



UNIFAD PROFILE REPORT

2023

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President's Foreword



IFAD at a Glance

More than 828 million people suffer from food insecurity worldwide. This is because of the lack of necessary resources, infrastructure, capacities, etc. At IFAD, our mission is to better implement, teach and provide ways to create jobs, access, investment and many other institutional based changes to those in need. It is our goal and determination to increase our impact in the most effective way possible. As an international organization, we have pledged to implement the Sustainable Development Goals to tackle existing and future challenges.

Enhancing Operational Excellence

As there are many countries where agricultural development is needed, in order to be the most effective, we have recipients go through a rigorous, yet

transparent process. We grant funds to those who are the most in need and strategically relevant, making our application process quite competitive. This is because we want to fund those who will efficiently and effectively implement our practices into their everyday lives. At IFAD we help recipients lead their own development, making it a more personal and sustainable approach to a system of institutional change and increasing their own capacities.

Focusing on Delivery

To really integrate the local people of rural areas, we focus on initiatives that empower women, indigenous peoples and offer work to youths. While keeping a focus on these transformative initiatives and our other priorities, it is just as important to document our progress as it is to our delivery.

We have implemented impact assessment reporting that accounts for various factors including economic factors, natural disasters or conflicts. Unique to IFAD, we conduct our impact assessments on at least 15% of our project portfolio, making us the only International Financial Institution that reports its results through a diligent impact assessment at corporate level.



Facing the Future

We are currently in our 12th replenishment, and continue to strive to achieve our goals. We will also continue to implement reforms and expand our outreach to those in need. With our firm fundamentals and foundations facing the injustices of hunger and poverty, we are better positioned to deliver and fulfill our mission, achieving them through the Sustainable Development Goals.

With all the achievements made and goals we are working towards, we give thanks to those who have continuously

committed and dedicated their hard work and time. Thank you to the staff at all levels for the efforts to help IFAD strive towards greatness.

Alvaro Lario
President of IFAD

Introduction

The International Fund for Agricultural Development (IFAD) is a multilateral organization that focuses on eliminating poverty and hunger in poor, rural areas through agricultural development. IFAD is unique because of its dual status as a specialized United Nations (UN) agency and an international finance institution (IFI). IFAD is based in Rome, Italy – the UN’s food and agriculture hub.¹

IFAD is a partnership between the members of the Organization of Petroleum Exporting Countries (OPEC), members of the Organization for Economic Co-operation (OECD), and other developing countries. Today, 177 countries participate as IFAD Member States.²

Since its establishment, IFAD has provided over US\$24 billion dollars in grants and loans to fund projects and programs in recipient countries.³

¹IFAD. “About IFAD.”

²IFAD. “Governance of IFAD.”

³IFAD. “Investing in rural people, Cambodia.”

Our History

In 1977, IFAD was established as the 13th specialized agency of the United Nations. The establishment of IFAD was a major outcome of the 1974 World Food Conference and was intended to respond to the world food crises in the 1970s.⁴ At the conference, world leaders determined that food security issues were not due to a lack of food, but were related to structural problems, specifically poverty. As a result, IFAD was established to finance agricultural development projects to expand food production and eradicate poverty in poor, rural communities.⁵

Our Philosophy

At IFAD, we believe that the key to reducing rural poverty is inclusive and sustainable agricultural development. By investing in those who are most likely to be left behind, the rural poor, small-scale food producers, women, Indigenous

⁴Uma Lele and Brian S. Baldwin, “The International Fund for Agricultural Development,” in *Oxford University Press EBooks*, 2021, 807–48,

⁵ IFAD. “History of IFAD.”

people, and youth, we can empower them to increase their food security and incomes, build resilience, and lead their own development. While tackling food nutrition and security, we heavily focus on connecting these farmers, rural men and women to markets and services. We also aim to tackle the challenges of inequality and social inclusion, creating more stabilized communities.

Our Goals

Through the implementation of our projects and practices that have proven to be effective in rural areas, our overarching goal is to reduce poverty. Within this main goal, we also hope to strengthen the voices, capacities and organizations of these rural and indigenous peoples. Increased capacities lead to rural and economic growth, increasing their incomes as a goal to accomplish along the way. We strive to achieve these increased incomes through the creation and access to jobs and increased productivity, tackling food security as well.

Internal Structure

Membership in IFAD is open to any United Nations Member State or any

Member State of any UN specialized agency. Our 177 Member States have decision-making power over all IFAD issues. They govern IFAD through the Governing Council and the Executive Board.

IFAD's primary decision-making body is the Governing Council. The council is an annual meeting of all Member State representatives. The Governing Council decides on various IFAD matters, such as approval of the administrative budget. Within the Governing Council, voting rights are allocated in different ways. Membership votes are distributed equally among all Member States, and contribution votes are distributed among all Member States in proportion to their paid contributions to IFAD.

IFAD's secondary decision-making body is the Executive Board. The Executive Board is made up of 18 elected Members and 18 Alternate Members that meet three times a year. It is in charge of making decisions regarding the approval of IFAD's programs and projects.

Where We Work⁶

At IFAD, we have divided up the world by the regions of:

Asia & the Pacific

- 53 ongoing projects in 20 countries
- US\$ 2,561.0 million ongoing IFAD financing

East & Southern Africa

- 46 ongoing projects in 17 countries
- US\$ 1,891.5 million ongoing IFAD financing

Latin America & the Caribbean

- 27 ongoing projects in 17 countries
- US\$ 487.9 million ongoing IFAD financing

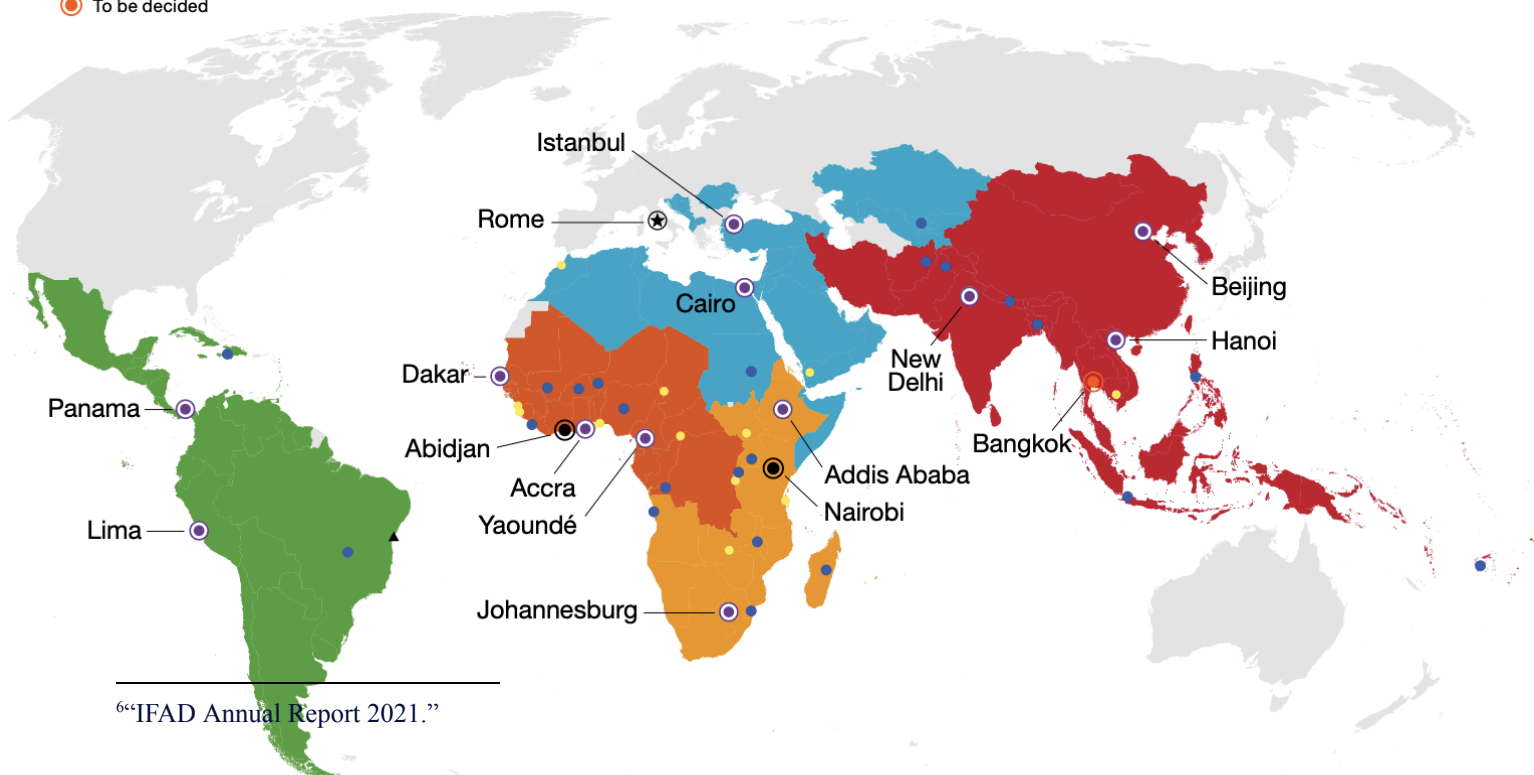
Near East, North Africa, Europe & Central Asia

- 32 ongoing projects in 17 countries and Gaza and the West bank
- US\$ 921.9 million ongoing IFAD financing

West & Central Africa

- 49 ongoing projects in 22 countries
- US\$ 1,865.2 million ongoing IFAD financing

- ★ IFAD headquarters
- Country director-led office
- Regional office
- Country programme officer-led office
- Multi-country office
- ▲ Satellite office
- To be decided



⁶“IFAD Annual Report 2021.”

Highlighted Projects

Asia and the Pacific⁷

In the Lao People’s Democratic Republic:

- **15,000** Households lifted above the poverty line
- **25,000** households became food secure
- Over **22,000** women in the project area have improved dietary diversity
- **34,000** households trained in agricultural production



Latin America and the Caribbean⁸

In Nicaragua:

- **58%** of all project participants were **women**
- Both **women** and **men** reported benefits associated with the more **equal** relationships between wives and husbands

Near East, North Africa and Europe⁹

In the Republic of Moldova

- **27,146** Hectares of land brought under climate-resilient practices
- **57,470** rural people benefitted from the program

⁷ “Asia and Pacific,” n.d.

⁸ “Latin America and the Caribbean,” n.d.

⁹ “Near East, North Africa and Europe,” n.d.

IFAD's Model¹⁰

Our Approach

IFAD assists in the development of receiving countries by providing low-interest loans and grants. IFAD also utilizes co-financing from Member States, developing countries, and project participants. To empower and enable rural people to lift themselves out of poverty, IFAD projects focus on connecting people with access to markets, finance, technology, and information. Additionally, our work promotes gender equality and inclusion, community capacity building, and strengthens resilience to climate change.

- Training people in business and entrepreneurship
- Implementing digital finance for use by rural small-scale farmers
- Adopting climate-smart technologies
- Improving natural resource management
- Providing nutrition education

Some examples of our project and program focus areas include:

- Training people in crop production practices and technologies
- Constructing or repairing roads, so people can access markets
- Forming marketing groups

¹⁰ uncertain

Project Cycle ¹¹

At IFAD, we seek to increase the participation of stakeholders and local rural peoples alike through projects and feedback modalities to further better their agricultural development.

To better understand the importance of feedback models and our project cycle, the theory of change perfectly sums up our project goals.

Project Theory of Change¹²

Our aim is to enhance the quality and accessibility of the services provided to rural communities living in poverty. The implementation of this framework is centered around the following objectives:

- Increasing governments' and partners' commitment to engage vital stakeholders, especially local and national representatives
- Improve quality and inclusiveness stakeholder engagement and feedback processes at the project level
-
-

- Improve monitoring and results reporting on stakeholder feedback (from project groups)
- Strengthen capacities of project target groups and other stakeholders to sustainably participate and manage feedback processes.

These objectives are reflected in the theory of change, which encompasses various components such as activities, outputs, short-term/ intermediate/ long-term outcomes, and the overall goal. Subsequently, these elements are operationalized through our project cycle, enabling the translation of theory into action.

There are three steps to our project cycle:

Step 1: Design

Project designs incorporate well-defined plans that articulate the project's objectives while also recognizing and addressing the specific needs and priorities of the local community.

Step 2: Implementation

The implementation process entails establishing local farming organizations and communities, allowing IFAD to closely monitor progress and gather

¹¹ IFAD. "Framework for Operational Feedback from Stakeholders: Enhancing Transparency, Governance and Accountability." pg. 7

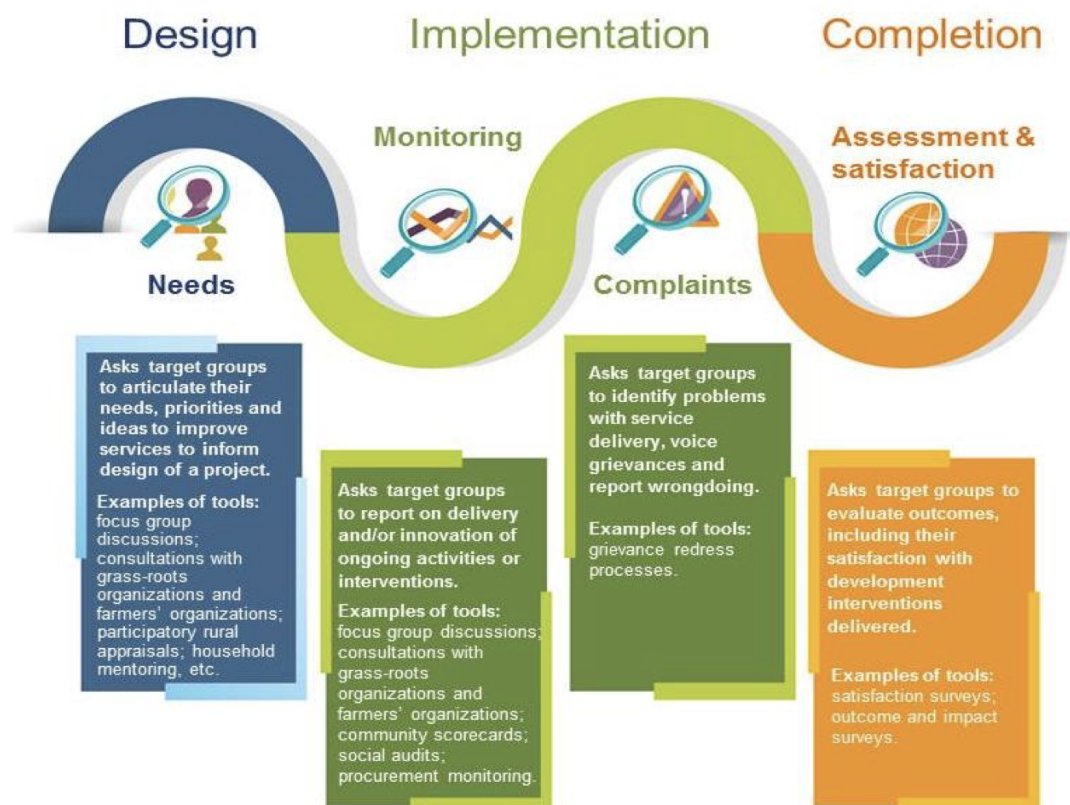
¹² IFAD. "Framework for Operational Feedback from Stakeholders: Enhancing Transparency, Governance and Accountability." pg. 2

feedback to identify and address any challenges. Our projects are also executed in collaboration with relevant ministries, government agencies, non-governmental organizations (NGOs), and private companies, ensuring a comprehensive and inclusive approach.

We have established a robust [grievance and redress process](#) to empower the target groups to express their concerns, raise complaints, or report any wrongdoing. These resources are easily accessible and widely available to ensure a prompt resolution to any potential or actual negative impacts. This inclusive system covers a range of grievances, including allegations of fraud, corruption, sexual exploitation, and abuse. We have implemented a confidential reporting channel that remains easily accessible for the local rural communities to utilize.

Step 3: Completion

Upon the conclusion of a project, we actively encourage target groups to provide feedback on their experience. This feedback encompasses evaluation outcomes and their satisfaction levels regarding the interventions implemented in their communities. To gauge satisfaction upon project completion, IFAD conducts surveys, including satisfaction surveys and participatory outcome and impact surveys, to gather comprehensive insights directly from the beneficiaries.



Finance¹³

IFAD's operational funding primarily relies on member state contributions, loan repayments, investment income, and special contributions from non-member states. Additionally, IFAD explores alternative financing sources such as sovereign borrowing and, more recently, concessional loans and borrowing from international capital markets.

IFAD, like other supranational lending institutions, possesses a solid business profile founded on transparent governance and management expertise, the significance of its public mandate, strong stakeholder relationships, and the advantage of preferred creditor treatment.

IFAD actively participates in diverse working groups of MDBs and IFIs, collaborating to harmonize policies, practices, and facilitate knowledge sharing.

Financing Terms

IFAD is the only International Financial Institution (IFI) that is established to mobilize resources for agriculture and rural development in developing countries. This makes IFAD also the only IFI with the specific mandate to eradicate

poverty and hunger. We do this by investing in poor rural people through financial and technical cooperation to agriculture and rural development projects.

As IFAD aims to reduce rural poverty, we also aim to improve nutrition and increase food production. We do this by providing loans and grants for programs or projects that help increase capacities, economic growth, reduce inequalities and improve living conditions of local rural people.

To help low-income countries restore or maintain their external debt sustainability, we are considering utilizing the Debt Sustainability Mechanism. The Debt Sustainability Framework (DSF)¹⁴ (from the World Bank) allows IFAD and other creditors to assess risks to debt sustainability. The DSF also looks closely and classifies Low-Income Countries (LICs) based on their debt-carrying capacities, then estimates threshold levels for highlighted debt burden indicators.

Financial Management

To show stakeholders our ability to reach our objectives and show adequate

¹³ IFAD. "Finance," n.d.

¹⁴ World Bank. "Debt Sustainability Framework," n.d.

governance arrangements are in place, management and oversight of financial resources are essential. Financial management actively contributes to IFAD's development effectiveness by aiding in the improvement of delivery mechanisms and the attainment of higher disbursement levels.

IFAD, as it progresses as an IFI and maintains its reputation as a trusted development partner, reinforces its commitment to development by continuously improving its business model and strategic operational development. This is accomplished through the implementation of harmonized FM best practices, the formulation of modernized operational policies that incorporate sound FM processes, and the efficient management of knowledge resources.

Investment Management

IFAD's investment management activities focus on the efficient administration of the organization's liquidity portfolio. This portfolio primarily consists of fixed income securities with investment grade ratings and is actively managed in accordance with the Fund's Investment Policy guidelines. Governance of the portfolio is established through the control measures outlined in the Internal Control Framework, and IFAD's Investment

Portfolio Report provides comprehensive insights into the risk and return measures.

The composition of the investment portfolio consists of funds obtained from member contributions as well as funds acquired through borrowing. IFAD has established the sovereign borrowing framework to govern resources borrowed from sovereign entities, while the concessional partner loans framework serves as the governing document for concessional partner loans.

Apart from overseeing the investment portfolio, the Fund also assesses the portion of funds within the portfolio that is accessible for commitment, referred to as resources available for commitment.

Current Priorities¹⁵

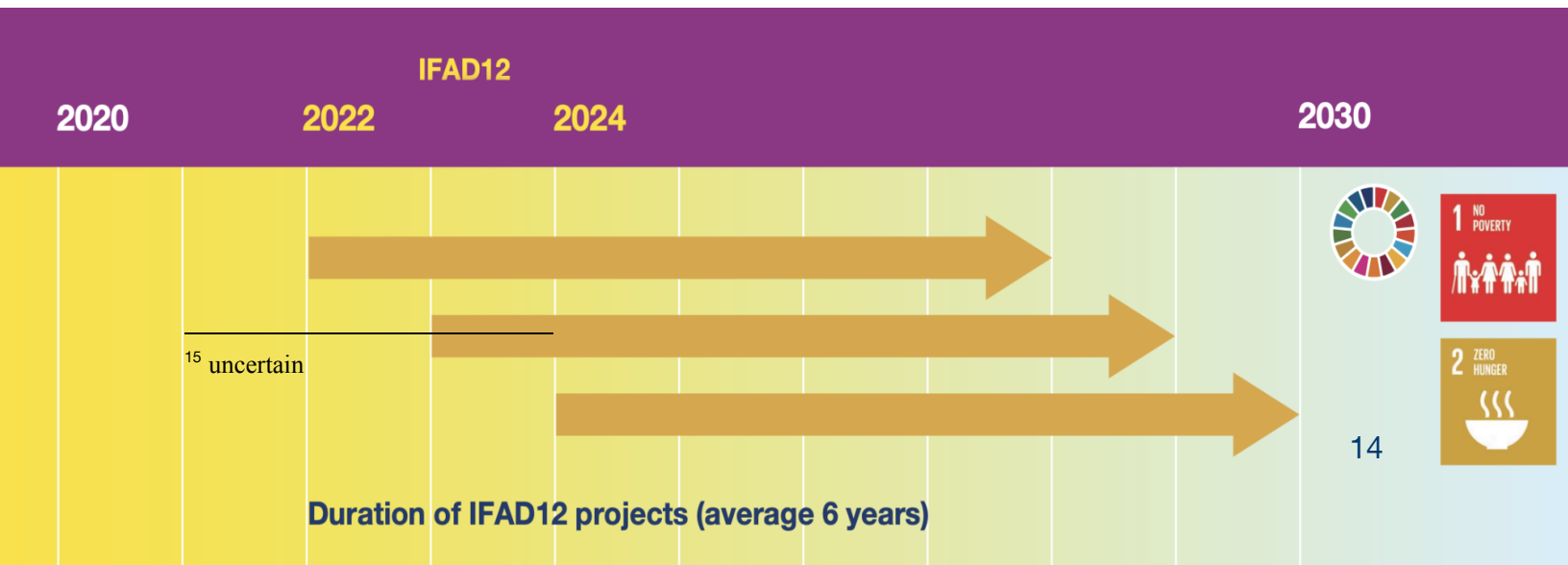
IFAD’s funding and priorities are evaluated on a three-year replenishment cycle. We are currently in the Twelfth Replenishment cycle. To continue making progress toward sustainable agricultural development and the Sustainable Development Goals (SDGs), our current priorities during IFAD’s Twelfth Replenishment (2022-2024) are:

- **40%** of loans and grants focus on climate adaptation and the environment
- **60%** of projects prioritize youth
- **35%** of projects are designed to address structural gender inequality
- **60%** of projects are related to improving nutrition

Twelfth Replenishment

RECOVERY. REBUILDING. RESILIENCE.

- Increase the incomes of **28 million people** each year by 2024
- **50%** of donor contributions go to sub-Saharan Africa
- **25%** of donor contributions go to conflict-affected countries
- **Improved sustainability** of results
- **Improved efficiency** of programs
- **Updated approaches** to working in conflict-affected countries



Impact

Examples of Our Work

To illustrate the scope of our work and results, here are some highlights from projects evaluated for the IFAD10 Impact Assessment:

Bangladesh¹⁶

Project: Coastal Climate Resilience Infrastructure Project (CCRIP) (2013-2019)

Objectives: Making access to markets easier for poor, rural farmers by constructing flood-resistant roads, making community markets more resilient to environmental shocks (e.g. monsoons) and improving market facilities, providing jobs for women through labor contracting societies (LCS).

Inputs: Constructing raised flood-resistant roads, installing drainage systems to combat markets from flooding, and installing toilets in community markets. Much of the construction work was done

by rural women who were trained by LCS.

Outreach & Outputs:

- **3.5 million** beneficiaries
- **178** markets improved
- **355** kilometers of roads constructed or improved
- **5000** women trained and employed by LCS

Figure 1. Key impact estimates from CCRIP.¹⁷



¹⁶ IFAD. “Impact Brief, Bangladesh.”

¹⁷ IFAD. “Impact Assessment: Smallholder Dairy Commercialization Programme (SDCP),” n.d.

Kenya¹⁸

Project: Smallholder Dairy Commercialization Programme (SDCP) (2006-2013)

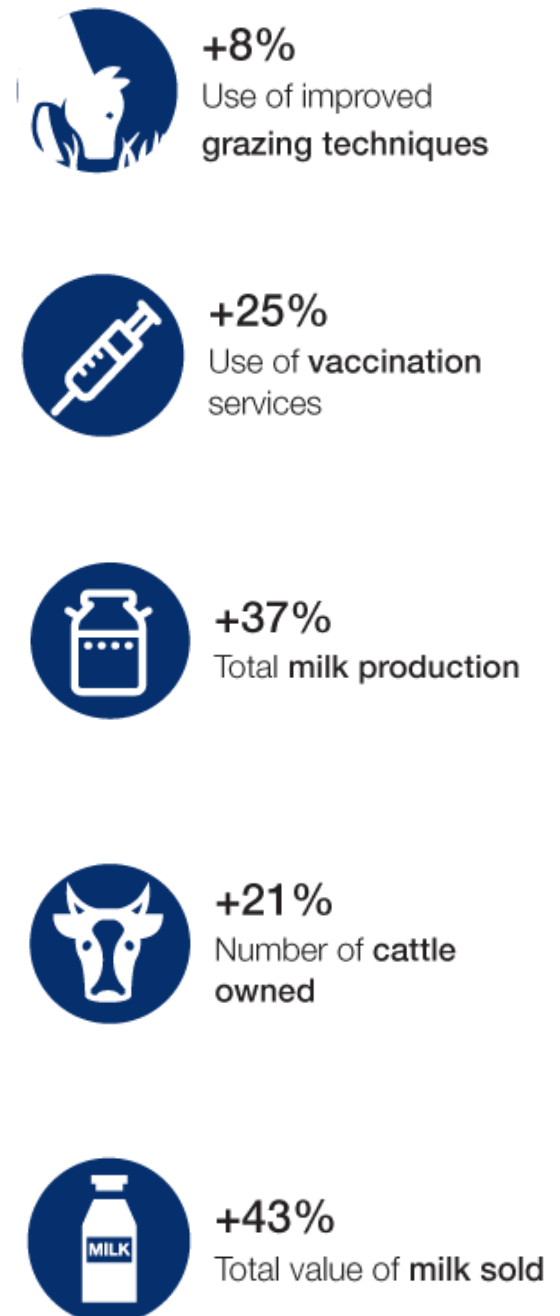
Objectives: Addressing limitations within Kenya's smallholders' milk sectors by increasing production and participation in milk markets.

Inputs: Providing training to dairy groups to increase their organizational and entrepreneurial skills, providing technical support on artificial insemination, disease prevention, and management techniques, establishing milk-cooling facilities, and improving market infrastructure and roads to markets.

Outreach & Outputs:

- **120,000** beneficiaries (60% were female)
- **13,132** rural dairy farmers supported
- **8** dairy facilities established
- **27** community artificial insemination initiatives created

Figure 2. Key impact estimates from SDCP.¹⁹



¹⁸IFAD. "Impact Brief, Kenya."

¹⁹ FAD. "Impact Brief, Kenya."

Mexico²⁰

Project: Community-based Forestry Development Project in Southern States (DECOFOS) (2011-2016)

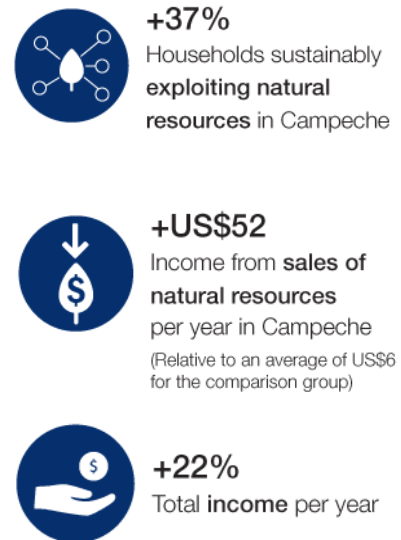
Objectives: Combating deforestation and improving livelihoods of rural people through improving forest resource management and diversifying incomes.

Inputs: Training community members in resource management and climate adaptation techniques,

Outreach & Outputs:

- **180,000** beneficiaries
- **431** organizations supported
- **9,441** people trained in natural resource management, business management, climate change adaptation, etc.
- **126** micro entrepreneurial projects established

Figure 3. Key impact estimates from DECOFOS.²¹



²⁰IFAD. "Impact Brief, Mexico."

²¹IFAD. "Impact Brief, Mexico."

Impact Assessment Cycle²²

Overview

IFAD implements impact assessments to see and understand whether changes in the lives of our project participants can be attributed to the project itself.

We conduct 15% at least on our project portfolio. This also provides a representative sample of IFAD's overall portfolio.

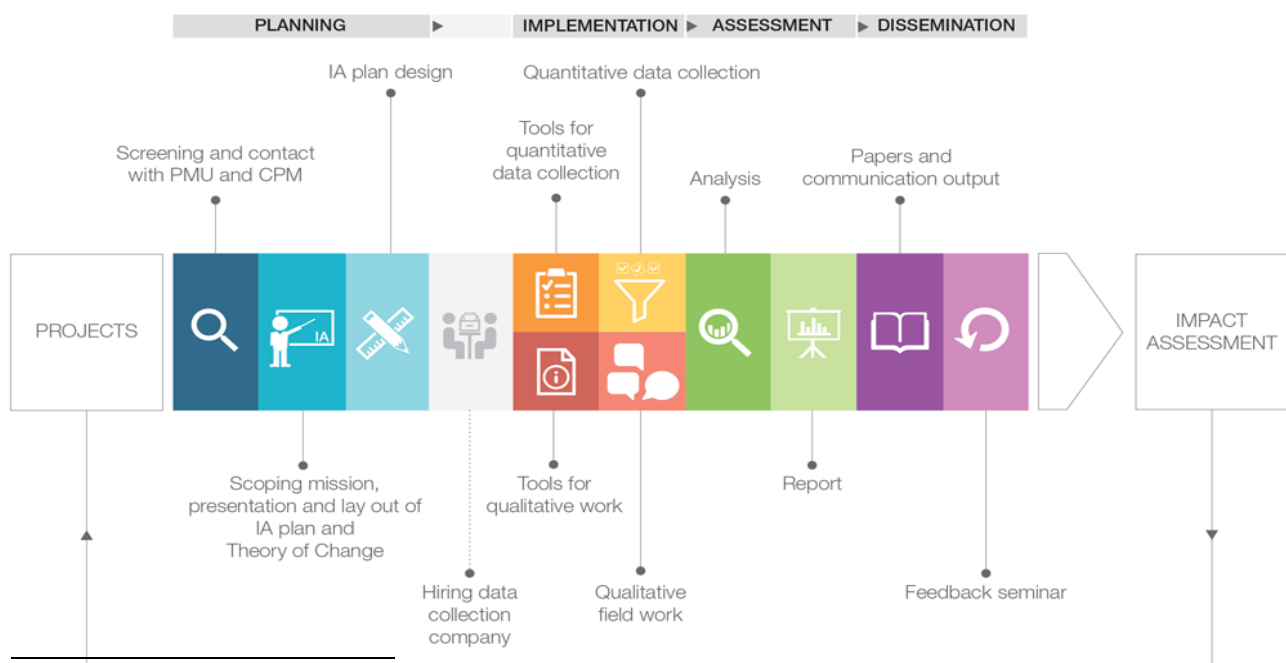
There are 4 stages to our impact assessment cycle:

Stage 1: Planning

IFAD's Research and Impact Assessment division provides guidance to country teams and project staff on conducting impact assessments. This process involves developing the project's theory of change, identifying key indicators, and formulating policy-relevant research questions. Subsequently, an impact assessment plan is prepared, encompassing the strategy and crucial steps involved.

Stage 2: Implementation

Developed with partners, IFAD uses both qualitative and quantitative instruments. Next, local and trusted researchers use tablets to conduct interviews and collect standardized survey data.



²²IFAD. "Impact Assessment," n.d.

Stage 3: Assessment

Data then undergoes a standardized protocol for cleaning, processing, and analysis. Our rigorous protocol ensures transparency, consistency, and comparability in empirical analyses across projects and countries. This enables us to calculate impact estimates and project them to the broader IFAD project portfolio.

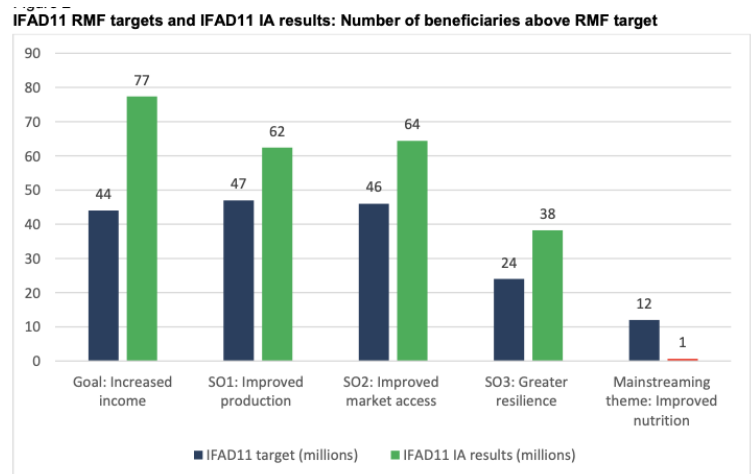
Stage 4: Dissemination

Upon the completion of the impact assessment, a feedback seminar is conducted to facilitate dialogue between researchers and policymakers, project partners, and other relevant stakeholders. The seminar serves as a platform to discuss and share the assessment results, aiming to bridge the gap between research findings and policy implications.

Impact Assessment Reporting²³

When reporting impact assessments, IFAD provides a plethora of information that segways into future project designs and strategies. Within each three-year cycle, our Results Management

Framework (RMF) establishes specific targets for the overall impacts of IFAD's entire portfolio, aligned with the overarching goal and three strategic objectives. The overarching goal focuses on promoting enhanced economic mobility, while the three strategic objectives encompass objectives such as improved production, enhanced market access, and increased resilience.



From our IFAD11 Assessment Report our corporate impact results show that IFAD exceeded all of the targets set out in the IFAD11 RMF.

The only target we did not reach in the IFAD11 RMF was the mainstreaming theme of nutrition that was added for the first time during the target setting for IFAD11.

²³ IFAD. "IFAD11 Impact Assessment Report." pg. 5

Adapting to Uncertain Times

Rural Poor Stimulus Facility (RPSF)²⁴

In April 2020, as the global impacts of the COVID-19 pandemic had started to be felt around the world, IFAD launched the multi-donor COVID-19 Rural Poor Stimulus Facility (RPSF) initiative that sought to improve the resilience of rural livelihoods in the context of the crisis by ensuring timely access to inputs, information, markets, and liquidity.

The Rural Poor Stimulus Facility aims to improve the food security and resilience of poor rural people by supporting production, market access, and employment, to help the poorest and most vulnerable rural people recover from the COVID-19 crisis.

The RPSF provides aid by:

- Providing inputs and basic assets for production of crops, livestock and fisheries
- Helping to support small-scale farmers in selling their products in conditions where market functions are restricted

- Providing financial services assistance and easing repayment requirements
- Promoting the use of digital services to deliver key information on production, weather, finance and markets.

RPSF assistance was channeled through existing IFAD projects and programs, as well as through non-state actors – farmers’ organizations, NGOs, and private sector players already engaged in supporting IFAD.

Some examples of the assistance provided through RPSF:

Djibouti – when COVID-19 struck, fish merchants could not travel to markets, and unsold fish was wasted. The RPSF funded cold rooms and other equipment so that fish could be preserved – reducing waste, and boosting nutrition and incomes. These storage facilities have helped make the food supply chain more flexible and resilient.



²⁴ Uncertain

Pacific Islands Rural and Agriculture Stimulus (PIRAS)²⁵ - This initiative is a collaboration between IFAD and the Australian Government which is also part of the RPSF. In light of the COVID-19 pandemic, the economic impact affected different countries within the Pacific Islands because of dependence on imported food.

To help combat and minimize the impact of the pandemic on rural households, PIRAS expanded knowledge around production, distribution, and consumption of nutritious local foods. They also enabled safe post-harvest handling and local food preservation, strengthening markets and business skills. These were delivered through existing IFAD programs that supported the food system and economic recovery by prioritizing food self-reliance, improving local nutrition and developing sustainable, equitable agricultural livelihood.



²⁵ “Pacific Islands Rural & Agriculture Stimulus Facility Project (PIRAS) – Partners in Community Development Fiji,” n.d.

Crisis Response Initiative (CRI)²⁶

In 2022, to respond to the impact of the war in Ukraine on global food systems, IFAD set up the Crisis Response Initiative (CRI). This initiative is intended to address urgent needs caused by the war while tapping into new market opportunities for small-scale producers. Given limited resources, the CRI prioritizes assistance for countries that are in greatest need, mostly in Africa and Central Asia. The CRI focuses on interventions tailored to:

1. Ensure access to inputs, such as seeds, fuel, and fertilizer;
2. Support access to finance for rural producers' immediate needs;
3. Invest in small-scale infrastructure to improve productive capacity and reduce post-harvest losses; and
4. Facilitate access to markets and information on markets.

The CRI has also been designed to build on the experience and success of the RPSF, making IFAD well experienced in intervening during severe crises, and addressing related shocks to inputs and supply.

IFAD responds to crises to the extent possible through its existing instruments, policy engagement and financial capacity.

In the same respect, the CRI will leverage IFAD's ability to respond to crises with speed by channeling additional grant resources also through existing projects to countries where the impact of the crisis is most felt by poor rural people and small scale farmers.

Rationale of the CRI

- **From a financial perspective:** Availability of grant resources is crucial for countries experiencing financial distress, particularly when the crisis is affecting their balance of payments and their fiscal capacity is constrained. This situation undermines their ability to invest in inclusive rural transformation, both in the public and private sectors. It is essential to prioritize the maintenance of short-term productive expenditures in agriculture and the rural sector, even when these expenses may face competition from other public expenditure areas such as food subsidy programs.

²⁶ IFAD. "IFAD's response to the impacts of the war in Ukraine, A Crisis Response Initiative (CRI)."

- **From an operational perspective:** It is necessary to mobilize additional resources to address urgent and extraordinary spending requirements, particularly focused on promoting productive rural livelihoods that

sustain local food systems and markets. This becomes even more critical as the longer-term consequences of the crisis become evident. Furthermore, these implications can be effectively tackled through regular programmatic activities in the medium term, in alignment with borrowing countries and within the parameters defined by IFAD's Strategic Framework and IFAD12 Replenishment.

CRI Targeting Approach

Learning from the RPSF, IFAD needs to prioritize sufficient resources to generate a meaningful impact. The starting point for eligibility is debt distress. To be eligible, countries must also be IFAD members with an active portfolio.

In order to establish priorities among eligible countries, IFAD has adopted a two-step approach. This approach aims

Table 1. Countries targeted through the Crisis Response Initiative (TBC)

Country Info		Country Selection metrics							Ranking ordinance	
Region	Country	Eligibility	Impacts of Ukraine and existing vulnerabilities					First order:	Second order:	
		Country classification by granularity of concessionality	Active conflict (WEI)**	Medium-Very High food security risk (indicator of INFORM)**	Medium-Very High natural hazards and exposure indicator of INFORM)**	Trade exposure to cereals (UNCTAD) *****	Sunflower oil's share of total value of imports is relatively high (FAC) *****	Import dependence on fuel (UNCTAD) *****	Number of destabilizing factors *****	ranking of general susceptibility and vulnerability to shocks (INFORM risk score) *****
NEN	Somalia*	Not eligible to PoLG due to arrears	x	x	x	x	x	x	6	1
APR	Afghanistan	Country in debt distress	x	x	x	x	x	x	6	3
NEN	Yemen	Not eligible to PoLG due to arrears	x	x	x	x	x	x	6	4
ESA	Mozambique	Country in debt distress	x	x	x	x	x	x	6	9
LAC	Haiti	Country in debt distress	x	x	x	x	x	x	6	17
ESA	Ethiopia	Country in debt distress	x	x	x		x	x	5	12
ESA	Burundi	Country in debt distress	x	x	x		x	x	5	24
ESA	Eritrea	Country in debt distress		x	x	x	x	x	5	29
ESA	Madagascar	High risk of debt distress		x	x	x	x	x	5	43
WCA	Central African Republic	Country in debt distress	x	x			x	x	4	6
ESA	Malawi	High risk of debt distress		x	x		x	x	4	59
WCA	Chad	Country in debt distress	x	x	x				3	5
WCA	Niger	High risk of debt distress	x	x	x				3	8
WCA	Mali	High risk of debt distress	x		x			x	3	11
ESA	Uganda	High risk of debt distress		x	x			x	3	18
WCA	Liberia	High risk of debt distress		x	x	No data		x	3	32
WCA	Guinea-Bissau	Country in debt distress		x		x		x	3	72
WCA	Gambia	Country in debt distress		x		x		x	3	85
ESA	Comoros	High risk of debt distress		x		x		x	3	93
APR	Sri Lanka	Country in debt distress			x		x	x	3	96
APR	Bhutan	High risk of debt distress		x	x			x	3	112
WCA	Benin	High risk of debt distress				x		x	2	65

to assess the impact of the ongoing crisis, determine the level of need and food insecurity, and evaluate the presence of other severe crises in each country.

This table shows the countries that are most affected by the crisis, while noting which countries are also in active conflicts, concurrent natural disasters and high levels of food insecurity.

Hence, the primary objective of the CRI is to mobilize substantial resources to address the urgent needs of 22 priority

countries, along with other emerging countries facing similar challenges. The CRI approach is designed to be scalable, allowing for adjustments as resources become accessible and in coordination with global response initiatives.

Furthermore, IFAD will continuously monitor countries that were not initially included but may become eligible, promptly incorporating them into the initiative as required. An example of this was the recent addition of Sri Lanka due to its economic crisis and default, as well as the impacts of the Ukraine war.

Reflecting on Our Work

Best Practices ²⁷

Over the past 45 years, IFAD has figured out the best and most efficient ways to transform rural communities.

IFAD measures the impact of its investments by systematically conducting assessments of a sample of its projects during each replenishment period. In the Impact Assessment for the Eleventh Replenishment (2019-2021), we determined that we had exceeded expectations for our overarching goal of increasing economic mobility for 77 million people. We also exceeded expectations for strategic objectives including increasing production, increasing market access, and improving resilience. The only expectation we did not meet was for our mainstreaming theme, improving nutrition.

The Impact Assessment for the Eleventh Replenishment revealed several themes that contributed to achieving our goals:

1. Connecting people to markets is critical to maximizing benefits:
When people are able to access

markets and sell their products on a bigger scale, they can benefit from their increased productivity. In addition to focusing on increasing productivity, projects should invest in the “middle” of the agricultural food production chain, such as processing, wholesale, and transportation.

2. Strengthening resilience requires projects to address both short-term shocks and longer-term stress: When rural people are equipped with the tools and techniques to handle and recover from environmental shocks, they are able to continue producing food and earning money. By learning how to account for potential shocks, rural people are able to recover faster and protect their sources of income.
3. Community-driven development: In order to create sustainable development, projects need to be led by local people. Local people know their communities and needs best. Therefore, we collaborate with local people to ensure that solutions are appropriate for local contexts.

²⁷ Uncertain

4. [Increased food security does not automatically improve nutrition, because behavioral and societal changes are necessary. To achieve improvements in nutrition, investments should be made in nutritional education and training, labeling and traceability of food items, and interventions to influence consumer preferences.]

5. Empowering women: By providing women with tools for economic empowerment, women have improved status in rural communities. When women are empowered, they can more fully participate in their communities and contribute to community development. [IFAD's projects have been successful in increasing women's decision-making power regarding family livelihood, as well as promoting women's ownership of assets. The promotion of women's decision-making power can help to stimulate broader change in social norms related to gender.]

Lessons Learned²⁸

After the conclusion of the IFAD's Eleventh Replenishment cycle (2019-2021), we have identified four main lessons:

remains to be done on asset ownership and shifting societal gender norms.]

- Invest in value chains: To increase incomes sustainably, projects need to connect farmers to markets and invest in the midstream of agrifood chains.
- More holistic approach to resilience: Future projects need to be designed to account for and manage both chronic and acute shocks.
- Improve nutrition education: Although many of our projects improved food security, they had minimal effects on improved nutrition or diversified diets. Future projects should integrate nutrition education more prominently into their design and promote behavioral change.
- Decision-making power for women is the first step toward transformative change: [Women have made progress with respect to decision-making power. More

²⁸ Uncertain