

Document: EB 2011/102/R.10/Add.1/Rev.1
Agenda: 7
Date: 2 May 2011
Distribution: Public
Original: English

E



Enabling poor rural people
to overcome poverty

Comments of the Office of Evaluation on the IFAD Country Presence Policy and Strategy

Note to Executive Board representatives

Focal points:

Technical questions:

Luciano Lavizzari
Director, IFAD Office of Evaluation
Tel.: +39 06 5459 2274
e-mail: l.lavizzari@ifad.org

Dispatch of documentation:

Deirdre McGrenra
Governing Bodies Officer
Tel.: +39 06 5459 2374
e-mail: gb_office@ifad.org

Executive Board — 102nd Session
Rome, 10-12 May 2011

For: Review

Comments of the Office of Evaluation on the IFAD Country Presence Policy and Strategy

1. In line with the provisions of the Evaluation Committee's terms of reference and rules of procedure, the Committee decided in November 2010 to discuss the country presence strategy together with the comments of the Office of Evaluation (IOE), prior to Executive Board consideration at its May 2011 session. Moreover, as per established practice, the IOE comments will also be made available to Board members, as an addendum to the policy document.
2. The Field Presence Pilot Programme (FPPP) was initiated in 2004 and evaluated by IOE in 2006-2007. In light of the evaluation findings and recommendations, IFAD's Executive Board: (i) decided to continue 15 country presence initiatives, with further experimentation of different models; and (ii) instructed Management to undertake a self-assessment of the country presence in 2010, and present a country presence strategy to the Executive Board in 2011.
3. IOE welcomes the IFAD Country Presence Policy and Strategy, and supports the broad directions proposed, which are in line with the findings and recommendations of the 2007 FPPP evaluation and evidence collected in various country programme evaluations undertaken thereafter. IOE also commends the strong commitment to promoting country presence reflected in the policy and strategy, and the attention devoted to non-lending activities (e.g. partnership building, policy dialogue, knowledge management), which are essential contributors to IFAD's development effectiveness in a given country.
4. The policy and strategy proposes several valid country selection criteria for establishing new country offices (e.g. IFAD's programme size, dependency on agriculture and prevalence of poverty). However, it focuses mainly on demand considerations and does not include other key criteria such as portfolio performance. Moreover, there is no discussion on differentiated approaches to middle-income countries, where IFAD's country presence is likely to be driven by different priorities and requirements than in fragile states and other low-income countries. Similarly, the document could have elaborated further on the analysis to elucidate selection criteria for the most appropriate country presence modality; an outposted country programme manager (CPM) from headquarters, or a national officer recruited locally.
5. Currently the United Nations Development Programme (UNDP) is hosting most IFAD country offices (16 of 27 hosting agreements signed). However, the document recognizes that many offices find the services provided only moderately satisfactory. Even though the proposed policy and strategy identify both United Nations agencies and other international institutions as potential hosts in setting up IFAD offices, there is no discussion of advantages and disadvantages based on experience thus far. In general, IOE believes it would be useful to explore opportunities for IFAD country presence to be hosted at the country offices of multilateral development banks. This would provide a further opportunity for exploring partnerships with such organizations, as for scaling up, cofinancing and policy dialogue.
6. As far as the alternative modalities for country presence are concerned, the policy and strategy recognizes that the outposting of CPMs is behind schedule (6 outposted compared to 12 planned). While the document points to the complex accreditation process and lack of incentives as the main reasons, it does not provide a comprehensive analysis of the difficulties encountered with outposting CPMs from headquarters. The policy also indicates that IFAD human resources policy concerning outposting and re-entry/rotation is being revised. While this revision is certainly timely and necessary, the strategy should be further

complemented by developing internal management procedures to identify criteria to be used in future to justify CPM outposting when required.

7. The issue of CPM outposting becomes even more central in view of the fact that IFAD country offices are expected to contribute not only to direct supervision but also to implementation support, country programme development, policy dialogue and partnership building. IOE believes that the country presence policy and strategy should be followed by internal decisions that show a firmer commitment to outpost 20 CPMs as projected in the strategy paper (paragraph 57) within specific timelines, as independent evaluations are increasingly revealing that outposting CPMs is more effective than other models of IFAD country presence. A clearly articulated and coherent incentives and accountability framework for outposting CPMs from Rome to the countries is also essential.
8. In this regard, adequate training becomes an essential component of the Country Presence Policy and Strategy. While the document mentions commendable efforts undertaken by IFAD in training on supervision, procurement and financial management, it does not mention training in other important areas such as implementation support. In this respect, IOE understands that an intensive one-week course was provided following the conclusion of the self-assessment and is to be followed by more training in the future.
9. So far IFAD has established one regional office in Nairobi which, inter alia, provides loan administration services for the region. The proposed policy and strategy does not discuss the merits or the feasibility of setting up additional regional offices in the future. In particular, the possibility of establishing a subregional office in India should be included as an explicit provision in the document submitted to the Executive Board for consideration – as contemplated in the India Country Programme Evaluation Agreement at Completion Point, which has been endorsed by both IFAD Management and the Government.
10. The position of the country offices within IFAD's organizational structure is not clear from the proposed policy and strategy. In the section on operational principles and priorities (paragraph 49), the document indicates that "while IFAD country offices will have some representational responsibilities, their main task will be to contribute directly to IFAD country programmes". It is important that the country presence respond to the requirements of other IFAD organizational units beyond the Programme Management Department (PMD) – independent evaluation, communication, legal counsel and loan administration – which also contribute to development effectiveness at the country level. That is, the document should more clearly specify the corporate dimension of IFAD's country presence. Moreover, the country office objectives would benefit from additional reflection as they are not clearly presented and articulated; paragraph 39 at the moment mixes objectives with tasks and activities.
11. IOE is pleased to see that a section on independent evaluation findings has been included, as well as an annex elaborating on them. While the main findings summarized (e.g. countries with country presence by and large perform much better on the key dimensions of implementation support, policy dialogue, partnership development and knowledge management) are correct, the document should also refer to areas needing improvement as identified by evaluations.
12. The IFAD Country Presence Policy and Strategy makes an effort to present the cost implications of country presence. However, it is based on the assumption that "in the absence of the country offices these staff members would be working at IFAD headquarters in Rome." (paragraph 19). If current staff are reassigned, the amount of cost savings would be different.