

GLOBAL AGRICULTURE AND FOOD SECURITY PROGRAM (GAFSP)

INFORMATION NOTE TO THE STEERING COMMITTEE

ON THE TRUSTEE, COORDINATION UNIT, AND MONITORING & EVALUATION

FY17 BUDGET PERFORMANCE

INTRODUCTION

In October 2015, the GAFSP Steering Committee (SC) approved a transition to a three-year budget cycle starting in FY16¹ with a view to simplifying the budgeting process and establishing a better, longer term planning mechanism for the Trustee and the Coordination Unit (CU) activities. This note is to inform the SC of the actual expenditures compared to the approved budget for the GAFSP Trustee, the GAFSP CU, and the Monitoring and Evaluation (M&E) work at the close of FY17.² All figures are given in US dollars unless otherwise noted.

1. TRUSTEE

Actual costs and expenses incurred by the Trustee during FY17 totaled \$435,781, which is \$43,219 less than the amount approved by the Steering Committee. This underrun was due to: (i) a decrease in investment management fees arising from the fact that the actual annual average cash balances in the GAFSP Trust Fund were lower than the projected portfolio size; and (ii) lower than anticipated audit costs.³

Steering Committee Approved Trustee Budget vs. Total Expenditures, FY16-17

	Approved Budget	Actual Expenditures	Balance
FY16	376,000	379,000	-3,000
FY17	479,000	435,781	43,219

Budgeted vs. Actual Costs for Trustee Services in FY17 (USD)

Trustee Services	FY17 SC Approved Budget	FY17 Final Expenditures	Variance (%)
Financial and Relationship Management	75,000	75,000	0
Investment Management	254,000	220,492	-13
Accounting and Reporting	45,000	45,000	0
Legal Services	5,000	5,000	0
External Audit Fee	100,000	90,289	-10
Total	479,000	435,781	-9

¹ "FY" refers to the World Bank fiscal year, which runs from July 1 through June 30.

² This note does not report on the Supervising Entity (SE) fees, which include administrative fees and funds for project preparation and supervision, or the Civil Society Organizations (CSO) budgets. Throughout the FY the SC has agreed to the CSO budgets, like those for the Missing Middle Initiative (MMI) and the Program Evaluation, via special allocations. For the sake of transparency in monitoring and reporting, it was deemed preferable to keep these allocations separate from those for the CU and M&E budget. Therefore, a new window (Special Initiatives) was created within the Program's Trust Fund hierarchy. Activities falling within this window will be the object of separate reporting upon completion of the activities.

³ The last individual audit was done for the period FY14-FY16; the external auditor was paid in FY17. During years when there is no individual audit, the trust fund is audited as part of the single audit process at no cost for GAFSP.

2. COORDINATION UNIT

In FY17 there was an underspend vis-à-vis the originally approved budget by \$141,184. The recap table below summarizes CU financial performance thus far:

Steering Committee Approved CU Budget vs. Total Expenditures, FY16-17

	Approved Budget	Actual Expenditures	Balance
FY16	2,681,100	1,905,500	775,600
FY17	2,531,100	2,389,916	141,184

The below table provides greater details on FY17 expenditures versus budget plans. At the onset of the FY, in consultation with the SC Chair, the CU carried over \$413,234 from the FY16 savings to cover additional deliverables and previously unplanned activities, such as more outreach and partnership work, the CU coordination of the Missing Middle Initiative (MMI) proposal selection, and the development of the GAFSP Portal. The CU did not use the full amount of the FY17 approved budget nor the full amount of FY16 funds carried over to FY17. More detail is provided below.

Approved Budget vs Actual Expenditures for CU in FY17

Coordination Unit Activities	FY17 Original Budget	FY17 Revised Budget	FY17 Final Expenditures	Variance (%)
Core CU Work	519,800	441,949	401,914	-9
Outreach/Advocacy/Partnerships	447,200	719,604	693,405	-4
Communications	331,500	313,880	171,309	-45
Steering Committee + Working Group Meetings	117,300	144,960	154,546	7
TAC Meetings	326,600	428,271	264,735	-38
Operations & Portfolio	405,500	312,704	270,421	-14
KM/Sharing/Training	383,200	273,376	211,062	-23
Missing Middle		165,991	111,996	-33
Portal		143,599	110,528	-23
Total	2,531,100	2,944,334	2,389,916	-19

Total FY17 savings compared to the revised FY17 budget were \$554,418 (including the funds carried over from the previous FY), with savings in part due to careful management of the budget by the CU. The large saving of \$142,571 (45 percent) in Communications owed principally to the continued delay in recruitment of the Communications Associate to the CU and the associated

deliverables; that recruitment was finalized in FY18, with the new team member onboarded in October 2017. The under-spend of \$163,536 (38 percent) for TAC meetings was mainly the result of smaller annual fees and fee increases than anticipated, as well as lower than expected travel costs. Expenditures related to the MMI were lower than expected (33 percent below plan) because the final design documents were not submitted in FY17 and the projects were not launched during that fiscal year - to date design documents of three MMI projects have been submitted and cleared by the SC in FY18. Planned learning activities and knowledge sharing are now expected to get underway in FY18. The 23 percent cost savings for the Knowledge Forum resulted from lower than expected air travel costs for participants and CU team members. The Portal expenditures were 23 percent below plan for FY17 because planned activities were shifted into FY18; the go-live date was moved from December 2016 to July 2017 to allow further testing, particularly to ensure the integrity of the six-monthly data collection process. Finally, Operations and Portfolio costs were 14 percent below plan largely because envisaged mission travel was not undertaken.

Against these significant savings, in FY17 the CU accomplished the following key deliveries:

- Steering Committee meeting in March 2017;
- Program outreach and advocacy throughout the year (see additional information below and in Annex 1);
- Suite of thematic briefs, on Climate, Gender, Nutrition, and the SDGs, as well as a draft Business Case;
- Third GAFSP Knowledge Forum in Rome in May 2017, hosted by FAO, with attendance of team leaders and investment officers from both GAFSP Windows and all Supervising Entities; and
- Procurement of the services for the independent GAFSP Program Evaluation contract, with activities to commence in FY18.

In addition, for the Public Sector Window, the CU:

- Launched the fourth Call for Proposals in September 2016, enabling the SC, at its March 2017 meeting, to award grants totaling \$160 million to seven eligible country recipients;
- Convened the Technical Advisory Committee (TAC) in January 2017, with membership of 11 specialists in their fields;
- Supported the selection of pilot projects under the MMI (announced in October 2016 at CFS43 in Rome), with five awards totaling \$13.18m;
- Carried out a third Public Sector Window portfolio review to validate reported portfolio performance, identify challenges and bottlenecks, and identify trends and implementation examples for cross-learning;
- Completed the development and initial testing of the Portal, which went live in initial version in time to support the mid-2017 data collection exercise; and
- Undertook CU portfolio outreach missions to Liberia (AfDB) and Uganda (WB) to review performance firsthand, gather communications material, and engage with ongoing impact evaluation teams in the field.

It is proposed to carry the CU cost savings over to FY18, to support anticipated fundraising work and increased communications efforts, finalization of the Portal, lessons learning from the MMI projects, and additional CU operational travel (including for the rollout of the M&E plan and to follow up on portfolio-related issues).

Outreach, Advocacy, and Partnerships

A major priority for the CU, and the largest single CU expenditure category in FY17, was for partnerships, outreach, and advocacy activities. Expenditures in this category were just 4 percent below the revised plan; however, since they represent almost one-third of the CU expenditures and are in an area of strategic interest to the Program, further information is presented below (additional details provided in Annex 1). In this area, the CU accomplished the following strategic goals:

- Raising awareness and increasing GAFSP’s visibility among existing and potential partners, including through engagement in global fora;
- Managing and strengthening existing partnerships with implementing agencies, the United Nations, donors, civil society, and the private sector;
- Updating current donors and partners on program status and achievements;
- Cultivating potential new funding relationships; and
- Identifying potential champions for GAFSP events and advocacy.

To achieve these objectives, the CU:

- **Engaged in ongoing G7 and G20 processes**, including to provide analytical input to the G20 Initiative for Rural Youth Employment, and to co-organize with ONE an event at a G20 Forum in Berlin.
- **Organized and participated in events and carried out outreach**, delivering three events and making four major interventions; attending events such as SE Annual Meetings; carrying out outreach in current and potential donor countries; and briefing global bodies such as the G77 and China chapter in Rome.
- **Engaged with current and potential partners**, including technical partner organizations, the EAT Foundation, civil society and potential advocacy partners, private sector actors, and SEs including participating in the launch and deployment of IFAD’s SAFIN initiative.

These actions served to better position GAFSP as an effective actor in the food security and agriculture landscape, complementary and additional to – and supportive of – its SEs, particularly important as the Program heads into the strategic reform discussion in FY18.

3. MONITORING AND EVALUATION

This section presents the Monitoring and Evaluation budget performance, which includes activities carried out by DIME, ENV (formerly LLI/WBI), and the CU. At the aggregate, at the end of FY17, there was an underrun of \$649,909 for M&E activities.

Steering Committee Approved M&E Budget vs. Total Expenditures, FY16-17

	Approved Budget	Actual Expenditures	Balance
FY16	2,283,376	1,432,713	850,663
FY17	1,581,942	1,552,560	29,382

Approved Budget vs. Actual Expenditures for all M&E activities in FY17

	FY17 Original Budget	FY17 Revised Budget*	FY17 Final Expenditures	Variance
DIME	764,242	1,709,770	1,145,590	-33
WBI/LLI/ENV	211,000	211,000	151,583	-28
CU	606,700	281,700	255,387	-9
TOTAL	1,581,942	2,202,470	1,552,560	-30

*For the CU, as explained in the main text below, the revised budget reflects a transfer of \$325,000 to cover expected costs for the Program Evaluation.

ERRATUM: For DIME, the FY16 retrospective note stated that the “total amount spent and/or committed is \$828,619. The full difference (\$614,258) will be used in FY17 for planned activities. Our adjusted FY17 budget is \$1,054,281.” Regrettably, this statement was incorrect: Some FY16 open commitments were reported as part of FY16 expenditures, whereas they were carried over into and de facto disbursed in FY17. Actual FY16 disbursements were \$512,349, which would have yielded an FY16 underrun of \$945,528 for DIME. The above table correctly reflects the resources that were available for DIME for FY17.

DIME

At the start of FY17, DIME carried forward a savings of \$945,528 relative to the approved FY16 plan, as well as an approved allocation for the year of \$764,242, for a total FY17 budget of \$1,709,770. Expenditures for the year amounted to \$1,145,590, yielding a savings of \$564,179, which will be carried over fully into FY18.

In FY17, IEs in Rwanda, Nepal, and Liberia showed progress, with data collection completed in all three countries. In Rwanda, this was a fourth round of data collection; in Nepal, a midline, i.e. a first follow-up; and in Liberia, the data forms the IE’s baseline. In addition, Bangladesh and Haiti are in advanced stages of analysis and dissemination, with implementation and data collection complete in both countries. Going forward, DIME is on track to deliver on the portfolio of impact evaluations (IEs) that have been agreed upon with the GAFSP SC.

LLI/ENV (Geo-referencing)

The approved allocation for FY17 was \$211,000. Expenditure for the year was \$151,583, resulting in cost savings of \$59,417, which were due primarily to no geo-reference team missions taking place; a planned mission to West Africa, joint with the CU, was cancelled due to postponement of a CSO conference in the region and subsequent security restrictions. Some of these missions will take place jointly with MMI project launch and outreach missions in FY18.

The FY17 work of the geo-reference team focused on maintaining, updating and enhancing the content of the GAFSP Open Mapping Platform, creating additional content for GAFSP Stories, and providing support to governments’ Project Implementation Units (PIUs). The objectives were to contribute to the CU’s efforts to communicate project interventions and results, to support the M&E Plan, and to improve transparency, efficiency and social accountability of GAFSP operations.

Key results achieved by the geo-reference team in FY17:

- Updated more than 100 indicators and project locations in 31 countries with support from World Bank Country Management Units as well as in-country PIUs;
- Produced 13 new stories based on Cambodia EFAP-AF and Rice SDP projects to showcase the impact of GAFSP funding on the local communities, which are saved on the GAFSP website;
- Updated Country maps based on the location of Private Sector Window projects;
- Created a new map of Myanmar by collecting, curating and analyzing data that showed the location of the newly approved project;
- Produced a draft of the first two modules of a self-paced geocoding course that will be shared with the PIUs to facilitate the collection of geocoded data and material for showcasing project results;
- Produced a video on the GAFSP geo-referencing work shown during the March 2017 GAFSP Steering Committee meeting in Washington DC; and
- Contributed to a video blog on the GAFSP 2017 Knowledge Forum.

CU

The CU continued its oversight role of all M&E initiatives, core portfolio data collection and monitoring activities, and frequent data-driven responses to donor requests. At the beginning of the FY the CU anticipated not spending the totality of the planned M&E allocation. Therefore, with agreement from the Steering Committee, \$325,000 from the M&E budget was reallocated to cover the cost of the GAFSP Program Evaluation vendor contract. These funds are now held in a separate child Trust Fund under the Special Initiatives Window.

Noteworthy achievements include:

- Finalized the M&E Plan, distributed it to SEs, and made it available on the GAFSP website for ready reference by partners and task teams. The new plan is being implemented for all grant allocations approved at the March 2017 SC meeting;
- Implemented a new technical partnership with FAO to support GAFSP's operationalization of the food insecurity experience scale (FIES). With FAO's Voices of the Hungry (VoH) team, worked jointly on the feasibility exercise for program-wide target setting and held the first Technical Workshop/FIES orientation in Rome in January 2017⁴ with representatives of all SE attending;
- Undertook analysis to explore the feasibility of program-wide targets for changes in food insecurity prevalence (as measured by FIES) under GAFSP, with VoH guidance, with the resulting target paper finalized for SC meeting discussion in March 2017. The next phase of this work, including validation using household level micro data, is ongoing;
- The missions to Liberia and Uganda mentioned above also allowed for support to the planned M&E rollout in these countries. Both projects are now among the first wave rolling out FIES in their evaluation plans.

⁴ This workshop, while a CU-organized event, is treated in the same way as the Knowledge Forum and is not counted as a GAFSP outreach event in the CU's Tier 3 reporting.

ANNEX 1 – GAFSP OUTREACH/ADVOCACY

Engagement in ongoing global processes (G7, G20)

- **G7 Food Security Working Group** - International Symposium on Food Security and Nutrition, Tokyo, October 2016: Hosted by the Ministry of Foreign Affairs of Japan, the Working Group brought together international organizations and research institutions, civil society, and the private sector, and focused on the G7's Vision for Action towards the achievement of the Sustainable Development Goals (SDGs). The Program Manager made a presentation on GAFSP in a session focused on effective and sustainable resource mobilization, and updated actual and potential partners.
- **Meetings with the Italian Prime Minister's G7 Sherpa Office, Development Cooperation Agency, Ministry of Finance, and the Ministry of Agricultural, Food, and Forestry Policies**, Rome, Italy, February 2017: Continuing to explore the possibility of working with the Italian G7 presidency and encouraging Italy to join GAFSP, these meetings proposed a side event aimed to cover the full value chain for the G7 Agriculture Ministers' Summit October 14-15 in Bergamo, Italy. Ultimately, despite initial interest, the Italian Government did not choose to pursue this.
- **G20 Forum on Rural Youth Employment** (by invitation of German Government), Berlin, Germany, April 2017⁵: The team attended the high level G20 conference "ONE World. No hunger. Future of the Rural World"; the Program Manager served as a panelist in a session the CU co-organized with ONE entitled "Educate, Employ, Empower – How female agripreneurs will help harness the demographic dividend".

Raising awareness and promoting GAFSP visibility

The CU organized events (three events delivered, including the MMI launch) and made interventions on GAFSP or participated in panels during events organized by partners (four major interventions); engaged with recipients, current and potential donors, and partners including by participating in the Annual Meetings of the African Development Bank and the Asian Development Bank; carried out stakeholder outreach in Spain; informed Swedish SIDA about the Program; participated in the European Development Days; and raised awareness of recipients and other stakeholders via a presentation to the G77 and China chapter in Rome.

CU-organized events:

- **United Nations High Level Political Forum (HLPF)**, New York City, July 2016: Together with Zero Hunger Challenge, the CU organized a side event at the Ministerial Segment of the HLPF, entitled 'Improving Food and Nutrition Security, Reducing Poverty: Lessons from GAFSP, a Multi-Stakeholder Partnership'. Chaired by a Senior Fellow/Deputy Director at Brookings, with panelists drawn from across GAFSP stakeholders, including the former Minister of Planning (and later of Environment) for Togo, as well as IFAD, the Asian Farmers'

⁵ In Berlin, the CU initiated discussions with SEEK Development on helping GAFSP develop a fundraising engagement strategy, to implement a decision taken at the March 2017 Steering Committee meeting. These initial discussions led to the production, with the support of the Bill and Melinda Gates Foundation, of the strategy regarding OECD-DAC donors prepared by SEEK and presented at the November 2017 meeting of the Steering Committee.

Association, and the Coordination Unit (Program Manager), the event showcased the Program's results on a prominent stage and highlighted how such a multi-stakeholder partnership, aimed at increasing investments in healthy and sustainable food systems, can contribute to achieving global food security and poverty reduction.

- **Committee for World Food Security (CFS)**, Rome, Italy, October 2016: During the 43rd session of CFS, the CU delivered a launch event for the “Missing Middle Pilot Projects Initiative” (MMI) featuring the President of the Uganda National Farmers Federation, the Senior Economist (Missing Middle lead), and the Program Manager.
- **United Nations Forum on Financing for Development**, New York City, May 2017: The CU delivered a side event entitled “The Global Agriculture and Food Security Program (GAFSP): Financing Achievement of the Sustainable Development Goals along the Value Chain”. With panelists including ROPPA, the acting head of the GAFSP Private Sector Window, and the Program Manager, it helped to broaden awareness about GAFSP, focusing on its flexibility as a financing mechanism, the high degree of ownership and inclusivity of the projects financed to date, and the many ways in which the Program is contributing to the achievement of the SDGs.

GAFSP interventions in external events:

- **United Nations Forum on Financing for Development**, New York City, May 2017: At the invitation of World Bank Senior Vice President Mahmoud Mohieldin, the Program Manager delivered a brief and well-received intervention during an Inter-ministerial Roundtable on Infrastructure, highlighting that GAFSP has already delivered over \$430 million to support investments in infrastructure.
- **EAT Forum**, Stockholm, Sweden, June 2017 (at the invitation of the EAT Foundation): The Program Manager represented GAFSP on a panel about investing in the food value chain at the EAT Stockholm Food Forum, met with Forum participants, and participated in two invitation-only side events (Urban metrics and Investment risk). EAT is prepared to serve GAFSP as an advocate, and has expressed willingness to connect GAFSP to funding and technical stakeholders in Scandinavia and East Asia (the latter further to their planned Asia-Pacific EAT Forum).
- **G7 and G20 events (see above).**

Engagement with current and potential partners:

- **Spanish Ministry of Agriculture, Ministry of Finance, the International Cooperation and Development Agency (AECID), and private sector organizations**, Madrid, Spain, January 2017: A two-member CU team discussed GAFSP with different Spanish entities, highlighted Spain's multifaceted contributions to GAFSP, and discussed future financial contributions from Spain.
- **African Development Bank Annual Meeting**, Ahmedabad, India, May, 2017: A CU team member delivered an intervention on GAFSP in the session on “The G20 New Partnership with Africa: Dialogue for Better Employment and Economic Transformation Outcomes”, and promoted GAFSP among existing and new donor and recipient stakeholders.

- **Asian Development Bank Annual Meeting**, Yokohama, Japan, May 2017: A two-member CU team briefed different actors, including Executive Directors, on GAFSP and the numerous possible dimensions of partnership.
- **Presentation to G77 and China Rome Chapter Plenary**, Rome, Italy, January 2017: The Program Manager made a well-received presentation on GAFSP, fielding questions that highlighted the importance of continuing to raise the profile of the Program, including amongst recipient countries.
- **European Development Days**, Brussels, June 2017 and **Swedish International Development Agency (SIDA)**, Stockholm, Sweden, June 2017: A two-member CU team attended the European Development Days (EDD) Conference to connect with European partners and promote GAFSP, particularly with DG DEVCO of the European Commission, and met with SIDA counterparts.