of its evaluation unit.

3.28. An assessment by the Swedish Agency for Development Evaluation concluded that **IFAD management took its own evaluation results seriously.** In particular, the report found that “The objective of enhancing transparency and holding IFAD management accountable for response actions (to evaluation findings) is largely fulfilled.

3.29. **IFAD has a generally good record on mainstreaming.** IFAD has clear and explicit policies on gender: “Mainstreaming a gender perspective in IFAD’s Operations” was developed to operationalise the gender mainstreaming principles contained in IFAD’s Strategic Framework 2002-06. Gender mainstreaming/women’s empowerment are part of IFAD’s Targeting Policy and the Strategic Framework 2007-10.46

4. Conclusion

4.1. This desktop analysis summarises key factual and quantitative data about IFAD, as background to any decisions the Australian Government may make about re-engaging with IFAD. The analysis shows an organisation with clear strengths including a clear mandate focused on smallholder rural development; a strong results management system; a capacity to mainstream poverty, gender and indigenous groups into programs; and an independent evaluation system. The paper also shows an organisation managing significant ongoing reforms, including development of a stronger presence in-country, as well as financial and human resource management. However, IFAD needs to manage other challenges if it is to reach its full potential: more systematically addressing issues of scaling up; strengthening its capacity for policy dialogue; and continuing its reform agenda for financial and human resource management.

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