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Enabling poor rural people
to overcome poverty

Report of the Chairperson on the sixty-seventh session of the Evaluation Committee

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

For: Review

Report of the Chairperson on the sixty-seventh session of the Evaluation Committee

1. This report covers the deliberations of the Evaluation Committee during its sixty-seventh session held on 19-20 April 2011.
2. All Committee members attended the session (Burkina Faso, Canada, France, India, Indonesia, Ireland, Mexico, the Netherlands and Nigeria, with France attending the deliberations via teleconference from Paris). Observers were present from Angola, Argentina, China, Egypt, Guatemala, Luxembourg and the Bolivarian Republic of Venezuela. The Committee was joined by IFAD's Associate Vice-President, Programmes, Programme Management Department (PMD); the Director of the IFAD Office of Evaluation (IOE); the Secretary of IFAD; the IFAD General Counsel; the Director of the Latin America and the Caribbean Division; and other IFAD staff. As requested by the Committee, Mr Bruce Murray, consultant, also joined the session via teleconference for the discussion on the revised IFAD Evaluation Policy and on the progress report on the action plan for the implementation of the findings and recommendations of the Peer Review of IFAD's Office of Evaluation and Evaluation Function.
3. There were eight agenda items for discussion: (i) the draft minutes of the Evaluation Committee's sixty-sixth session; (ii) the corporate-level evaluation on IFAD's Private-Sector Development and Partnership Strategy; (iii) the progress report on the action plan for the implementation of the findings and recommendations of the Peer Review of IFAD's Office of Evaluation and Evaluation Function; (iv) the revised draft IFAD Evaluation Policy; (v) the revised draft Terms of Reference and Rules of Procedure of the Evaluation Committee; (vi) the IFAD Country Presence Strategy, together with IOE's comments; (vii) IFAD's Engagement with Middle-Income Countries, with IOE's oral comments thereon; and (viii) other business.
4. The Committee agreed to include under "other business" three sub-items for information or discussion: (i) an oral update on IOE's participation in the Evaluation Cooperation Group of the Multilateral Development Banks; (ii) a briefing by PMD on the forthcoming 2011 country visit by the Committee to Brazil; and (iii) a discussion on the interim evaluation of the Vegetable Oil Development Project in Uganda undertaken by IOE.
5. **Draft minutes of the sixty-sixth session of the Evaluation Committee.** The Committee discussed document EC 2011/67/W.P.2, which contained the draft minutes of the sixty-sixth session of the Evaluation Committee for approval by members.
6. Following comments on paragraph 9, it was decided to amend the text to reflect the decision taken by the Committee at its sixty-sixth session to choose a low-income country for its country visit in 2013.
7. With this change, the Committee approved the minutes of its sixty-sixth session.
8. **Corporate-level evaluation on IFAD's Private-Sector Development and Partnership Strategy.** On this agenda item, the Committee decided to hold a special session of the Evaluation Committee on 9 May 2011 to discuss IFAD Management's response to the evaluation, which will be followed by a discussion of the evaluation in the May 2011 session of the Board, as already agreed.
9. The Committee also decided that the deliberations and decisions on this agenda item, undertaken at both the sixty-seventh session and the special session, should be reflected in a separate report of the Committee Chairperson to be submitted to the Board at its 102nd session in May 2011.

10. **Revised draft IFAD Evaluation Policy.** The Committee considered document EC 2011/67/W.P.5, the revised draft IFAD Evaluation Policy, together with its corrigendum (EC 2011/67/W.P.5/Corr.1) and document EC 2011/67/W.P.5/Add.1, the Consistency of the Draft Evaluation Policy and the Report of the Peer Review of IFAD's Office of Evaluation and Evaluation Function.
11. The Committee:
- (a) Welcomed the revised draft of the Evaluation Policy, which was found to be well laid out and inclusive of the comments made by the Committee during its sixty-sixth session;
 - (b) On the issue of the President's powers to overrule the decisions of the Director of IOE in hiring staff, noted that, as IOE employees are also IFAD employees, the President would retain such powers. However, it also noted that, if the steps outlined in paragraph 71(b) of the draft policy were followed in the appointment, the process outlined would provide an appropriate mechanism to overcome possible issues requiring the President to exercise this authority;
 - (c) Noted that paragraph 75 contained an omission and requested that the word "staff" be inserted as a correction;
 - (d) On the issue of possible consultancy employment for the Director of IOE after the end of her/his tenure, requested that the policy include a principle of "cool-off period" during which former Directors of IOE would be excluded from consultancy employment with IFAD; the extent of this period has yet to be decided, while several options were mentioned ranging from 6 to 18 months. Finally, it was also noted that this principle should also foresee that, in exceptional circumstances, the Executive Board should be in a position to overrule the "cool-off period".
12. In conclusion, the Committee recommended the presentation of the revised draft Evaluation Policy for approval at the 102nd session of the Executive Board.
13. **Progress report on the action plan for the implementation of the findings and recommendations of the Peer Review of IFAD's Office of Evaluation and Evaluation Function.** The Committee considered document EC 2011/67/W.P.4, the progress report on the implementation of the recommendations of the Peer Review of IFAD's Office of Evaluation and Evaluation Functions, and noted with satisfaction that good progress had been made.
14. In line with the decision taken by the Committee during its session held on 14 October 2010, this report does not cover a summary of the discussion on the peer review, for which a separate Chairperson's report will be produced for consideration by the Board at its 102nd session.
15. **IFAD Country Presence Strategy.** The Committee discussed the IFAD Country Presence Strategy, together with the comments provided by IOE thereon, prior to its consideration by the Executive Board in May 2011.
16. The Committee noted that outposting of country programme managers (CPMs) by IFAD was important and should be addressed in a more systematic manner to achieve the proposed target of outposting CPMs within specific timelines.
17. The Committee encouraged IFAD to look for the best and less costly options when opening country offices.
18. In addition, the Committee recommended that exit strategies be defined in consultation with Governments in those cases where IFAD planned to close a particular country office.

19. The Committee advised the Fund to carefully identify and select the countries where a country presence should be established to ensure the right balance between fragile states and better-off countries.
20. The Committee also encouraged IFAD to define the necessary incentives and human resources policies to support the outposting of country programme managers.
21. **IFAD's Engagement with Middle-Income Countries.** The Committee discussed and welcomed the proposal on IFAD's engagement with middle-income countries (MICs), together with the oral comments provided by IOE thereon, prior to its consideration by the Executive Board in May 2011.
22. The Committee recognized the efforts made by Management to take into account the comments provided by Board members at the informal seminar of March 2011.
23. The Committee noted that IFAD should continue to retain its focus on rural poverty reduction in the allocation of its financial resources.
24. The Committee noted that, once the agreed threshold had been reached, following discussions between IFAD and the concerned member Government, a proposal for graduation from IFAD lending and services would be defined on a voluntary basis. In the event countries agreed to stop borrowing from IFAD, the Committee noted that countries would continue to be eligible for other services offered by IFAD, some of which might be reimbursable.
25. The Committee recommended defining a customized list of services to be provided by IFAD to graduated MICs on a reimbursable basis, and services to be provided free of charge to these MICs.
26. The Committee underlined the importance for IFAD to further strengthen its knowledge management capabilities, in order to ensure that its experiences on small agriculture and rural development could be made readily available in an appropriate manner to all developing countries, as well as to any other country, for their own rural poverty reduction or assistance efforts. This would require well-defined mechanisms and instruments, which should be accompanied by an adequate level of resources.
27. The Committee noted that South-South cooperation was important, while at the same time underlining that other forms of cooperation were also useful.
28. **Draft Terms of Reference and Rules of Procedure of the Evaluation Committee.** The Committee considered document EC 2011/67/W.P.6, the Draft Terms of Reference and Rules of Procedure of the Evaluation Committee, together with its corrigendum EC 2011/67/W.P.6/Corr.1 and its addendum, EC 2011/67/W.P.6/Add.1, the Consistency of the Draft Terms of Reference for the Evaluation Committee and the Report of the Peer Review of IFAD's Office of Evaluation and Evaluation Function.
29. The Committee:
 - (a) Requested that the layout be changed, in order to present the draft terms of reference as the main text of the document, while attaching the transmittal notes as annex A and requested that the transmittal notes be included in the submission to the Executive Board;
 - (b) Noted the corrigendum of section 2.7 of the draft terms of reference and requested that in both section 2.6 and 2.7 the word "meeting" be replaced with "meetings";
 - (c) Requested that the disclosure of the Committee's minutes and reports be confirmed in the terms of reference; and

- (d) In section 3.1(f), requested the deletion of the following phrases: "their Agreement at Completion Point or" and ", as applicable".
30. Taking into account the above comments, members recommended that the Board approve the draft revised Terms of Reference and Rules of Procedure of the Committee.
 31. **Other business.** Three topics were discussed under this agenda item. First, the Committee was briefed by the Director of the IFAD Office of Evaluation on IOE's participation in the Evaluation Cooperation Group (ECG) of the multilateral development banks.
 32. The Committee congratulated IOE for its commitment and active role in the ECG. In particular, it expressed appreciation: (i) for the production of the agriculture and agribusiness evaluation synthesis, to which IOE was a major contributor, and (ii) for the lead role that IOE was taking in the production of the forthcoming ECG evaluation synthesis on gender.
 33. The Committee was also informed that, in a forthcoming session, IOE would brief members on its participation in the United Nations Evaluation Group.
 34. Second, the Committee was briefed by PMD on the forthcoming country visit by the Committee to Brazil. The Committee expressed its appreciation for the information.
 35. The Committee also discussed under "other business" the issue regarding the date of issuance of the interim evaluation report on the Vegetable Oil Development Project in Uganda, given that the evaluation was discussed in the Committee in July 2010. In this regard, IOE clarified that the report was issued in March 2011 as the agreement at completion point (ACP) was only signed by the Government of Uganda in February 2011, following discussions between IFAD Management and the Government on the implementation of the recommendations from the evaluation.
 36. In this regard, IOE also informed the Committee that — in the future — it would post on the IFAD corporate website final evaluation reports as soon as they became available, and include the ACPs once they were signed by IFAD Management and the concerned Government.