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Investing in rural people

High-level preview of IFAD's 2016 results-based programme of work and regular and capital budgets, and the preview of the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2016 and indicative plan for 2017-2018

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## Abbreviations and acronyms

ARRI	Annual Report on Results and Impact of IFAD Operations
CLE	corporate-level evaluation
CLEE	Corporate-level evaluation of IFAD's institutional efficiency and the efficiency of IFAD-funded operations
CMR	corporate management result
COSOP	country strategic opportunities programme
CPE	country programme evaluation
CPMT	country programme management team
CSPE	country strategy and programme evaluation
ECD	evaluation capacity development
ECG	Evaluation Cooperation Group (of the multilateral development banks)
ESR	evaluation synthesis report
FAO	Food and Agriculture Organization of the United Nations
IE	impact evaluation
IMT	IFAD Management Team
IOE	Independent Office of Evaluation of IFAD
KPI	key performance indicator
OMC	Operations Management Committee
OSC	Operational Strategy and Policy Guidance Committee
PBAS	performance-based allocation system
PCR	project completion report
PCR/V	project completion report validation
WFP	World Food Programme
WPB	workplan and budget PPA project performance assessment
PPE	project performance evaluation
PRISMA	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions
RBA	Rome-based agency
SWP	strategic workforce planning
RIDE	Report on IFAD's Development Effectiveness
RMF	Results Measurement Framework
SDC	Swiss Agency for Development and Cooperation
UNEG	United Nations Evaluation Group

## Executive summary

1. The aim of the recently concluded Consultation on the Tenth Replenishment of IFAD's Resources (IFAD10), covering the period 2016-2018, is to enable IFAD to achieve a three-year operational programme of at least US\$3 billion. In order to achieve this level of programme of loans and grants, IFAD may need to access funding through additional borrowing. In addition, as part of the Replenishment negotiations, IFAD has been tasked to undertake several activities to further strengthen its operations and provide more focused and targeted interventions in order to bring 80 million people out of poverty. While some of these commitments will have incremental cost implications, IFAD will continue to streamline processes and procedures to enhance efficiency and improve effectiveness.
2. For the first year of the IFAD10 period, IFAD proposes an annual programme of loans and grants equivalent to US\$900 million. In addition to this core programme, the Fund will aim to leverage an additional US\$100 million in 2016 in IFAD-managed resources from other sources. The targeted programme of loans and grants in the first year has been set slightly lower than the average for the IFAD10 period to reflect the normal pattern of lending.
3. IFAD will continue with its efforts to mobilize additional resources to achieve a high level of cofinancing and seek alternative financing arrangements to meet its overall programme of work (POW) in 2016. IFAD's baseline programme of US\$900 million for 2016 will be leveraged by 1.2 to achieve a total POW of US\$1.98 billion.
4. Some 30 projects and programmes, including additional financing for five ongoing loans and grants, are currently being prepared for approval in 2016. Seven of these projects and programmes are supported by financing from the Adaptation for Smallholder Agriculture Programme (ASAP). Management expects to meet its commitment to allocate between 40 and 45 per cent of financing to sub-Saharan Africa over the 2016-2018 period. The estimated number of global/regional and country grants in 2016 is 40-50, for a total of US\$50 million.
5. In order to deliver on the IFAD10 commitments, a rolling medium-term plan (MTP) for the period 2016-2018 has been put in place to translate into action the strategic objectives derived from the longer-term IFAD-wide Strategic Framework (2016-2025) that defines the Fund's terms of reference. During the MTP period, emphasis will be placed on: (i) scaling up programme interventions to increase the impact on reducing rural poverty; (ii) consolidating the institutional capacity to effectively deliver on programme and policy objectives; and (iii) increasing decentralization. The annual results-based budget for 2016 focuses on meeting resource requirements for accomplishing the outputs and associated activities for the first year of the MTP period by ensuring that resources are allocated in accordance with MTP priorities while maintaining the Fund's drive for greater effectiveness. Highlights of the strategic objectives and the MTP are provided in this document.
6. IFAD will provide more systematic and decentralized support for broad country agriculture programmes. The impact and changes brought about by IFAD's programme interventions will be assessed and reported through a robust evidence-based learning and knowledge management system. Although IFAD is already involved in work on the environment and climate change, these areas will be mainstreamed in the IFAD10 period. The gender sensitivity of IFAD's loan portfolio and the regular budget will continue to be reported on in the final budget document.
7. Prior to preparing the 2016 high-level budget proposal, the 2015 budget was used as a baseline after adjusting for the EUR:US\$ exchange rate. The exchange rate used to restate the 2015 budget was EUR 0.85 to US\$1 as of 1 July based on the foreign exchange methodology introduced by Management. The additional costs

anticipated in 2016 were then layered onto the adjusted baseline. The main cost drivers that will determine the budget for 2016 can be broadly grouped as: (i) IFAD10 commitments and MTP priorities, (ii) costs related to decentralization and IFAD country offices, (iii) the strategic workforce planning exercise and continued absorption of core staff positions previously funded by supplementary fund management fees, (iv) depreciation and other recurrent expenses related to capital budgets and (v) price-related cost drivers.

8. The high-level net regular budget for 2016 is proposed at US\$147.46 million, representing a nominal decrease of 2.7 per cent over 2015. The real increase is estimated at about 2.1 per cent primarily for additional costs related to decentralization and absorption of core staff positions currently funded by ad hoc sources. There is a net price decrease of 4.8 per cent arising from inflation and price increases adjusted for the change in exchange rate assumptions.
9. The gross budget for 2016 amounts to US\$152.46 million, including resources to manage operations funded by supplementary funds totalling US\$5 million (over and above the US\$147.46 million). This amount can be fully recovered from the annual allocable portion of the fee income generated from the management of supplementary funds. Endorsement by the Executive Board will be sought for the proposed net regular budget of US\$147.46 million.
10. Management is currently preparing the capital budget proposal. The projects and the corresponding capital costs are yet to be finalized. As in 2015, priority will be given to completing the capital projects under the IFAD Consolidated Action Plan to Enhance Operational and Institutional Efficiency, the Loans and Grants System replacement project (phase 1.5 and phase 2) and capital budgets approved in 2015 before undertaking any new major capital initiatives. The total capital budget for 2016 is not expected to exceed US\$3 million.
11. Table 1 sets out a tentative high-level summary of the total net regular budget proposal for 2016 by cluster.

Table 1  
**Indicative results and process matrix for results-based budgeting in IFAD and 2016 proposed budgets**

<i>Cluster</i>	<i>Outcome</i>	<i>Corporate management result (CMR)</i>	<i>Process</i>	<i>2016 proposed</i>
	<i>Operational</i>			<i>US\$ million</i>
1	Effective national policy, harmonization, programming, institutional and investment frameworks for rural poverty reduction	CMR 1 – Better country programme management CMR 2 – Better project design (loans and grants) CMR 3 – Better supervision and implementation support	Country programme development and implementation	87.89
2	Supportive global resource mobilization and policy framework for rural poverty reduction	CMR 8 – Better inputs into global policy dialogue for rural poverty reduction CMR 10 – Increased mobilization of resources for rural poverty reduction	High-level policy dialogue, resource mobilization and strategic communication	11.65
	<i>Institutional support</i>			
3	An effective and efficient management and institutional service platform at headquarters and in-country for achievement of operational results	CMR 4 – Better financial resource management CMR 5 – Better human resource management CMR 6 – Better results and risk management CMR 7 – Better administrative efficiency and an enabling work and information and communications technology (ICT) environment	Corporate management, reform and administration	36.34
4	Effective and efficient functioning of IFAD's governing bodies	CMR 9 – Effective and efficient platform for members' governance of IFAD	Support to members' governance activities	7.88
<b>Total 2016 regular budget proposed for clusters 1-4</b>				<b>143.76</b>
Corporate cost centre				3.70
<b>Total net regular administrative budget proposed for 2016</b>				<b>147.46</b>
<b>2016 capital budget (high-level estimate)</b>				<b>3.00</b>

12. In accordance with regulation VII of the Financial Regulations of IFAD, medium-term budgetary projections on the basis of projected income flows to the Fund from all sources, along with projected disbursements based on operational plans covering the same period are shown in table 2. It should be noted that table 2 is indicative and for information purposes only. Numbers on this year's table have been tied to IFAD's financial statements and projected on a cash-flow basis for the purposes of consistency.

Table 2

**Medium-term budgetary projections on the basis of projected inflows and outflows (all sources)**  
(Millions of United States dollars)

	<i>Projected 2015</i>	<i>Projected 2016</i>	<i>Projected 2017</i>
Resource balance carried forward at start of year	1 685 <sup>a</sup>	1 628	1 805
<b>Inflows to IFAD</b>			
Loan reflows	307	319	349
Investment income	13	15	17
Loan to IFAD	182	242	182
Supplementary fund fees	5	5	5
<b>Subtotal</b>	<b>507</b>	<b>581</b>	<b>553</b>
<b>Outflows from IFAD</b>			
Administrative and IOE budget	(149)	(150)	(151)
Other administrative expenses <sup>b</sup>	(4)	(4)	(2)
Capital budget	(5)	(4)	(3)
Debt service on loan to IFAD	(2)	(2)	(3)
Costs funded by supplementary fund fees	(5)	(5)	(5)
<b>Subtotal</b>	<b>(165)</b>	<b>(165)</b>	<b>(164)</b>
<b>Net inflows/outflows to IFAD</b>	<b>342</b>	<b>416</b>	<b>389</b>
<b>Programme of work related activities</b>			
Contributions	275	465	338
Disbursements	(653)	(679)	(728)
Heavily Indebted Poor Countries Debt Initiative impact	(21)	(25)	-
<b>Subtotal</b>	<b>(399)</b>	<b>(239)</b>	<b>(390)</b>
<b>Net inflows/(outflows) on all activities</b>	<b>(57)</b>	<b>177</b>	<b>(1)</b>
<b>Resource balance brought forward at end of year</b>	<b>1 628</b>	<b>1 805</b>	<b>1 804</b>

<sup>a</sup> Audited 2014 consolidated financial statements of IFAD.

<sup>b</sup> Other administrative expenses include one-time budgets and carry-forward resources.

## Part one – High-level preview of IFAD’s 2016 results-based programme of work and administrative and capital budgets

### I. IFAD’s programme of work for 2016

1. 2016 is the first year of the Tenth Replenishment of IFAD’s Resources (IFAD10). It is therefore a pivotal year for the establishment of the work programme for the IFAD10 period in which the gains from scaling up during IFAD9 will be consolidated. As of the preparation of this document, IFAD proposes a programme of loans and grants of at least US\$3 billion for the three-year period. In addition, this core programme will be supplemented by approximately US\$100 million in IFAD-managed commitments from other sources. In the event that IFAD10 pledges do not meet the estimates, alternative financing sources may be sought to reach the programme target for 2016-2018.
2. For 2016, the programme of loans and grants is projected at US\$900 million. In addition to this core programme, the Fund will continue to mobilize additional resources and cofinancing from other sources, despite the increasing difficulty in securing current bilateral programmes as cutbacks in official development assistance budgets are making the mobilization of such cofinancing increasingly difficult.

Table 1

#### Actual and projected programme of loans and grants

(Millions of United States dollars)

	2010	2011	2012	2013	2014	2015	2016
	<i>Actual<sup>a</sup></i>				<i>Forecast</i>		<i>Planned</i>
IFAD loans (including loan component grants) and Debt Sustainability Framework grants	783	952	983	838	714	1 341	850
IFAD grants	47	47	50	50	46	65	50
<b>Total IFAD programme of loans and grants<sup>b</sup></b>	<b>830</b>	<b>999</b>	<b>1 033</b>	<b>888</b>	<b>760</b>	<b>1 406</b>	<b>900</b>
Other funds under IFAD management <sup>c</sup>	161	222	185	89	110	100	100
<b>Total programme of loans and grants</b>	<b>991</b>	<b>1 221</b>	<b>1 218</b>	<b>977</b>	<b>870</b>	<b>1 506</b>	<b>1000</b>

<sup>a</sup> Grants and Investment Projects System (GRIPS) as at 13 July 2015. Current amounts reflect any increase/decrease in financing during implementation, including additional domestic funding and cofinancing.

<sup>b</sup> Includes resources from the Adaptation for Smallholder Agriculture Programme (ASAP).

<sup>c</sup> Other funds managed by IFAD include the Spanish Food Security Cofinancing Facility Trust Fund, Global Environment Facility/ Least Developed Countries Fund, Global Agriculture and Food Security Program (GAFSP), European Commission and European Union, in addition to bilateral supplementary/complementary grants.

3. Some 30 projects and programmes, including additional financing for five ongoing loans and grants, are currently being prepared for approval during 2016. Some seven projects and programmes are planned to benefit from financing from the Adaptation for Smallholder Agriculture Programme (ASAP). IFAD expects to meet its commitment to allocate between 40 and 45 per cent of financing to sub-Saharan Africa over the 2016-2018 period.
4. The estimated number of global/regional and country grants in 2016 is 40-50, for a total of US\$50 million. As articulated in the new IFAD Policy for Grant Financing approved by the Executive Board in April 2015, the principal objectives of IFAD’s grant programme will be:
  - (i) Promote innovative, pro-poor approaches and technologies with the potential to be scaled up for greater impact;



- (ii) Strengthen partners' institutional and policy capacities;
- (iii) Enhance advocacy and policy engagement; and
- (iv) Generate and share knowledge for development impact.

## II. Medium-term plan and corporate objectives

5. IFAD's rolling medium-term plan (MTP) is currently being finalized for the three-year period 2016-2018 in line with the IFAD10 Consultation Report approved by the Governing Council in 2015. The MTP sets out the programme of loans and grants (PoLG), the overall programme of work, and the strategic priorities for the three-year period. Based on the MTP, the corporate development and operational objectives are to:
  - (i) Achieve a PoLG of at least US\$3.0 billion and mobilize additional cofinancing of US\$1.2 for each US\$1 of IFAD loan/grant financing;
  - (ii) Raise the quality of new loans and grants to the level of Results Measurement Framework (RMF) 2018 targets;
  - (iii) Reach and benefit a greater number of people through efficient scaling up, better-quality programmes, with more selectivity in projects and countries;
  - (iv) Lift 80 million poor rural people out of poverty;
  - (v) Improve the quality of the ongoing portfolio through better supervision of projects;
  - (vi) Improve monitoring and evaluation systems and undertake impact assessments;
  - (vii) Expand IFAD's role as a knowledge institution;
  - (viii) Further decentralize IFAD's operations through expansion of IFAD country offices (ICOs), improvement of existing facilities and more appropriate staffing levels and improvement of ICOs.
6. IFAD will continue its scaling-up efforts to ensure that the innovations it introduces have a significant impact on reducing rural poverty during the 2013-2018 period. In addition, services will be provided through IFAD-financed projects to reach between 110 million - 130 million people.
7. Interventions along commodity value chains will make involvement with the private sector more important and therefore more effort will be exerted to enhance financial and non-financial partnerships with the private sector.
8. IFAD will provide more systematic and decentralized support for broad country agriculture programmes. During the period IFAD will develop a robust evidence-based research and learning programme that will generate the most effective options for scaling up project and pro-poor policy interventions, with improved outreach and impact. Although IFAD is already involved in work on the environment and climate change, efforts in these areas will be mainstreamed in the IFAD10 period.
9. IFAD's corporate internal management objectives for 2016 are to make the operational objectives achievable through: (i) successful resource mobilization, including through implementation of the sovereign borrowing framework, and asset management to meet the requirements of the programme of work; (ii) improved human resource management to support key development and administrative functions; (iii) a strategic workforce planning exercise to establish long-term staffing requirements for achieving IFAD10 deliverables; (iv) an information technology platform that provides the real-time data, automated processes and communications needed for the above (as measured by level 5 indicators).

10. IFAD's updated operational plan will be guided by the priorities and targets set out in the MTP. This will be modified to respond to internal and external trends that unfold in the coming years and achieve the internal goals set out in the Strategic Framework.
11. The IFAD Consolidated Action Plan to Enhance Operational and Institutional Efficiency<sup>1</sup> will address the agreed recommendations of the corporate-level evaluation on IFAD's institutional efficiency and the efficiency of IFAD-funded operations (CLEE), in line with IFAD's drive for improved efficiency and effectiveness. The emphasis will be on achieving greater efficiencies in the medium term, making IFAD's delivery model significantly more effective through increased decentralization, and further enhancing the quality of IFAD's project design and portfolio.

### III. Gender sensitivity of IFAD's loans and budget

12. In response to commitments made in the IFAD Policy on Gender Equality and Women's Empowerment and requirements pursuant to the United Nations system-wide action plan on gender, IFAD has developed a methodology to take gender considerations into account in IFAD's loan portfolio and the regular budget.
13. For 2016, IFAD will continue using the methodology that has been developed to determine the gender sensitivity of IFAD loans and the distribution of the regular budget in terms of gender-related activities.
  - (a) Gender sensitivity of IFAD loans. As in the previous year, an analysis will be conducted of 31 loans – amounting to US\$828.5 million – that were approved by the Executive Board between September 2014 and April 2015, which coincides with the reporting period of the Report on IFAD's Development Effectiveness (RIDE). The results of the analysis will be provided in the final budget document to be submitted to the Executive Board in December 2015.
  - (b) Gender sensitivity of IFAD's regular budget.<sup>2</sup> The approach of using 10 additional fields to capture ex ante gender-related and supporting activities in the budget system will be continued. This methodology has proved capable of adequately capturing the gender sensitivity of IFAD's regular budget within the constraints of the currently available IT systems.
14. The results of the gender sensitivity analysis of both loans and the regular budget will be provided in the final budget document in December. In addition, it is proposed to include grants in the gender sensitivity analysis. Therefore, starting in 2017 both loans and grants will be part of the analysis. IFAD will continue working on improving both the approach and the data collection to enhance reporting on gender sensitivity and will seek inputs from other organizations undertaking similar work, as and when available.

### IV. Update on 2015 programme of loans and grants

15. As at 15 July 2015, the projected PoLG for 2015 amounts to US\$1.41 billion, comprising an investment programme amounting to approximately US\$1.34 billion in support of 42 new projects and additional financing for 11 ongoing projects.
16. By the end of September 2015, it is estimated that financing will have been approved for 32 new projects and additional financing for seven. Of the remaining 10 new projects and four additional financing proposals, seven are at an advanced stage in the design process.

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<sup>1</sup> Document EB 2013/109/R.12.

<sup>2</sup> Further details on regular budget distribution for gender-related activities will be provided in the final budget document in December.

17. For IFAD's global, regional and country grant programme, it is expected that some 42 grants will be approved by the end of 2015 for an approximate value of US\$65 million.

#### Portfolio

18. As at 15 July 2015, there are 245 projects in the current portfolio for a value of US\$6.2 billion and an active grant portfolio comprising 257 grants valued at US\$212 million. Projected disbursements for the year are estimated at US\$653 million, as shown in table 2 in the executive summary. With increased decentralization and improved portfolio quality, disbursement is expected to improve.

## V. IFAD's regular budget

### A. 2014 and 2015 net regular budget usage

19. Actual expenditure against the 2014 regular budget amounted to US\$142.15 million or 95 per cent of the approved budget of US\$149.64 million. Most of the savings were generated from staff costs due to vacant positions (there was a significantly higher vacancy rate at the start of 2014) as well as lower costs associated with the use of short-term staff to temporarily fill such vacant positions. In addition, actual staff costs were lower than budgeted due to the slight strengthening of the United States dollar against the euro in the fourth quarter of 2014. Part of this saving was offset by higher use of consultants to perform tasks associated with the vacant positions and undertake advance design work in order to meet the IFAD9 target of US\$3 billion by 2015. The underspend also includes the non-utilization of the provision for an increase in Professional category salaries (US\$679,000) as agreed with the Executive Board.
20. Based on current projections, utilization of the 2015 budget is expected to be US\$146.8 million or 96.8 per cent. The less than full utilization of the budget is anticipated and based on the effect of the EUR:US\$ exchange rate on actual staff costs, using the foreign exchange methodology recently presented and accepted at the Audit Committee.
21. With the lower number of vacancies at the start of 2015 versus 2014 and given the expected early recruitment for the vacant positions, savings in staff costs are not projected at this time. In addition, certain unforeseen costs related to ICOs are likely to increase the utilization of the 2015 budget. The expected year-end utilization will be adjusted in the final budget document using an updated exchange rate as well as a better estimate of expenditures for the rest of the year.

Table 2

#### Regular budget utilization – actual 2014 and forecast 2015

(Millions of United States dollars)

	2014 full year		2015 forecast	
	Budget	Actual	Budget	Forecast
Regular budget	149.64	142.15	151.59	146.80
Percentage utilization		95.0		96.8

22. A more detailed breakdown of actual budget usage for 2014 and forecasted utilization for 2015, disaggregated by cluster, will be provided in the final budget document.

### B. Strategic workforce planning exercise

23. The fundamental objective of the strategic workforce planning (SWP) exercise is to ensure that IFAD has the requisite workforce in terms of numbers, competencies and skills to enable it to deliver on the key strategic objectives.

24. The 2016 SWP exercise was conducted in June 2015 following the preparation of the draft MTP for 2016-2018. This year's exercise was carried out based on the following IFAD10 priorities: (i) decentralization of IFAD's operations; (ii) expansion of IFAD's role as a knowledge institution, (iii) implementation of the borrowing framework and resulting mobilization of resources and (iv) cost-effective measurement of IFAD's development effectiveness. These priorities will determine the allocation of additional staff resources.
25. Management remains committed to continuing to address structural issues in the workforce by absorbing into the regular budget staff performing core functions currently funded from other ad hoc funding sources. Other innovative approaches are being considered to increase staff mobility, especially in the context of ICO decentralization. The extent to which the outcome of the SWP exercise is implemented and structural changes are continued will be determined in the final budget document once more detailed estimates of 2016 costs are available.

### C. 2016 cost drivers

26. Prior to preparing the 2016 high-level budget proposal, the 2015 budget was used as a baseline after adjustment for the EUR:US\$ exchange rate. The exchange rate used to restate the 2015 budget was EUR 0.85 Euro to US\$1 as of 1 July based on the foreign exchange methodology introduced by Management.
27. The additional costs anticipated in 2016 were then layered onto the adjusted baseline. Aside from the usual cost drivers, there are some new initiatives arising from IFAD10 commitments with resource implications that will require additional funding. The main cost drivers that will determine the budget for 2016 can be broadly grouped as: (i) IFAD10 commitments and MTP priorities, (ii) decentralization and ICO-related costs, (iii) SWP and continued absorption of core staff positions previously funded by supplementary fund management fees, (iv) depreciation and other recurrent expenses related to capital budgets and (v) price-related cost drivers.
28. The current estimates will be revisited at the time of preparing the final budget proposal and the exchange rate used will be updated in accordance with the agreed methodology.

#### Costs associated with IFAD10 commitments and MTP priorities

29. Several new initiatives are under consideration in order to meet the commitments under IFAD10 and the additional objectives of the new rolling MTP for 2016-2018. Not all of these initiatives have budgetary implications and some are yet to be finalized. One of the first areas to be addressed is raising the quality of new loans and grants to the level of the targets set in the RMF for 2018 through better designed projects, complete with baseline studies and a high-performing results and impact monitoring system in place. In addition, expanded IFAD10 commitments in the areas of social and environmental safeguards, gender, nutrition, climate and other cross-cutting themes have raised design costs. Tightening of the budget over the last several years has limited the amount of funds available to design projects that are adapted to the country capacity and thereby improve implementation. It is proposed to provide additional funding for design costs up to US\$60,000 per project design. Other initiatives related to improved disbursement and increased supervision, specifically for problem projects and portfolios at risk, are being assessed and any resource implications will be reflected in the final budget document.

#### Decentralization and ICO-related costs

30. In line with the priority being given to decentralization and establishment of ICOs, at least five new country offices are likely to be opened between now and 2016. The recurrent non-staff costs of these offices are estimated at about US\$500,000 for part-year operations. In addition, IFAD's contribution to supporting United

Nations development coordination activities related to ICOs has recently been assessed by the United Nations at about US\$650,000 annually. This amount is expected to increase as additional ICOs are established.

SWP and continued absorption of core staff positions previously funded by supplementary fund management fees

31. The assessment of staffing requirements in the 2016 SWP exercise estimates a minimal increase in staff numbers, mostly related to country offices and operational requirements. The cost of the staff increases in 2016 amount to about US\$500,000, adjusted for proposed reductions in staff positions. In addition, Management will continue to transparently mainstream the cost of the remaining staff performing core functions who are still being funded from ad hoc sources in 2016. The cost of this absorption is about US\$650,000. The cost of absorption will constitute a real/volume increase with respect to the regular budget. The extent to which these costs, including the SWP staffing requirement, can be included will depend on the available budget after meeting other priority budgetary demands.

Depreciation and other recurrent expenses related to capital budgets

32. It is estimated that capital expenditures made against the Loans and Grants System replacement project and the CLEE capital budget will result in an increase in depreciation and recurrent costs of about US\$500,000. In addition, routine capital expenditures in 2015 will increase depreciation costs by about US\$300,000. These estimates will be revisited based on the progress of all capital projects and a revised estimate of recurrent costs will be provided in the final 2016 budget document.

Price-related cost drivers

33. Staff costs for the 2016 budget are based on the following assumptions:
- (i) There will be no increase in salaries in 2016 for either General Service or Professional staff.
  - (ii) Once the standard costs for staff are adjusted to reflect the revised exchange rate, the normal within-grade step increment (WIGSI) can no longer be absorbed within the regular budget. The step increase varies from 1.6 to 3.2 per cent for Professional staff to 2.1 to 4.2 per cent for General Service staff depending on the grade level and step. The average salary increase is about 2 per cent or about US\$1.5 million.
  - (iii) The provision of US\$0.68 million made for Professional staff salaries in 2012 has continued to be set aside in the corporate cost centre. It is proposed that this provision be used to offset part of the WIGSI-related incremental cost.
  - (iv) The cost of new General Service recruits is based on the new lower salary scale approved by Management. The impact of this lower salary scale is about US\$0.2 million based on the new recruits in the past three years. The savings will be offset against the WIGSI-related increase.
  - (v) Therefore the net increase of (ii), (iii) and (iv) will be about US\$0.62 million.
34. The inflationary adjustment for the 2016 budget will be based on the new methodology agreed by Management using specific inflation numbers for several line items and a weighted average of the world and Italian Consumer Price Index for all other costs. At this stage, it is proposed to absorb most of the non-staff inflationary increases within the proposed budget against anticipated efficiency gains arising from process streamlining and better negotiated contracts with external suppliers, where possible. However, it is unlikely that it will be possible to continue to absorb these inflationary increases in future years.

35. The exchange rate used for preparing the high-level preview for 2016 has been calculated at EUR 0.85:US\$1 using the agreed foreign exchange methodology. This rate will be revisited at the time of preparing the final budget proposal.

#### D. 2016 net regular budget proposal

36. The budget proposal for 2016 includes the current estimates for the above cost drivers after adjusting for the difference in the exchange rate. All estimates, including exchange rate and inflation assumptions, will be reviewed and updated in preparing the final budget proposal in September 2015.
37. The high-level net regular budget for 2016 is proposed at US\$147.46 million, representing a nominal decrease of 2.7 per cent over 2015. The real increase is estimated at about 2.1 per cent primarily for additional costs related to decentralization and absorption of core staff positions currently funded by ad hoc sources. There is a net price decrease of 4.8 per cent arising from inflation and price increases adjusted for the change in exchange rate assumptions.
38. Based on feedback received from the Audit Committee and the Executive Board on this high-level preview, the current estimates will be refined and the real and price-related increases will be submitted for approval in the final budget document.
39. A comparison of the 2015 approved budget and the 2016 high-level budget proposal by clusters is set out in table 3.

Table 3

#### Analysis of percentage share of regular budget by results cluster, 2015 and 2016

(Millions of United States dollars)

<i>Results cluster</i>	<i>Approved 2015</i>	<i>Proposed 2016</i>	<i>2015 %</i>	<i>2016 %</i>
1 Country programme development and implementation	88.74	87.89	58.7	59.6
2 High-level policy dialogue, resource mobilization and strategic communication	12.77	11.65	8.2	7.9
3 Corporate management, reform and administration	37.48	36.34	25.0	24.6
4 Support to members' governance activities	8.52	7.88	5.8	5.3
Corporate cost centre	3.40	3.70	1.9	2.5
2012 Professional salary increase (withheld)	0.68	-	0.4	-
<b>Total</b>	<b>151.59</b>	<b>147.46</b>	<b>100</b>	<b>100</b>

40. The initial estimates prepared for the proposed budget show an increase in cluster 1 from 58.7 per cent of total resources in 2015 to 59.6 per cent in 2016. The increase is due to additional resources required for decentralization, ICO costs and design costs, which are operational and therefore placed in cluster 1.

#### E. 2016 gross budget proposal

41. IFAD implements and manages a number of operations for third parties that are external but complementary to IFAD's programme of loans and grants. These operations are financed from supplementary funds. Engaging in these partnership activities involves additional incremental costs to IFAD in design, implementation, supervision and administration. These costs are usually funded from management fee income under the supplementary fund agreement.
42. The gross budget for 2016 amounts to US\$152.46 million, including resources to manage the supplementary funded operations, which amount to an estimated US\$5 million (over and above the US\$147.46 million). This estimate will be subject to review prior to finalization of the gross budget proposal for inclusion in the final budget document. The amount can be fully recovered from the annual allocable portion of the fee income generated from the management of supplementary funds. Endorsement is being sought only for the proposed net regular budget of US\$147.46 million.

Table 4  
**Indicative gross and net budget for 2016**  
 (Millions of United States dollars)

<i>Cost category</i>	<i>2015</i>	<i>2016</i>
Gross budget	156.72	152.46
Costs to support supplementary fund activities	(5.13)	(5.00)
<b>Net budget</b>	<b>151.59</b>	<b>147.46</b>

#### F. Capital budget for 2016

43. Management is in the process of preparing the capital budget proposal. The projects and the corresponding capital costs are yet to be finalized. As in 2015, priority will be given to completing the capital projects under the CLEE Action Plan, Loans and Grants System replacement project (phase 1.5 and phase 2) and capital budgets approved in 2015 before undertaking any new major capital initiatives.
44. As proposed in 2015, the capital budget will be split into two categories, namely: (i) an annual capital budget to cover capital expenditures that are cyclical or regular in nature and have an economic life of more than one year (e.g. normal replacement of desktops and laptops undertaken every year); and (ii) a capital budget to fund major IT and other investment projects subject to available capacity to undertake additional projects. The total capital budget for 2016 is not expected to exceed US\$3 million.

## Part two - Preview of the results-based work programme and budget for 2016 and indicative plan for 2017-2018 of the Independent Office of Evaluation of IFAD

### I. Introduction

1. This document contains the preview of the Independent Office of Evaluation of IFAD (IOE) work programme and budget for 2016 and indicative plan for 2017-2018. In line with the IFAD Evaluation Policy,<sup>3</sup> the IOE budget is developed independently of IFAD's administrative budget.<sup>4</sup> This document takes into account the feedback and priorities expressed by IFAD governing bodies in 2014 and comments of the Evaluation Committee during its 88<sup>th</sup> session on 26 June 2015, and has been developed building on consultations with IFAD Management. In particular, the preview has been developed after careful examination of IFAD priorities for the period of the Tenth Replenishment of IFAD's Resources (IFAD10, 2016-2018).<sup>5</sup>
2. The beginning of the IFAD10 period in 2016, the introduction of IFAD's strategic vision for 2025, the development of a new corporate Strategic Framework for 2016-2025, the forthcoming adoption of the United Nations Sustainable Development Goals, and the post-2015 development agenda provide the backdrop for IFAD's independent evaluation programme in the coming years.
3. To this end, in 2015 IOE is developing its medium-term vision, which will serve as the overarching reference for: (i) articulating the division's strategic objectives (SOs); (ii) its Results Measurement Framework (RMF); and (iii) determining independent evaluation activities for 2016 and the indicative plan for 2017-2018. IOE's vision will be carefully anchored in IFAD's strategic vision for 2016-2025 and the broader provisions of the Fund's Evaluation Policy.
4. The preview document is "based on a critical assessment of needs, rather than simply using the current budget as a baseline".<sup>6</sup> It illustrates the linkages between the work programme and expenditures, and details the breakdown of budgeted costs, particularly non-staff costs, including those for consultants. Moreover, for the first time, as requested last year by the Evaluation Committee, IOE is making an attempt to quantify the gender sensitivity of its budget for 2016. In this regard, the results should be considered as work in progress. In addition, the document provides details of actual expenditures for 2014, budget utilization up to 30 April 2015 and a current estimate of expected 2015 year-end utilization. In this regard, updated information, as available, will be provided in future versions of the document until its final submission to the Executive Board in December 2015.
5. This work programme and budget document will be developed further following incorporation of comments from the Audit Committee and the Executive Board during their respective sessions in September 2015. In line with the Evaluation Policy, the revised document will be discussed with the Evaluation Committee at its session on 9 October 2015. Subsequently, the final document will be considered by the Executive Board in December 2015. Prior to this, the budget proposal will be considered by the Audit Committee in November 2015, together with IFAD's 2016 administrative budget. Finally, the budget will be submitted, upon recommendation of the Board in December 2015, to the Governing Council in 2016 for approval. On a process-related issue, the IOE budget proposal is based on the same principles and parameters (e.g. exchange rate, standard costs for staff positions and inflation factor) used by IFAD Management in preparing its own administrative budget for next year.

<sup>3</sup> The IFAD Evaluation Policy is available at [www.ifad.org/gbdocs/eb/102/e/EB-2011-102-R-7-Rev-2.pdf](http://www.ifad.org/gbdocs/eb/102/e/EB-2011-102-R-7-Rev-2.pdf).

<sup>4</sup> See IFAD Evaluation Policy, page 13: "The levels of the IOE component and IFAD's administrative budgets will be determined independently of each other."

<sup>5</sup> The final IFAD10 report is available at [www.webapps.ifad.org/members/gc/38/docs/GC-38-L-4-Rev-1.pdf](http://www.webapps.ifad.org/members/gc/38/docs/GC-38-L-4-Rev-1.pdf).

<sup>6</sup> See the minutes of the 107<sup>th</sup> session of the Executive Board, paragraph 29.



6. The preview document has been organized in five sections. Section II highlights achievements thus far of the 2015 evaluation work programme, overall 2014 budget utilization, 2015 budget utilization as of end-April 2015 and projected utilization for 2015, as well as the use of the 3 per cent carry-forward from the 2014 IOE budget. Section III provides a brief description of IOE's SOs, while section IV focuses on proposed evaluation activities for 2016. Lastly, section V outlines the initial proposal for the 2016 budget and human resources required by IOE to implement its work programme and achieve its main objectives effectively and punctually.

## II. Current perspective

### A. Highlights of 2015

7. By the end of the year, IOE expects to implement all activities planned in the 2015 work programme. Selected key achievements to date include:
- Completion of the corporate-level evaluation (CLE) on IFAD's engagement in fragile and conflict-affected states and situations. The CLE was presented to the Evaluation Committee in March and to the Board in April. Its findings and recommendations are expected to inform IFAD's first corporate policy and strategy on that subject – to be developed and presented by Management to the Board in April 2016.
  - Undertaking of the CLE on IFAD's performance-based allocation system (PBAS). The approach paper<sup>7</sup> for the CLE was presented to the Evaluation Committee in March 2015 and finalized incorporating comments by Committee members. The evaluation is now in full swing, and will be completed by end-2015, for presentation to the Board in April 2016.
  - Development of the second edition of the IFAD Evaluation Manual,<sup>8</sup> which was presented in draft format to an informal seminar of the Evaluation Committee on 24 June. The final version will be considered by the Committee later this year. The manual is a far-reaching and critical undertaking of divisional importance, as it contains the key methods and processes for the diverse types of evaluations conducted by IOE. It will also provide the basis for the preparation of a revised harmonization agreement between IOE and IFAD Management on the organization's independent and self-evaluative functions. The harmonization agreement will be discussed with the Evaluation Committee before its finalization, and both the second edition of the manual and the harmonization agreement will be implemented in January 2016.
  - Finalization of two evaluation synthesis reports (ESRs). This includes the first joint ESR on pastoral development by IOE and the Office of Evaluation of the Food and Agriculture Organization of the United Nations (FAO), and the second on IFAD's work in supporting indigenous peoples. As agreed with the Executive Board, preparation of three further ESRs has been launched, respectively, on South-South and Triangular Cooperation, access to markets, and natural resource and environmental management.
  - Preparation of the 2015 Annual Report on Results and Impact of IFAD Operations (ARRI) is ongoing, including the necessary data and statistical analysis. Moreover, as agreed with the Board, this year's ARRI learning theme is sustainability of benefits, which aims to identify cross-cutting and systemic issues and lessons that can be used to further strengthen the design and implementation of IFAD-funded projects. IOE is working in partnership with the FAO Investment Centre to prepare an issues paper on the 2015 ARRI learning theme.

<sup>7</sup> Available at <https://webapps.ifad.org/members/ec/87/docs/EC-2015-87-W-P-4.pdf>.

<sup>8</sup> The first Evaluation Manual was developed in 2008 and issued in 2009.

- Finalization of two country programme evaluations (CPEs) in the United Republic of Tanzania and Bangladesh. The Tanzania CPE was discussed with the Evaluation Committee at its 88<sup>th</sup> session in June, whereas the Bangladesh CPE will be discussed in the 89<sup>th</sup> session of the Committee in October 2015. Other CPEs are ongoing, in accordance with the IOE work programme.
  - IOE completed its second impact evaluation (IE) in India and, as agreed with the Board, began a further IE of an IFAD-funded operation in Mozambique in July 2015. The India IE was discussed in the Evaluation Committee in June 2015. Before that, it was also discussed in two learning events: (i) with IFAD Management and staff in Rome; and (ii) with the Government and other in-country partners in Delhi.
  - Piloting evaluation capacity development (ECD) efforts in China and Ethiopia. In both countries, IOE is conducting a mapping exercise to determine evaluation capacity at the country level and is assessing what evaluation initiatives by other organizations are in place in the agriculture sector. This will help inform IOE's approach and activities in support of countries – enhancing their understanding of evaluation methods and processes, and enabling them to undertake evaluations of development policies and programmes themselves.
  - Within the overall context of the 2015 International Year of Evaluation, IOE is organizing – jointly with the evaluation offices of the Rome-based agencies (RBAs) – a technical seminar on "Enhancing the evaluability of sustainable development goal 2 (SDG2) – End hunger, achieve food security and improved nutrition, and promote sustainable agriculture". The broader aim of this initiative is to contribute to strengthening the evaluation dimension of the SDGs.
8. IOE vision and RMF. Work is under way towards the development of an IOE vision, which will be finalized in the second part of the year. The aim of the vision is to capture, in a short statement, the main purpose of IFAD's independent evaluation function and to articulate its contribution to furthering IFAD's mandate. Together with the vision, IOE is planning to strengthen its internal performance management and monitoring systems. Information on the vision and these IOE internal systems will be included in the revised 2016 work programme and budget document, to be presented to the October session of the Committee.
  9. In parallel, as agreed with the Executive Board and building on IOE's existing results chain, IOE has revised its RMF for the IFAD10 period and fine-tuned the divisional management results and key performance indicators (KPIs). The revised RMF for 2016-2018 can be seen in annex I. The RMF includes, inter alia, indicators to assess the efficiency of IOE. It will be further developed in the coming months and finalized by end-2015.
  10. Reporting. The 2015 RMF, which is IOE's monitoring and reporting framework for 2015, is contained in annex II. Progress in implementing planned evaluation activities for 2015 is summarized in table 1 of annex III. Moreover, the preview includes a summary of progress made in meeting the targets for each key performance indicator included in the 2015 RMF (see table 2 in annex III). The data reveal that most activities are on track. Updated achievements (both in planned evaluation activities and against IOE's KPIs) will be reported to the Board in December 2015.
- B. 2015 budget utilization**
11. Table 1 provides information on budget utilization by IOE in 2014, as well as budget utilization as of April 2015 and that expected by year-end.

Table 1  
**IOE budget utilization in 2014 and projected utilization in 2015**  
 (United States dollars)

<i>Evaluation work</i>	<i>Approved budget 2014</i>	<i>Budget utilization 2014</i>	<i>Approved budget 2015</i>	<i>2015 commitment as of end-April*</i>	<i>Expected utilization as of year-end 2015</i>
Staff travel	345 000	280 099	355 000	107 404	355 000
Consultant fees	1 465 000	1 979 611	1 485 000	893 758	1 485 000
Consultant travel and allowances	395 000	379 948	410 000	187 229	410 000
In-country country strategy and programme evaluations (CSPE) learning events	35 000	30 853	40 000	1 864	40 000
Evaluation outreach, staff training and other costs	155 992	202 351	165 892	102 008	165 892
					<b>2 455 892</b>
<b>Non-staff costs</b>	<b>2 395 992</b>	<b>2 872 862</b>	<b>2 455 892</b>	<b>1 292 263</b>	<b>3 393 342</b>
<b>Staff costs</b>	<b>3 586 690</b>	<b>2 815 138</b>	<b>3 614 041</b>	<b>3 350 965</b>	<b>5 849 234</b>
<b>Total</b>	<b>5 982 682</b>	<b>5 688 000</b>	<b>6 069 933</b>	<b>4 643 228</b>	
Utilization (percentage)		95.1		76.5	96.4

\*Based on committed staff costs adjusted for exchange rate up to 30 April 2015.

12. Actual total expenses against IOE's 2014 budget amounted to US\$5.69 million, equal to a utilization of 95.1 per cent. Lower utilization is largely due to savings in staff costs, primarily from vacant positions and nominally by the strengthening of the United States dollar vis-à-vis the euro towards the latter part of the year. Staff cost savings were partly offset by an increase in consultancy requirements to accomplish some of the tasks related to vacant positions. A portion of staff cost savings was also used to contribute to knowledge management, including the sharing of lessons learned. In this regard, for example, IOE prepared a third unplanned ESR in 2014 on IFAD's work related to indigenous peoples.
  13. In 2015, against an approved budget of US\$6.07 million, utilization (in terms of commitments) as of end-April 2015 is US\$4.64 million, or 76.5 per cent. High utilization at this time of year is mainly due to the full-year commitment of staff costs, which is in line with the IFAD-wide established practice, as well as higher utilization in consultancy fees and staff/consultants travel costs in the first part of the year, in line with the normal business cycle.
  14. The expected overall utilization in 2015 of the total IOE budget as of year-end is currently projected at US\$5.85 million, corresponding to 96.4 per cent of the approved budget. The anticipated lower utilization is in staff costs as a result of vacant positions, which are currently being filled, as well as in the exchange rate impact in the first part of the year. With regard to staffing, IOE is currently in the process of hiring a Professional staff member with experience and expertise in statistical analysis, to further enhance the quantitative character of independent evaluations, including the analysis contained in the ARRI. It has also initiated recruitment of another senior evaluation officer position, which became vacant at the end of June 2015.
- C. Utilization of the 2014 carry-forward
15. The 3 per cent carry-forward rule, in place since 2004, states that unobligated appropriations at the close of the financial year may be carried forward into the following financial year up to an amount not exceeding 3 per cent of the approved annual budget of the previous year.

16. The IOE 3 per cent carry-forward from 2014 amounted to US\$179,480. These funds have been allocated towards the India CPE. This evaluation was not fully budgeted in 2015, as IOE initially planned to start the India CPE in October 2015 and complete it in the second half of 2016. However, following further consultations and agreement with the Asia and the Pacific regional division and the Government of India, IOE decided to advance implementation of this evaluation. The revised time frames will allow CPE results to feed into the development of the new India country strategic opportunities programme (COSOP) more punctually, thus enhancing the usefulness of the CPE.

### III. IOE strategic objectives

17. As agreed with the Executive Board in December 2013, IOE plans to align its SOs with IFAD replenishment periods to ensure a more coherent link between IOE SOs and IFAD's corporate priorities. Thus the following SOs are proposed for the period 2016-2018 (i.e. IFAD10):
- (i) SO1: Generate evidence through independent evaluations of IFAD's performance and results to promote accountability; and
  - (ii) SO2: Promote evaluation-based learning and an enhanced results culture for better development effectiveness.
18. These two objectives should allow IOE to achieve the overarching goal set for independent evaluation: to promote accountability and foster learning to improve IFAD's institutional performance and the performance of IFAD-supported operations.

### IV. 2016 work programme

19. The proposed list of IOE evaluation activities for 2016 may be seen in table 1 of annex IV, and the indicative plan for 2016-2017 is presented in table 2 of the same annex. The proposed work programme for 2016 remains at about the same level as that of 2015, with enhancement in terms of quality, driven by the methodology and process streamlining coming out of the development of the second edition of the evaluation manual. It is important to underline that the mix of evaluation products that IOE proposes in 2016 provides the necessary basis for strengthening IFAD's broader accountability and learning for better institutional and development effectiveness.
20. Selection and prioritization of independent evaluations is facilitated by the use of a selectivity framework, which IOE first introduced in 2013. The selectivity framework is an instrument that also helps enhance transparency in developing the divisional work programme. IOE's selectivity framework has been further enhanced this year, and the current version of the revised framework may be seen in annex VII. Further sharpening is ongoing and the final proposal will be included in the 2016 work programme and budget document presented to the Evaluation Committee in October 2015. The following paragraphs provide an overview of the main evaluation activities for 2016 (see also table 2).
21. First, IOE proposes to complete the CLE on the PBAS and present its results to the Executive Board in April 2016. IFAD Management's written response will also be considered by the Board, together with the final CLE report. Before that, in accordance with established practice, the evaluation will be presented to the Evaluation Committee. This evaluation is expected to generate findings and recommendations to support IFAD Management and the Board in further developing the PBAS, as needed, in the future.
22. Next year, IOE will undertake a formative CLE on IFAD's decentralization experience, which is a major evaluation on a topic very critical for the organization. In this regard, IOE will assess the contributions of IFAD country offices (ICOs) and

subregional and regional offices as a central component of IFAD's operating model in achieving results in reducing rural poverty on the ground.

23. It is timely for IOE to conduct the CLE on IFAD's decentralization in 2016. The organization's decentralization is an important "area of reform" in the IFAD10 period for enhancing institutional and operational effectiveness and efficiency. Moreover, it is useful to note that – although the country presence policy and strategy dates to 2011 – IFAD's decentralization process formally started with the Field Presence Pilot Programme approved by the Executive Board in December 2003. However, even before that, several arrangements for country presence were established in the early 2000s. These have been assessed as part of the various CPEs and other evaluations (e.g. the CLE on efficiency) done by IOE since then. Thus there is adequate evaluative evidence and time frame to assess results and generate lessons for the future.
24. In addition, IOE plans to start five new CSPEs<sup>9</sup>, one in each of the five regional divisions of IFAD. These include the Democratic Republic of the Congo, Egypt, Mozambique, Nicaragua and the Philippines. Moreover, IOE will complete the CPEs started in 2015 in India and Nigeria. The main aim of CSPEs is to assess the results and impact of the partnership between IFAD and governments in reducing rural poverty, as well as to provide building blocks for preparation of IFAD country strategies/COSOPs in each country following completion of CPEs/CSPEs.
25. Building on its experience in conducting IEs,<sup>10</sup> next year IOE will launch a further evaluation of a project to be determined based on the selectivity framework. It is important to underline that IEs by IOE are not part of those being undertaken by Management in the IFAD9 and IFAD10 periods. The main aim for IOE in conducting IEs is to test innovative methodologies and processes for assessing the results of IFAD operations more rigorously, with emphasis on quantitative analysis. They also allow IOE to gain important first-hand experience in implementing IEs, thus contributing better to ongoing internal and external debate on the subject.
26. Moreover, IOE will prepare two ESRs. Such reports are largely based on existing evaluative evidence, and serve to extract and package lessons and good practices on specific topics that can inform development and implementation of IFAD policies, strategies and operations. IOE will adopt a more rigorous methodical approach to preparing synthesis reports, for example by using innovative methods such as systematic reviews, meta-analysis or qualitative comparative analysis, as appropriate. This will enhance the analytic rigour and credibility of such products.
27. The proposed topics for next year's ESRs are: (i) IFAD's country-level policy engagement, which is an agreed priority area for Member States in the IFAD10 period; and (ii) country-led scaling up processes which are fundamental for wider impact on rural poverty and also a priority in the IFAD10 period. IOE has ample evaluative evidence on both topics. For example, IOE conducted a CLE on scaling up that was presented to the Board in April 2010.<sup>11</sup> Moreover, each IOE project and CPE is required to assess and rate IFAD's efforts and results in promoting scaling up.
28. It is important to note that the fisheries/aquaculture synthesis, requested by the Evaluation Committee in 2014, has been included in the forward plan for 2017, as IOE does not have the required evaluative evidence to conduct such a synthesis next year. Thus IOE plans to strengthen its evaluative evidence on the topic in 2016, and conduct the ESR the following year. For example, IOE is doing an IE in

<sup>9</sup> Further to the introduction of the second edition of the evaluation manual, and in order to capture the overall objectives and methodological approach followed, IOE decided to change the name of CPEs to (CSPEs), and of project performance assessments (PPAs) to project performance evaluations (PPEs).

<sup>10</sup> IOE has completed two IEs thus far in Sri Lanka and India, respectively.

<sup>11</sup> See EB 2010/99/R.7.

2015/2016 of the Mozambique Sofala Bank Artisanal Fisheries Project, which will add to the evidence base for the ESR.

29. Following ongoing practice, IOE will validate all project completion reports (PCRs) and undertake project performance evaluations (PPEs) in selected cases. It plans to increase the number of PPEs from 8 per year to 10 in 2016 and onwards. The increase aims to enhance the availability of independent evaluative evidence on IFAD's operational performance, which will also serve as critical input for the ARRI, CLEs, CSPEs and ESRs. Increasing the number of PPEs will allow IOE to have wider coverage of IFAD operations in all regions, which will further contribute to strengthening IFAD's broader accountability framework. This is considered fundamental, given that the majority of IFAD's development resources are channelled through investment projects and programmes to developing member countries.
30. PPEs will be selected more strategically than in the past. For example, priority will be given to those with a more immediate input into planned CSPEs or ESRs. Moreover, IOE plans to strengthen the overall approach to and robustness of PPEs, especially by increasing interactions with beneficiaries and other in-country stakeholders, as well as to ensure that evaluation teams have the opportunity to conduct more structured participatory rural appraisals and a wider range of site visits to project activities in remote rural areas. On a case-by-case basis – and as and where needed – more structured data collection activities would be commissioned by IOE (e.g. through mini-surveys done before PPE missions) to enhance the evidence base and analytic rigour of PPEs.
31. As specified in the Evaluation Policy, the division will prepare the 2016 edition of the ARRI, its flagship annual report. As in previous years, the ARRI will include a detailed analysis and a dedicated chapter on one major learning theme. IOE will propose the topic of the 2016 learning theme to the Board, in consultation with IFAD Management, for approval in December 2015. Subject to the agreement of the Board in September 2015 and in consultation with Management, the ARRI will be presented to the Board in its September session (rather than December) from 2016 onwards. One of the main reasons is to reduce the workload of the December Board session.
32. Moreover, IOE will support recipient countries (selectively) in ECD activities. Increased focus will be devoted to strengthening partnership with the RBAs, especially in the conduct of joint evaluations. IOE will also ensure timely, customized dissemination and outreach of results and lessons to key audiences.
33. IOE will present all CLEs, the ARRI and selected CSPEs to both the Evaluation Committee and the Executive Board, among other documents. It will present the IEs and ESRs to the Evaluation Committee, and, if requested, also to the Board.
34. IOE will prepare written comments on new COSOPs that have been preceded by CSPEs for consideration by the Executive Board. In line with the IFAD Evaluation Policy, IOE will provide written comments on new corporate policies and strategies that have been informed by major CLEs. In particular, IOE will review and prepare written comments on the forthcoming corporate policy and strategy on fragile situations.
35. Moreover, in line with established practice,<sup>12</sup> IOE will prepare written comments for consideration by the Evaluation Committee and the Executive Board on the synthesis report by IFAD Management on the IFAD9 IE initiative. IOE comments will focus on the methodology and overall approach taken and the robustness of the

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<sup>12</sup> For example, in line with the IFAD Evaluation Policy and the terms of reference of the Evaluation Committee, IOE prepares written comments annually on the RIDE.

results reported. The comments will be discussed by the Committee and the Board along with the final synthesis report in April 2016.<sup>13</sup>

36. Finally, IOE will collaborate with the evaluation offices of the RBAs to provide quality assurance of the evaluation on the reformed Committee on World Food Security (CFS).

Table 2  
Evaluation activities planned by IOE for 2016

<i>Strategic objectives (SOs)</i>	<i>Divisional management results (DMRs)</i>	<i>Outputs</i>
<b>SO1: Generate evidence through independent evaluations on IFAD's performance and results to promote accountability</b>	DMR 1: Corporate policies and processes are improved through independent evaluations	<b>ARRI</b> <b>CLE</b> on IFAD's decentralization experience <b>Comments</b> on RIDE, President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), selected COSOPs and the new IFAD corporate strategy on fragile situations
	DMR 2: Country strategies/COSOPs are enhanced through country-level evaluations	<b>CSPEs</b> (India and Nigeria – to be completed; and the Democratic Republic of the Congo, Egypt, Mozambique, Nicaragua and the Philippines)
	DMR 3: Systemic issues and knowledge gaps in IFAD are addressed	<b>ESRs</b> – IFAD's country-level policy engagement and country-led scaling up
	DMR 4: IFAD-supported operations are improved through independent project evaluations	<b>PPEs</b> <b>All PCRs</b> available in the year validated
<b>SO2: Promote evaluation-based learning and an enhanced results culture for better development effectiveness</b>	DMR 5: Evaluation manual is implemented and new evaluation methods and products are piloted	<b>Project IE</b> in Mozambique completed and a new one started  Contribution to in-house and external debate on <b>IEs</b>  <b>Implementation and training</b> of IFAD and IOE staff and consultants on the second edition of the evaluation manual and implementation of the new harmonization agreement
	DMR 6: Awareness and knowledge of evaluation-based lessons and quality of products are enhanced and increased	<b>One learning theme</b> in the context of the 2016 ARRI (topic to be decided)  In-country learning workshops on the main results from CSPEs to provide building blocks for the preparation of new COSOPs; learning events in IFAD from other evaluations (e.g. CLEs, syntheses, ARRI) to share lessons and good practices  Partnerships (Evaluation Cooperation Group [ECG], United Nations Evaluation Group (UNEG), Swiss Agency for Development and Cooperation (SDC) and RBAs
	DMR 7: Evaluation capacity development (ECD) in partner countries	ECD engaged in thorough seminars and workshops on evaluation methodology and processes in the context of: (i) regular evaluations (e.g. ongoing CSPEs or PPEs); and (ii) upon request, in countries where IOE is not undertaking evaluations  Implementation of statement of intent with China on ECD
<b>SO1 and SO2<sup>14</sup></b>	DMR 8: Efficiency of the independent evaluation function and liaison with governing bodies are ensured	Preparation of the IOE work programme and budget; participation in all sessions of the Evaluation Committee, Executive Board and Governing Council, as well as selected Audit Committee meetings; participation in internal platforms (Operational Strategy and Policy Guidance Committee, Operations Management Committees, IFAD Management Teams, Country Programme Management Teams, etc.)

<sup>13</sup> Discussion of the synthesis report in the Evaluation Committee and the Executive Board was shifted by Management from December 2015 to April 2016.

<sup>14</sup> There are a number of outputs that contribute to DMR 8, which cuts across both SOs.

## V. 2016 resource envelope

### A. Staff resources

37. IOE's staff requirements are based on a comprehensive annual SWP exercise, which was developed further through consultations with the Budget and Organizational Development Unit to ensure that the methodology used by IOE is the same as that used throughout IFAD. The results of the SWP exercise for 2016 will be included in the final proposal for consideration by the Evaluation Committee in its planned session in October of this year. It is anticipated that there will be no change in the staff complement for 2016 (see annex V). It is also worth underlining that the IOE Professional to General Service staff ratio is about 1 to 0.46, which is among the best for any division in IFAD.
38. An initial assessment of the 2016 work programme indicates that the division should be in a position to deliver all planned activities in a timely manner, including a third evaluation synthesis, with its current level of staff resources, in spite of the slightly higher total level of effort for CSPEs and PPEs (see table 3 on next page). This is made possible by the significant methodological strengthening of IOE evaluations and process streamlining undertaken within the context of the development of the second edition of the evaluation manual. In any case, in the coming months, IOE will further analyse the total level of effort required to implement its proposed 2016 work programme, and will make adjustments, as required, in the revised version of the document to be presented to the Evaluation Committee in October.

### B. Budget proposal

39. This section outlines IOE budget requirements. The proposed budget is presented by type of activity, category of expenditure, and SOs (see tables 3-5). Each table includes both the 2015 approved budget and the proposed budget for 2016, facilitating a comparison between the two years. Moreover, IOE has developed a gender-sensitive budget to identify distribution of the budget for gender-related activities (see table 6). As mentioned earlier, this is work in progress. The proposed preview budget will be further reviewed based on developments in the second half of the year and will take into consideration inputs from the Audit Committee and the Executive Board in September 2015, before finalizing the 2016 budget proposal.
40. Assumptions. As in the past, the parameters used in developing the proposed 2016 budget are the same as those used by IFAD Management in developing IFAD's administrative budget for 2016. As of the writing of the preview document, they are as follows: (i) no increase in salaries of Professional and General Service staff anticipated for 2016; (ii) a general inflation rate of 1.7 per cent for non-staff costs and/or specific price increases where available; and (iii) an exchange rate of US\$1= EUR 0.86. The last two assumptions will be subject to review until presentation of the final budget proposal.
41. Budget by type of activity. As shown in table 3, US\$410,000 of the total non-staff costs of US\$2.491 million, or 16.4 per cent of non-staff costs, are allocated to higher-plane evaluations (ARRI and CLEs). These have the potential to induce far-reaching and systemic changes at the institutional level. The minor increase in the CSPE budget line is explained by the higher total level of effort in conducting CSPEs (4.5 units in 2015, as compared to 5.3 in 2016). In this regard, next year IOE plans to reassess the unit costs of CSPEs based on initial experience in implementing the enhanced methodology of the evaluation manual's second edition. However, it is anticipated that process streaming is likely to generate efficiency gains that may lead to lower unit costs per CSPE in 2017. Finally, in line with the explanations provided in paragraphs 30-31, the slight cost increase in the PPE budget is due to the increased number of such evaluations and to greater efforts to enhance their



overall robustness. The slight increase in unit cost per ESR is explained in paragraph 26.

Table 3  
Proposed budget for 2016 (by type of activity)<sup>15</sup>

Type of activity	Approved 2015 budget (US\$)	Absolute number 2015	Level of effort 2015	Proposed 2016 budget (US\$)	Absolute number 2016	Level of effort 2016
ARRI	100 000	1	1	100 000	1	1
CLEs	370 000	2	1	310 000	2	1
CSPEs	1 035 000	8	4.5	1 070 000	7	5.3
Evaluation syntheses	120 000	3	3	110 000	2	2
PPEs	230 000	8	8	315 000	10	10
PCR validations	50 000	30	30	50 000	30	30
IE	200 000	2	1	200 000	2	1
2 <sup>nd</sup> ed. evaluation manual	40 000	1	0.3	0	0	0
Knowledge-sharing, communication, evaluation outreach, partnership activities	188 000	-	-	195 000	-	-
ECD, training	122 892	-	-	141 520	-	-
<b>Total non-staff costs</b>	<b>2 455 892</b>			<b>2 491 520</b>		
Staff costs	3 614 041			3 156 442		
<b>Total</b>	<b>6 069 933</b>			<b>5 647 962</b>		

Note: A more detailed explanation of the breakdown is given in annex VI, table 2.

42. As mentioned in paragraph 26, IOE will adopt a more rigorous and methodical approach to preparing synthesis reports. Thus it proposes to allocate US\$55,000 per product in 2016, as compared with US\$40,000 in the past.
43. Accumulated experience in preparing ESRs in the past five years has shown that their analytical depth has been constrained by limited resources. The additional allocations will allow IOE to expand the literature review component underpinning such products, as well as to use more rigorous methods in codifying, extracting and analysing existing evaluative evidence. The ESR will also include recommendations, as requested by the Evaluation Committee.
44. Finally, minor increases in ECD, partnerships, communication, dissemination and outreach aim to strengthen the evaluation learning and feedback loop, widen IOE's contribution to building evaluation capacity in selected recipient countries, and foster joint activities with RBAs and evaluation offices in other development organizations (e.g. in the context of the UNEG and the ECG of the multilateral development banks).
45. Budget by category of expenditure. In table 4, the proposed non-staff budget is allocated by category of expenditure. Sixty per cent of the non-staff budget is allocated to consultancy fees to support evaluation work, which is similar to the proportion of total non-staff costs allocated in 2015. With regard to consultants, IOE is continuing its efforts to ensure adequate gender and regional diversity across all evaluation types. Moreover, preference is given to hiring consultants from the same country or region in which an evaluation is planned, especially for PPEs and CSPEs, as well as for country visits that might be undertaken in the context of CLEs and preparation of ESRs. As with all other consultants, national consultants hired will also have to adhere to IOE's conflict of interest policy, to ensure objectivity in their contributions to IOE evaluations.

<sup>15</sup> Based on accumulated experience and historical figures, 160 person (staff) days are allocated for conducting a CLE, 155 days for a CSPE, 70 days for ESRs, 80 days for IEs, 40 days for PPEs and 11 days for PCRVs. These figures are used to estimate the level of effort by type of activity shown in table 3.

46. It is also worth noting that, in 2015, IFAD further clarified its policy on the hiring of consultants, noting that they may not claim an exemption from taxes imposed by the countries of their nationalities or residence based on the privileges and immunities supposedly acquired through their services to IFAD. Moreover, consultants will no longer be eligible to participate in the medical or life insurance schemes available to IFAD staff members. The implications of these policy clarifications to IOE's consultants fee structure and related effects will have to be carefully monitored in the course of next year.

Table 4  
**Proposed budget for 2016 (by category of expenditure)**

<i>Category of expenditure</i>	<i>Approved 2015 budget</i>	<i>Proposed 2016 budget</i>
Staff travel	355 000	366 000
Consultant fees	1 485 000	1 480 000
Consultant travel and allowances	410 000	435 000
In-country CSPE learning events	40 000	40 000
Evaluation outreach, staff training and other costs	165 892	170 520
<b>Total non-staff costs</b>	<b>2 455 892</b>	<b>2 491 520</b>
Staff costs	3 614 041	3 156 442
<b>Total</b>	<b>6 069 933</b>	<b>5 647 962</b>

47. The increases in staff and consultant travel reflect the effect of price increases in travel and accommodation costs, as well a net increase for PPEs and ESRs to further strengthen their overall quality. As in 2015, a small allocation is proposed for staff training, which is essential to continuous professional development. Lower total staff costs are due to reductions in standard costs, in both Professional and General Service staff categories, caused by exchange rate adjustments – partly offset by the effect of the annual step-in-grade increases.
48. Budget by strategic objective. Table 5 shows allocation of the total IOE proposed budget for 2016, both staff and non-staff costs, against IOE's SOs. Further detail, including allocation to each DMR, can be found in annex VI, table 3.
49. SO1 receives a much greater allocation, as a larger part of the consultancy resources of IOE are allocated to the activities that contribute to achieving this objective (such as CLEs, CSPEs, PPEs and evaluation syntheses). Many of the activities undertaken within this objective also contribute to SO2. That is, several activities under SO1 also promote evaluation-based learning and an enhanced institutional results culture. For example, in-country workshops at the end of CSPEs – which are budgeted under SO1 – provide a unique opportunity to exchange views on the main lessons learned and good practices with policy and decision makers, IFAD operations staff and other stakeholders.

Table 5  
**Proposed budget allocation (by strategic objective)**

<b>Strategic objective</b>	<b>Approved 2015 budget</b>		<b>Proposed 2016 budget</b>	
	<b>Amount (US\$)</b>	<b>%</b>	<b>Amount (US\$)</b>	<b>%</b>
SO1: Generate evidence through independent evaluation of IFAD's performance to promote accountability	4 394 220	72	4 020 876	71
SO2: Promote evaluation-based learning and enhanced results culture for better development effectiveness	1 675 713	28	1 322 063	24
SO1 and SO2			305 023	5
<b>Total</b>	<b>6 069 933</b>	<b>100</b>	<b>5 647 962</b>	<b>100</b>

50. Gender budget. For the first time, IOE has attempted to illustrate the gender sensitivity of its budget (table 6 on next page). This has been a challenging exercise, especially because IOE was not yet able to find examples of gender budgets from other evaluation functions to be used as a basis in developing its own gender budget. IOE is, in fact, the only evaluation office doing so among multilateral organizations. Consultations were held with representatives of IFAD Management to learn from their recent experience in developing a gender-sensitive budget for the Fund's administrative budget.
51. The methodology followed by IOE entails determining the proportion of staff and non-staff costs devoted to analysing and reporting on gender issues in IOE evaluations. In this regard, it is important to recall that IOE has a dedicated criterion on gender equality and women's empowerment that is applied in all ARRIs, CSPes, PPEs, project completion report validations (PCRVs) and IEs. Additional attention is also being devoted to gender issues in other evaluation products, such as CLEs and ESRs.
52. All in all, the table shows that close to 6 per cent of the total proposed IOE budget for 2016 is directly allocated to examination of gender issues. This is a conservative estimate, which does not factor in several one-time gender-related activities pursued by IOE, such as dedicated staff training organized in 2014 with the evaluation functions of the RBAs to strengthen the evaluation of gender issues, or the development of the second edition of the evaluation manual. The division will further sharpen its methodology to enhance the accuracy of analysis in the coming months.
53. Budget proposal. The proposed 2016 budget is US\$5.65 million, or a 7 per cent nominal decrease against the 2015 approved budget of US\$6.07 million. The decrease can be attributed to the reduction in staff costs as a result of the weakening of the euro against the United States dollar, partly offset by a very minimal real increase of 0.6 per cent in non-staff costs due to increased activity and application of more robust methodologies for PPEs and ESRs. Price increases in certain expense categories such as travel and consultant costs have been absorbed through cost control and the use of more efficient methodologies.
54. It is important to underline that the proposed 2016 IOE budget is 0.56 per cent of IFAD's expected programme of loans and grants (PLG) for next year,<sup>16</sup> which is well below the IOE budget cap of 0.9 per cent adopted by the Executive Board.<sup>17</sup> An overview of IOE's proposed budget, including historical trends since 2012, is shown in annex VI, table 1.

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<sup>16</sup> It is anticipated that IFAD will plan to commit US\$1 billion in new loans and grants in 2016, in line with IFAD10 commitments.

<sup>17</sup> This decision was made by the Executive Board in December 2008.

Table 6  
**IOE 2016 gender-sensitive budget**

<i>Type of activity</i>	<i>Proposed 2016 budget</i>	<i>Gender component (percentage)</i>	<i>US\$</i>
<i>Non-staff costs</i>			
ARRI	100 000	10	10 000
CLEs	310 000	5	15 500
CSPEs	1 070 000	10	107 000
PCRVs	50 000	5	2 500
PPEs	310 000	7	22 050
IEs	200 000	7	14 000
Evaluation syntheses	110 000	5	5 500
Communication, evaluation outreach, knowledge-sharing, partnership activities	200 000		
ECD, training and other costs	141 520	5	7 076
<b>Total non-staff costs</b>	<b>2 491 520</b>	<b>7.4</b>	<b>186 076</b>
<i>Staff costs</i>			
Gender focal point	165 534	20	33 106
Alternate gender focal point	106 451	10	10 645
All evaluation officers	1 871 250	5	93 562
<b>Total staff costs</b>	<b>3 156 442</b>	<b>4.3</b>	<b>137 313</b>
<b>Total</b>	<b>5 647 962</b>	<b>5.8</b>	<b>323 389</b>

# IOE Results Measurement Framework for 2016-2018

(to be further refined by the end of 2015)

Strategic objectives (SOs)	Divisional management results (DMRs)	Key performance indicators	Baseline 2011	Target (per year)	Means of verification
SO1: Generate evidence through independent evaluation of IFAD's performance, to promote accountability	DMR 1: Corporate policies and processes are improved through independent evaluations	1. Adoption rate of recommendations from CLEs, CSPEs, ESRs and PPAs	n.a.	90%	PRISMA, and IOE work programme and budget document
	DMR 2: Country strategies/COSOPs are enhanced through country-level evaluations	2. Execution rate of key evaluations	n.a.	95%	
	DMR 3: Systemic issues and knowledge gaps in IFAD are addressed				
	DMR 4: IFAD-supported operations are improved through independent project evaluations				
SO2: Promote evaluation-based learning and enhanced results culture for better development effectiveness	DMR 5: Evaluation manual is implemented and new evaluation methods and products are piloted	3. Range of new methods and designs applied	n.a.	2	IOE evaluations
		4. Evaluations with quantitative analysis	n.a.	3 (in the whole period)	Impact evaluations
	DMR 6: Awareness and knowledge of evaluation-based lessons and quality of products are enhanced and increased	5. Number of outreach products for all evaluations disseminated through social tools and the web	n.a.	80	Issues paper, IOE records, reports, <i>Profiles</i> , <i>Insights</i> , newsletters
		6. Number of in-country learning events co-organized by IOE with governments	4	4	
		7. Number of in-house and external knowledge events organized by IOE	5	7	
		8. Feedback on quality of IOE products from client survey	n.a.	100 people (at least 60% positive feedback)	
		9. Number of downloads of publications, <i>Profiles</i> , <i>Insights</i>	n.a.	200	
		10. Number of people receiving IOE newsletters	n.a.	600	

Strategic objectives (SOs)	Divisional management results (DMRs)	Key performance indicators	Baseline 2011	Target (per year)	Means of verification
	DMR 7: ECD in partner countries	11. Number of ECD seminars/workshops organized in partner countries	n.a	1	IOE records
		12. Number of events attended by IOE staff related to self-evaluation and ECD	n.a	3	
SO1 and SO2	DMR 8: Efficiency of the independent evaluation function and liaison with governing bodies are ensured	13. Budget cap	< 0.9% of IFAD PLG	< 0.9% of IFAD PLG	IOE records
		14. Ratio of P to GS staff	n.a	1/0.46	
		15. Budget execution rate at year-end	n.a	At least 95%	

# IOE Results Measurement Framework for 2015

IOE objectives	Divisional management results <sup>a</sup>	Key performance indicators	Baseline (2011)	Target (2015)	Means of verification
SO1: Contribute, through independent evaluation work, to enhancing accountability for results	DMR 1				
	DMR 2	1. Adoption rate of recommendations from CLEs, CPEs and PPAs	n.a.	90%	ARRI, CLEs, evaluation reports, PRISMA, RIDE, workplan and budget (WPB) document, senior independent adviser report (for CLEs)
	DMR 3				
	DMR 4	2. Execution rate of key evaluation activities	n.a.	As per WPB	Evaluation reports and IOE records
		3. Number of trained IOE staff members contributing to methodology development	3	4	
	DMR 5	4. Number of planned Evaluation Committee sessions held in accordance with Committee's terms of reference	4 regular sessions	4 regular sessions	
SO2: Promote effective learning and knowledge management to further strengthen the performance of IFAD operations		5. Number of key learning events organized by IOE within IFAD (including on syntheses and ARRI learning themes)	4	8	ESRs, issues paper, IOE records, reports, <i>Profiles, insights</i> and newsletters
	DMR 6	6. Number of in-country learning events co-organized by IOE with governments	4	5	
	DMR 7	7. Number of in-house learning events attended by IOE staff for knowledge-sharing	2	5	
		8. Number of external knowledge events having IOE staff participation to share lessons from evaluation	3	5	
		9. Number of knowledge management products of CLEs and CPEs published within three months of established completion date and disseminated	80%	100%	
		10. Number of ECD workshops organized in partner countries to share knowledge on	n.a.	1	IOE records

IOE objectives	Divisional management results <sup>a</sup>	Key performance indicators	Baseline (2011)	Target (2015)	Means of verification
	DMR 8	IOE evaluation methodology and processes	2	3	
		11. Number of events attended by IOE staff related to self-evaluation and ECD			
Joint SO1 and SO2 (combining the learning and accountability functions of independent evaluation)		12. ARRI and learning themes, and number of CLEs, CPEs, PPAs and PCRVs, evaluation syntheses and IEs	According to 2011 workplan	1 ARRI, 2 CLEs, 5 CPEs, 8 PPAs, 25/30 PCRVs, 3 ESs 1 IE	IOE records
		13. Budget cap	< 0.9% of IFAD PLG	< 0.9% of IFAD PLG	
		14. Ratio of Professional to General Service staff	n.a.	1/0.46	
		15. Budget execution rate at year-end	n.a.	95%	



## IOE reporting on achievements (as of end-June 2015)

In 2015, IOE is reporting against both: (i) planned activities (table 1); and (ii) its key performance indicators (KPIs) (table 2 on page 21). An updated progress report against planned activities and KPIs will be included in the revised document presented to the Evaluation Committee in October 2015. This matrix will continue to be updated until final submission of the work programme and budget document to the Evaluation Committee in November and the Executive Board in December 2015.

Table 1  
**Reporting on IOE planned activities (January-June 2015)**

<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>
1. CLEs	IFAD's engagement in fragile and conflict-affected states and situations	To be completed in April 2015	Completed. The evaluation report was submitted for review to the Evaluation Committee in March 2015 and then to the Executive Board in April 2015
	IFAD's performance-based allocation system (PBAS)	To start in January 2015	Started. The approach paper was discussed at the 87 <sup>th</sup> session of the Evaluation Committee in March 2015 and finalized thereafter. Evaluation in full swing
2. Country programme evaluations	Bangladesh	To be completed in July 2015	Report finalized. National roundtable workshop held in June in Dhaka. The final report will be presented to the Evaluation Committee in October 2015
	Brazil	To start in January 2015	Started. Approach paper prepared and preparatory mission conducted. Main mission in July 2015 and final workshop in October
	Ethiopia	To start in January 2015	Started. Main mission completed and final workshop in November
	Gambia	To be completed in December 2015	Progressing as planned. Main mission completed and final workshop in December
	India	To start in September 2015	Started ahead of schedule. Approach paper finalized and preparatory mission conducted in June. Main mission planned for September/October
	Nigeria	To start in March 2015	Started. Preparatory mission held in June, and main mission planned for September
	Turkey	To start in March 2015	Started. Approach paper prepared and preparatory mission conducted. Main mission in July
	United Republic of Tanzania	To be completed in March 2015	Completed. Discussed at the 88 <sup>th</sup> session of the Evaluation Committee in June
3. Project completion report validation	Validate all PCRs available in year	To be completed in December 2015	Progressing as planned
4. Project performance assessment	About eight PPAs	To be completed in December 2015	Progressing as planned
5. Impact evaluation (IE)	Jharkhand-Chhattisgarh Tribal Development Programme, India	To be completed in June 2015	Report finalized and discussed at the 88 <sup>th</sup> session of the Evaluation Committee in June. In addition, two learning events on the JCTDP IE were held on 11 June in New Delhi and on 19 June at IFAD headquarters
	Sofala Bank Artisanal Fisheries Project, Mozambique	To start in June 2015	Approach paper under preparation.

<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>
6. Engagement with governing bodies	13 <sup>th</sup> Annual Report on Results and Impact of IFAD Operations (ARRI)	To be completed in December 2015	Progressing as planned, including preparation of a dedicated issues paper on the sustainability of benefit. Final report to be presented to the Evaluation Committee and Executive Board in end-2015
	Review of the implementation of the results-based work programme for 2015 and indicative plan for 2016-2017, and preparation of the results-based work programme and budget for 2016 and indicative plan for 2017-2018	To be completed in December 2015	In progress as planned
	IOE comments on the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)	To be completed in September 2015	Completed. PRISMA, with IOE comments, was discussed with the Evaluation Committee in June 2015. It will be further discussed with the Board in September 2015
	IOE comments on the Report on IFAD's Development Effectiveness (RIDE)	To be completed in December 2015	RIDE, with IOE comments, will be discussed with the Evaluation Committee end-November and thereafter by the Board in December 2015
	IOE comments on selected IFAD operational policies prepared by IFAD Management for consideration by the Evaluation Committee and Executive Board, including comments on the new IFAD corporate policy on grant financing, and on the synthesis report on IEs prepared by IFAD	To be completed in December 2015	IOE comments on the new grants policy were presented to the Evaluation Committee in March and to the Board in April. Discussion of the synthesis report on IEs prepared by IFAD has been deferred by Management to the April 2016 sessions of the Evaluation Committee and Executive Board.
	Participation in all sessions of the Evaluation Committee, Executive Board and Governing Council, selected Audit Committee meetings, and the 2015 country visit of the Executive Board to Morocco	To be completed in December 2015	Two formal Committee sessions held (March and June 2015). An additional informal seminar was organized on 24 June to discuss the draft of the second edition of the evaluation manual. Director, IOE, took part in the Executive Board visit to Morocco in June 2015.
	IOE comments on COSOPs when related CPEs are available	To be completed in December 2015	Not applicable to date
7. Communication and knowledge management activities	Evaluation synthesis accessing markets: a subregional perspective	To be completed in June 2015	Approach paper in preparation
	Evaluation synthesis on natural resources and environmental management	To be completed in December 2015	Approach paper in preparation
	Evaluation synthesis on non-lending activities in the context of South-South cooperation	To be completed in December 2015	Approach paper prepared
	Evaluation reports, <i>Profiles</i> , <i>Insights</i> , IOE website, etc.	January-December 2015	In progress as planned
	Organization of in-country CPE learning workshops, as well as learning events in IFAD	January-December 2015	CPE learning workshops held in the United Republic of Tanzania in January and in Bangladesh in June. Several other such workshops are planned for the second part of 2015 (see section on CPE above). In addition, two learning events on the JCTDP IE were held on 11 June in Delhi and on 19 June at IFAD headquarters.

<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>
	Activities related to the International Year of Evaluation	January-December 2015	In progress as planned. Organization of a joint event with the evaluation offices of the RBAs on the evaluability of SDG2 in November 2015. Preparation of a brochure documenting the evolution of IFAD's evaluation function since the establishment of the Fund
	Participation and knowledge- sharing in selected external platforms such as learning events or meetings of evaluation groups	January-December 2015	In progress as planned
	Attendance at all Operational Strategy and Policy Guidance Committee(OSC) meetings that discuss corporate policies and strategies, COSOPs and selected projects evaluated by IOE. Attendance at Operations Management Committee (OMC) meetings, quality assurance learning sessions, IFAD Management Team (IMT) meetings and selected country programme management team (CPMT) meetings	January-December 2015	In progress as planned
8. Partnerships	ECG, UNEG and SDC partnership	January-December 2015	In progress as planned. Participated in the UNEG Annual General Meeting in March, where IOE made presentations on evaluating innovation and scaling up, and on communication and outreach activities. IOE also participated in the ECG meeting held in June
	Contribution as external peer reviewer to key evaluations by other multilateral/bilateral organizations as requested	January-December 2015	Peer review of the evaluations of: (i) the general capital increase; and (ii) African Development Fund commitments, for the Independent Development Evaluation Department of the African Development Bank Peer review of several Global Environment Facility terminal evaluation reports for the Environment and Climate Change Division of IFAD
	Implementation of joint statement by CGIAR, FAO, IFAD and World Food Programme (WFP) to strengthen collaboration in evaluation	January-December 2015	In progress as planned
9. Methodology	Second edition of the evaluation manual	To be completed in April 2015	Draft report prepared and discussed in an informal seminar of the Evaluation Committee on 24 June. The final document will be discussed in the Committee before end-2015
	Contribution to in-house and external debate on IEs	January-December 2015	In progress as planned
	Development and implementation of the new harmonization agreement	January-December 2015	To be developed following finalization of the second edition of the evaluation manual
	Training (second edition of evaluation manual) of IOE staff/consultants	January-December 2015	In progress as planned
10. Evaluation capacity development	Engagement in ECD in the context of regular evaluation process	January-December 2015	Pilots undertaken in China and Ethiopia, with a range of activities
	Organization of workshops in partner countries (as requested) on evaluation methodology and processes	January-December 2015	See second page of table 2

Type of work	Evaluation activities	Planned implementation status	Present status
	Implementation of statement of intent with the Government of China on ECD in the country	January-December 2015	PPA on the project Environment Conservation and Poverty Reduction Programme in Ningxia and Shanxi. Main mission completed. Presentation on evaluation methodology delivered during Shanghai International Program for Development Evaluation Training (SHIPDET).

## Reporting on IOE key performance indicators (January-June 2015)

Based on IOE's 2015 RMF, the following reporting matrix provides an overview of IOE achievements in the first semester of 2015 against KPIs agreed with the Executive Board.

Table 2  
Reporting on IOE key performance indicators (January – June 2015)

Strategic objectives	Divisional management results	Key performance indicators	Achievements	Description	Targets
SO1: Contribute, through independent evaluation work, to enhancing accountability for results	DMR 1: ARRIs and CLEs that provide concrete building blocks for the development and implementation of better corporate policies and processes	1. Adoption rate of recommendations from CLEs, CSPEs and PPAs	120 of 128 recommendations	Target surpassed, with 94% of IOE's recommendations adopted	90%
	DMR 2: CPEs that serve as concrete building blocks for better results-based COSOPs				
	DMR 3: Project evaluations that contribute to better IFAD-supported operations				
DMR 4: Methodology development		2. Execution rate of key evaluation activities	on track		As per 2015 WPB
		3. Number of trained IOE staff members contributing to methodology development	2	International Program for Development Evaluation Training (IPDET) and several others on gender and outcome harvesting	4 staff

Strategic objectives	Divisional management results	Key performance indicators	Achievements	Description	Targets
	DMR 5: Work related to IFAD governing bodies	4. Number of planned Evaluation Committee sessions held in accordance with the Committee's terms of reference	2	Two formal sessions (March and June)	4 regular sessions
SO2: Promote effective learning and knowledge management to further strengthen the performance of IFAD operations	DMR 6: Production of evaluation syntheses and ARRI learning themes	5. Number of key learning events organized by IOE within IFAD (including on syntheses and ARRI learning themes)	5	<ul style="list-style-type: none"> <li>• Knowledge-sharing event on Learning and Results in World Bank Operations: How the Bank Learns</li> <li>• In-house workshop: CLE on IFAD's engagement in fragile and conflict-affected states and situations</li> <li>• IOE emerging findings workshop: evaluation synthesis on IFAD's engagement with indigenous peoples</li> <li>• In-house learning event on impact evaluation of the JCTDP</li> <li>• In-house learning event on the evaluation synthesis report on pastoral development</li> </ul>	8
		6. Number of in-country learning events co-organized by IOE with governments	3	CPE workshops held: <ul style="list-style-type: none"> <li>• January – United Republic of Tanzania</li> <li>• June – Bangladesh</li> <li>• June – Learning event covering launching of the India CPE and presentation of the JCTDP impact evaluation report</li> </ul>	5
	DMR 7: Systematic communication and outreach of IOE's work	7. Number of in-house learning events attended by IOE staff for knowledge-sharing	4	<ul style="list-style-type: none"> <li>• The second global Indigenous Peoples' Forum</li> <li>• Country-level policy dialogue</li> <li>• Self-evaluation system with portfolio advisers</li> <li>• IFAD's role in "Food for All: International Institutions and the Transformation of Agriculture"</li> </ul>	5
		8. Number of external knowledge events with IOE staff participation to share lessons from evaluation	3	<ul style="list-style-type: none"> <li>• Fourth Conference of the Red de Seguimiento, evaluación y sistematización de América Latina y el Caribe (ReLAC)</li> <li>• UNEG Annual General Meeting (March)</li> <li>• ECG Spring Meeting (June)</li> </ul>	5
		9. Number of knowledge management products published within three months of established completion date and disseminated		IOE has published and disseminated to internal and external audiences a total of: 6 evaluation reports, 8 <i>Profiles and Insights</i> , 3 press releases, 1 overview of a CLE, 4 infographics, 2 quarterly newsletters, 7 videos and 2 video interviews (The Gambia and India). Preparation of the booklet on the evolution of the independent evaluation function at IFAD is ongoing	100%

Strategic objectives	Divisional management results	Key performance indicators	Achievements	Description	Targets
	DMR 8: ECD in partner countries	10. Number of countries with ECD 11. Number of events attended by IOE staff related to self-evaluation and ECD	2	China, Ethiopia	1

## IOE proposed evaluation activities for 2016 and indicative plan for 2017-2018

Table 1  
Proposed IOE work programme for 2016 by type of activity

Type of work	Proposed activities for 2016	Start date	Expected finish date	Expected delivery time <sup>a</sup>				
				Jan-Mar 2016	Apr-Jun 2016	Jul-Sep 2016	Oct-Dec 2016	2017
1. Corporate-level evaluation	IFAD's decentralization experience	Jan-16	Dec-16					X
2. Country strategy and programme evaluation	Egypt	Jan-16	Dec-16				X	
	Democratic Republic of the Congo	Jan-16	Dec-16				X	
	India	Apr-15	Apr-16		X			
	Mozambique	Jan-16	Dec-16				X	
	Nigeria	Jan-15	Mar-16		X			
	Nicaragua	Jan-16	Dec-16				X	
	The Philippines	Jan-16	Dec-16				X	
3. Project completion report validation	Validation of all PCRs available in year	Jan-16	Dec-16	X	X	X	X	
4. Evaluation synthesis	Scaling up of IFAD's country-level policy engagement	Jan-16	Dec-16				X	
5. Project performance evaluation	10 PPEs	Jan-16	Dec-16			X	X	
6. Impact evaluation (IE)	2015 IE (Mozambique)	Jul-15	Jun-16			X		
	One new IE (project to be determined)	Jul-16	Jun-17					X
7. Engagement with governing bodies	Review of implementation of results-based work programme for 2016 and indicative plan for 2017-2018, and preparation of results-based work programme and budget for 2017 and indicative plan for 2018-2019	Jan-16	Dec-16			X	X	
	15 <sup>th</sup> ARRI	Jan-16	Sep-16			X		
	IOE comments on the PRISMA	Jun-16	Sep-16			X		
	IOE comments on the RIDE	Oct-16	Dec-16			X	X	
	IOE comments on the IFAD strategy on fragile situations and on the synthesis report by IFAD Management on the IFAD9 impact evaluation initiative	Jan-16	Dec-16		X			
	Participation in all sessions of governing body meetings (Evaluation Committee, Executive Board and Governing Council), selected Audit Committee meetings, and 2016 Board country visit	Jan-16	Dec-16	X	X	X		
	IOE comments on COSOPs when related CSPEs are available	Jan-16	Dec-16		X	X	X	

Type of work	Proposed activities for 2016	Start date	Expected finish date	Expected delivery time <sup>a</sup>				2017
				Jan-Mar 2016	Apr-Jun 2016	Jul-Sep 2016	Oct-Dec 2016	
8. Communication and knowledge-management activities	Evaluation reports, <i>Profiles, Insights</i> , website, etc.	Jan-16	Dec-16	X	X	X	X	
	Organization of in-country CSPE learning workshops, as well as learning events in IFAD	Jan-16	Dec-16	X	X	X	X	
	Participation and knowledge-sharing in selected external platforms such as learning events or meetings of evaluation groups	Jan-16	Dec-16	X	X	X	X	
	IOE-OPV quarterly meetings	Jan-16	Dec-16	X	X	X	X	
	Attendance at all OSCs that discuss corporate policies and strategies, COSOPs and selected projects evaluated by IOE. Attendance at OMCs, IMTs and selected CPMTs	Jan-16	Dec-16	X	X	X	X	
9. Partnership	ECG, UNEG and SDC partnerships	Jan-16	Dec-16	X	X	X	X	
	QA of the external evaluation of the CFS. Contribution as external peer reviewer to key evaluations by other multilateral/bilateral organizations as requested	Jan-16	Dec-16	X	X	X	X	
	Implementation of joint statement by Consultative Group on International Agricultural Research (CGIAR), FAO, IFAD and WFP to strengthen collaboration in evaluation	Jan-16	Dec-16	X	X	X	X	
10. Methodology	Training (2 <sup>nd</sup> edition of evaluation manual)	Jan-16	Jun-16	X	X			
	Contribution to in-house and external debate on IE	Jan-16	Dec-16	X	X	X	X	
11. ECD	Engagement in ECD in context of regular evaluation process	Jan-16	Dec-16	X	X	X	X	
	Organization of workshops in partner countries (as per request) on evaluation methodology and processes	Jan-16	Dec-16	X	X	X	X	
	Implementation of statement of intent with the Peoples' Republic of China on ECD in the country	Jan-16	Dec-16	X	X	X	X	

<sup>a</sup> The quarterly delivery time is marked with an X only for an expected specific deliverable.



Table 2  
IOE indicative plan for 2017-2018 by type of activity<sup>18</sup>

Type of work	Indicative plan for 2017-2018	Year
1. Corporate-level evaluation	IFAD's approach and results in policy dialogue	2017-2018
	IFAD's efforts in conducting impact evaluations	2017-2018
	Joint evaluation with FAO and WFP of Reformed Committee on World Food Security	2017-2018
2. Country strategy and programme evaluation	NEN	2017-2018
	Cameroon	2017
	Pakistan	2017
	Guatemala	2017
	Indian Ocean small island developing states	2017-2018
3. Project completion report validation	Validate all PCRs available in year	2017-2018
4. Project performance evaluation	About 10 PPEs/year	2017-2018
5. Impact evaluation	1 per year (project to be determined)	2017-2018
6. Engagement with governing bodies	14 <sup>th</sup> and 15 <sup>th</sup> ARRIs	2017-2018
	Review of implementation of results-based work programme for 2017 and indicative plan for 2018-2019	2017
	Preparation of results-based work programme and budget for 2018 and indicative plan for 2019-2020	2018
	IOE comments on the PRISMA	2017-2018
	IOE comments on the RIDE	2017-2018
	IOE comments on selected IFAD operational policies, strategies and processes prepared by IFAD Management for consideration by Evaluation Committee	2017-2018
	Participation in all sessions of Evaluation Committee, according to revised terms of reference and rules of procedure of Committee. Participation in Executive Board and Governing Council sessions. Participate in annual country visit of the Board.	2017-2018
	IOE comments on COSOPs when related CSPEs are available	2017-2018
7. Communication and knowledge management activities	Evaluation reports, <i>Profiles</i> , <i>Insights</i> , website, etc.	2017-2018
	Evaluation synthesis on fisheries and aquaculture	2017
	Evaluation synthesis on Remittances	2017
	Attend all OSCs that discuss corporate policies and strategies, COSOPs and selected projects evaluated by IOE. Attend OMC, IMT and selected CPMT meetings	2017-2018

<sup>18</sup> The topics and number of CLEs, CSPEs and ESRs are tentative and the actual priorities and numbers to be undertaken in 2017 and 2018, respectively, will be determined in 2016.

<i>Type of work</i>	<i>Indicative plan for 2017-2018</i>	<i>Year</i>
8. Partnership	ECG, UNEG and SDC partnerships	2017-2018
	Implement joint statement by CGIAR, FAO, IFAD and WFP to strengthen collaboration in evaluation	2017-2018
9. Methodology	Contribute to in-house and external debate on impact evaluation	2017-2018
	Implement revised harmonization agreement between IOE and IFAD Management on independent and self-evaluation methodology and processes	2017-2018
10. ECD	Implementation of activities in partner countries related to ECD	2017-2018

## IOE staff levels for 2016

<i>2011 level</i>	<i>2012 level</i>	<i>2013 level</i>	<i>2014 level</i>	<i>2015 level</i>	<i>Professional staff</i>	<i>2016 General Service staff</i>	<i>Total</i>
19.5	19.5	18.5	18.5	19	13	6	19

## Human resource category

<i>Category</i>	<i>2015</i>	<i>2016</i>
Director	1	1
Deputy Director	1	1
Lead evaluation officers	2	3*
Evaluation officers	7	6
Evaluation research analyst	1	1
Evaluation knowledge and communication officer	1	1
<b>Total Professional staff</b>	<b>13</b>	<b>13</b>
Administrative assistant	1	1
Assistant to Director	1	1
Assistant to Deputy Director	1	1
Evaluation assistants	3	3
<b>Total General Service staff</b>	<b>6</b>	<b>6</b>
<b>Grand total</b>	<b>19</b>	<b>19</b>

\*In addition to the three P-5s, a lead evaluation officer has been seconded from SDC to IOE since May 2014 until May 2016, with no impact on IOE staff costs.

## IOE General Service staff levels

<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016 (proposed)</i>
9.5	8.5	8.5	8	8	8	6	6	6	6

# IOE proposed budget for 2016

Table 1  
**IOE proposed budget 2016**  
 (United States dollars)

					<i>Proposed 2016 budget</i>		
<i>Evaluation work</i>	<i>2012 budget</i>	<i>2013 budget</i>	<i>2014 budget</i>	<i>2015 budget (1)</i>	<i>Real increase/decrease (2)</i>	<i>Price increase/decrease (3)</i>	<i>Total 2016 budget (4)=(1)+(2)-(3)</i>
Non-staff costs	2 289 474	2 346 711	2 395 992	2 455 892	35 628		2 491 520
Staff costs	3 734 530	3 667 268	3 586 690	3 614 041	0	(457 599)	3 156 442
<b>Total</b>	<b>6 024 004</b>	<b>6 013 979</b>	<b>5 982 682</b>	<b>6 069 933</b>	<b>35 628</b>	<b>( 457 599 )</b>	<b>5 647 962</b>

Table 2  
2016 IOE budget proposal breakdown for non-staff costs

<i>Type of activity</i>	<i>Absolute number</i>	<i>Relative number in terms of % of work done<sup>a</sup></i>	<i>Standard unit costs<sup>b</sup> (US\$)</i>	<i>Proposed non-staff costs in 2015 (US\$)</i>
ARRI	1	1	150 000	100 000
Corporate-level evaluation (CLE)	2	1	Differentiated cost based on scope and nature of issues to be assessed: 200 000-450 000	310 000
• CLE PBAS		0.2		
• CLE decentralization		0.8		
Country strategy and programme evaluation	7	5.3	Differentiated cost based on size of portfolio, size of country, travel costs and availability of evaluative evidence: 225 000-305 000	1 070 000
PCRV	About 30	About 30	-	50 000
PPEs	About 10	About 10	30 000-40 000	315 000
Impact evaluation	1		200 000-300 000	200 000
• 2015 carry-over		0.7		
• 1 impact evaluation (project TBD)		0.3		
Evaluation synthesis	2	2	40 000-65 000	110 000
Communication, evaluation outreach, knowledge-sharing and partnership activities	-	-		200 000
ECD, training (including training on the 2 <sup>nd</sup> edition of the evaluation manual) and other costs	-	-		141 520
<b>Total</b>				<b>2 491 520</b>

<sup>a</sup> Evaluations often straddle two years. This figure represents percentage of work done for type of evaluation activity in 2016.

<sup>b</sup> Standard unit costs also include staff travel when necessary.

Table 3

**IOE proposed budget allocation (staff and non-staff costs) by objective and divisional management result**

(United States dollars)

<i>IOE objectives</i>	<i>IOE DMRs</i>	<i>Proposed budget (staff and non-staff cost)</i>	<i>Percentage of overall total proposed budget</i>
SO1: Generate evidence through independent evaluation on IFAD's performance and results to promote accountability	DMR 1: Corporate policies and processes are improved through independent evaluations	670 917	12
	DMR 2: Country strategies/COSOPs are enhanced through country-level evaluations	2 018 549	36
	DMR 3: Systemic issues and knowledge gaps in IFAD are addressed	495 207	10
	DMR 4: IFAD-supported operations are improved through independent project evaluations	836 203	13
<b>Total for SO1</b>		<b>4 020 876</b>	<b>71</b>
SO2: Promote evaluation-based learning and enhanced results culture for better development effectiveness	DMR 5: Evaluation manual is implemented and new evaluation methods and products are piloted	466 611	9
	DMR 6: Awareness and knowledge of evaluation-based lessons and quality of products are enhanced and increased	557 892	10
	DMR 7: ECD in partner countries	297 560	5
<b>Total for SO2</b>		<b>1 322 063</b>	<b>24</b>
<b>Joint SO1 and SO2</b>	DMR 8: Efficiency of the independent evaluation function is ensured	305 023	5
<b>GRAND TOTAL</b>		<b>5 647 962</b>	<b>100</b>

# IOE selectivity framework

Table 1  
Criteria for the selection and prioritization of evaluations for inclusion in IOE's work programme

Corporate-level evaluations (CLEs)	Country programme evaluations (CSPEs)	Evaluation synthesis reports (ESRs)	Project performance evaluations (PPEs)	Impact evaluations (IEs)
1. <b>Strategic priority.</b> The evaluation contributes to IFAD's strategic priorities and replenishment commitments	1. <b>Link to COSOPs.</b> Results feed into the development of IFAD <b>country strategies/ COSOPs</b>	1. <b>Evaluative evidence.</b> Availability of adequate evaluative evidence by IOE and evaluation functions in other development organizations	1. <b>Availability of PCR.</b> PPEs will be done only when a <b>PCR</b> is available	1. <b>No duplication.</b> No IE conducted by IFAD Management of the same operation
2. <b>Accountability.</b> Topic selected contributes to strengthening IFAD's institutional accountability	2. <b>Coverage:</b> a) Regional and country coverage of CSPEs	2. <b>Knowledge gap.</b> ESRs contribute to filling a critical knowledge gap in IFAD	2. <b>Geographic coverage.</b> PPEs selected to ensure regional balance of the IOE evaluation programme	2. <b>Learning from IE.</b> Evidence needed on what works in a certain context
3. <b>Knowledge gap.</b> CLEs contribute to filling a critical knowledge gap in IFAD	b) Size of the portfolio in terms of total investments and number of operations	3. <b>Strategic priority.</b> The synthesis contributes to IFAD's strategic priorities and replenishment commitments	3. <b>Building block.</b> Priority given to PPEs that will provide an input into CSPEs, CLEs or synthesis reports	3. <b>Building block.</b> Priority for IEs that will provide an input into CSPEs, CLEs or synthesis reports
4. <b>Timeliness.</b> Evaluation results feed punctually into pertinent corporate policies, strategies and/or processes	c) Debt Sustainability Framework classification (red, yellow, green)	4. <b>Timeliness.</b> The synthesis feeds punctually into pertinent corporate policies, strategies and/or processes	4. <b>Information gaps.</b> PCR does not provide sufficient analysis of project performance and results	4. <b>Completion date.</b> IEs will be done within three years after completion date
5. <b>Corporate risks.</b> The evaluation serves to help minimize critical corporate risks	d) Lending terms (highly concessional, blend or ordinary)	5. <b>Building block.</b> The synthesis serves as an input for other IOE products	5. <b>Inconsistencies.</b> PCR ratings are inconsistent with narrative	5. <b>Baseline data.</b> The availability and usability of baselines is essential to determine the methodology to be applied in IEs
			6. <b>Innovative approaches.</b> The project includes innovative approaches that merit deeper analysis and documentation	6. <b>Information gaps.</b> The PCR does not provide sufficient analysis of the effectiveness and impact of certain interventions
			7. <b>Learning from PPE.</b> Evidence needed on what worked and why	7. <b>Innovative approaches.</b> The project includes innovative approaches that merit deeper analysis and documentation