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Invertir en la población rural

## **Informe anual sobre los resultados y el impacto de las actividades del FIDA de 2017**

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**Para examen**

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## **Agradecimientos**

El *Informe anual sobre los resultados y el impacto de las actividades del FIDA* (ARRI) de 2017 ha sido elaborado por Chitra Despande, Oficial Superior de Evaluación de la Oficina de Evaluación Independiente del FIDA (IOE), bajo la supervisión de Fabrizio Felloni, Director Adjunto de la IOE. Ambos han contado en la IOE con la competente ayuda de Renate Roels, Balema Kossivi y Laura Morgia. La preparación del tema de aprendizaje ha corrido a cargo del consultor independiente Ralf Maurer. El informe se ha beneficiado del proceso de examen interno de la IOE y de las observaciones de los revisores externos Osvaldo Feinstein y Ernst Schaltegger.

La IOE desea manifestar su profundo agradecimiento a la dirección y al personal del Fondo por el apoyo general prestado y por sus valiosas observaciones sobre el borrador del informe que, en consonancia con la Política de Evaluación del FIDA, se han tenido debidamente en cuenta en la elaboración del informe final. En el documento también se abordan las observaciones formuladas por el personal del FIDA durante el taller sobre el ARRI de 2017 celebrado el 5 de julio.

Las observaciones contenidas en la respuesta escrita de la dirección del FIDA al ARRI de 2016, así como las del Comité de Evaluación y la Junta Ejecutiva, también se han tenido en cuenta en la edición de este año.

# **Informe anual sobre los resultados y el impacto de las actividades del FIDA de 2017**

## **Resumen**

1. **Antecedentes.** Esta es la decimoquinta edición del *Informe anual sobre los resultados y el impacto de las actividades del FIDA* (ARRI), que la Oficina de Evaluación Independiente (IOE) del FIDA lleva elaborando todos los años desde 2003. El FIDA es una de las pocas organizaciones multilaterales y bilaterales que producen un informe semejante con periodicidad anual, lo que refleja el compromiso constante del Fondo con la consolidación de la rendición de cuentas y el aprendizaje a fin de mejorar el impacto en el desarrollo.
2. **Objetivos.** El ARRI tiene dos objetivos principales: i) presentar una síntesis de los resultados de las operaciones respaldadas por el FIDA basándose en una metodología de evaluación común, y ii) poner de relieve las cuestiones sistémicas y transversales, las enseñanzas y los desafíos que el Fondo y los países receptores han de abordar para mejorar la eficacia de sus actividades en el ámbito del desarrollo. Según se acordó el pasado año con la Junta Ejecutiva, el ARRI de 2017 contiene un capítulo dedicado a un tema de aprendizaje, a saber, la gestión financiera y la responsabilidad fiduciaria en las operaciones financiadas por el FIDA.
3. **Novedades en la metodología y los análisis.** El ARRI de 2017 incluye varios cambios en los criterios utilizados en las evaluaciones a nivel de proyecto y en la nomenclatura que se expusieron en la segunda edición del manual de evaluación, a saber: i) inclusión del criterio de sostenibilidad de los beneficios como cuarto componente de los resultados de los proyectos<sup>1</sup>, y adopción de dos nuevos criterios independientes: medio ambiente y gestión de los recursos naturales y la adaptación al cambio climático; ii) valoración basada exclusivamente en los datos empíricos cualitativos relativos a las subesferas del impacto en la pobreza rural, dado que estas ya no se califican, y iii) nueva nomenclatura: las evaluaciones de la estrategia y el programa en el país (EPP) sustituyen a las evaluaciones del programa en el país (EPP) y, además, se ha modificado la denominación en inglés de las evaluaciones de los resultados de los proyectos (ERP), aunque este cambio no afecta al idioma español. Por último, este ARRI incluye la realización de pruebas t de los criterios de evaluación con el fin de comparar conjuntos de datos con fines de significación estadística.
4. **Contexto del ARRI de 2017.** El ARRI de 2017 es la primera edición del documento elaborada en el marco de la Décima Reposición de los Recursos del FIDA (FIDA10) (2016-2018). Sus conclusiones cualitativas se derivan de las evaluaciones realizadas en 2016. La cohorte de evaluaciones de proyectos de este año, finalizados entre 2010 y 2015, refuerza la base de datos empíricos cuantitativos correspondiente a los períodos 2010-2012 y 2013-2015, que coinciden con la Octava Reposición de los Recursos del FIDA (FIDA8) y la Novena Reposición de los Recursos del FIDA (FIDA9), respectivamente. Los datos más sólidos de que se dispone para estos dos períodos permiten realizar análisis estadísticos complementarios para comparar entre sí los resultados y detectar tendencias reveladoras de lo que podrían ser los resultados en el próximo trienio 2016-2018, que coincide con la FIDA10.
5. Según el Informe de la Consulta sobre la Décima Reposición de los Recursos del FIDA, este afianzará los logros obtenidos recientemente con el fin de ampliar la escala de los resultados y consolidar los enfoques estratégicos de la FIDA9 (2013-2015). Como resultado de ello, la mayoría de las prioridades y las esferas de reforma de la FIDA10 son las mismas que en la FIDA9. Así pues, en el ARRI

<sup>1</sup> Además de la pertinencia, la eficacia y la eficiencia.

de 2017 también se comparan los resultados de la FIDA9 con varios indicadores<sup>2</sup> del Marco de Medición de los Resultados (MMR) de la FIDA10, que retomó muchos de los objetivos de la FIDA9; esa es la base que permite definir de manera prospectiva las oportunidades y los desafíos a la luz de las prioridades establecidas para la FIDA10 y períodos sucesivos.

6. **Base de datos de la evaluación independiente y fuentes de los datos.** La base de datos de la evaluación independiente está en línea, es de acceso público e incluye las calificaciones atribuidas a los proyectos en las evaluaciones independientes realizadas por la IOE desde 2002. El ARRI de 2017 se basa en las calificaciones de 295 evaluaciones de proyectos terminados y 40 EEPP.
7. **Antigüedad de la cartera de proyectos.** De los 35 proyectos evaluados por primera vez e incluidos en el ARRI de este año, ocho fueron aprobados entre 1999 y 2003, 25 entre 2004 y 2008, y dos entre 2009 y 2010. Todos los proyectos están finalizados y cerrados: cuatro terminaron entre 2010 y 2012 y 31 entre 2013 y 2015. La duración media de los proyectos fue de siete años, pero hubo cuatro proyectos cuya ejecución duró más de 10 años. En vista de la antigüedad de la cartera de proyectos analizada en el ARRI, es importante señalar que en el análisis de los resultados no se han tenido en cuenta proyectos e iniciativas diseñados recientemente.
8. **Metodología.** Las evaluaciones de proyectos en que se basa el ARRI de 2017 se llevaron a cabo en 2016 y por consiguiente se ajustan a lo dispuesto en la segunda edición del manual de evaluación publicado en diciembre de 2015. Este es el primer año en que esta nueva metodología ha quedado reflejada en el ARRI. Los criterios y las definiciones en materia de evaluación incluidos en el acuerdo de armonización revisado<sup>3</sup> suscrito por la dirección y la IOE, aplicados en las evaluaciones realizadas en 2017, quedarán plenamente recogidos en el ARRI de 2018.
9. Cada proyecto se valora y califica de acuerdo con nueve criterios de evaluación: pertinencia, eficacia, eficiencia, sostenibilidad de los beneficios, impacto en la pobreza rural, igualdad de género y empoderamiento de la mujer, innovación y ampliación de escala, medio ambiente y gestión de los recursos naturales, y adaptación al cambio climático. Estos dos últimos criterios antes se calificaban conjuntamente como una subesfera del impacto en la pobreza rural; ahora son criterios distintos e independientes.<sup>4</sup>
10. La IOE también tiene dos criterios de evaluación combinados: resultados de los proyectos y logros generales de los proyectos. El criterio relativo a los resultados de los proyectos es una media de las calificaciones atribuidas a cuatro diversos criterios de evaluación —pertinencia, eficacia, eficiencia y sostenibilidad (este último, recién incluido)—, mientras que el de los logros generales de los proyectos se basa en los nueve criterios aplicados actualmente por la IOE (pero no es una media de todos ellos). Por último, cada proyecto también se evalúa en lo referente al desempeño del FIDA y de los gobiernos como asociados, de conformidad con la práctica adoptada en otras instituciones financieras internacionales.

<sup>2</sup> Habida cuenta de la naturaleza y la orientación de las evaluaciones independientes, el ARRI puede informar sobre la eficacia del FIDA en términos de desarrollo respecto de los indicadores de los niveles 2 a 4 del MMR de la FIDA10: efectos directos e impacto en el desarrollo generados por los programas respaldados por el FIDA; productos de los proyectos y los programas en los países, y eficacia operacional de los proyectos y los programas en los países.

<sup>3</sup> Acuerdo acerca de la armonización de los métodos y sistemas de evaluación independiente y de autoevaluación del FIDA, Parte I: Criterios de evaluación. Véase: <https://webapps.ifad.org/members/eb/120/docs/EB-2017-120-INF-2.pdf>.

<sup>4</sup> Según la nueva metodología, el medio ambiente y la gestión de los recursos naturales y la adaptación al cambio climático ya no se incluyen entre las esferas que contribuyen al impacto en la pobreza rural. Las cuatro esferas del impacto restantes (ingresos y activos netos de los hogares; capital humano y social y empoderamiento; seguridad alimentaria y productividad agrícola, e instituciones y políticas) ya no se califican.

11. **Escala de calificaciones y series de datos.** La IOE utiliza una escala de calificaciones de seis puntos<sup>5</sup> para evaluar los resultados en cada criterio de evaluación. Estas calificaciones, que son el fundamento de la comunicación de los resultados en los informes de evaluación de la IOE, se agregan y se utilizan en los análisis del ARRI para dar cuenta de la marcha de las operaciones del FIDA.
12. En el ARRI las calificaciones de las evaluaciones de proyectos se presentan por año de finalización en dos series de datos: i) todos los datos de evaluación, y ii) únicamente los datos de las validaciones de los informes finales de los proyectos (VIFP) y de las ERP. En la primera serie se exponen las calificaciones de los proyectos extraídas de los 295 informes de evaluación elaborados desde 2002; la segunda contiene solo los datos provenientes de 157 VIFP, las ERP y las evaluaciones del impacto. Las principales tendencias de los resultados se explican mediante un análisis de los porcentajes de los proyectos calificados como moderadamente satisfactorios como mínimo. En el ARRI se utilizan medias móviles de tres años para poner de relieve las tendencias a largo plazo y suavizar las fluctuaciones a corto plazo.
13. **Resultados de la cartera.** En general, los resultados de los proyectos financiados por el FIDA revelan tendencias positivas desde 2009. El gráfico 1 ofrece una visión general de las tendencias de los resultados de los proyectos, los logros generales de los proyectos, el impacto en la pobreza rural y el desempeño de los asociados. El gráfico confirma un cambio de orientación en los resultados, que de un nivel mínimo en 2009-2011<sup>6</sup> registraron un repunte en 2011-2013<sup>7</sup>. Más del 80 % de los proyectos evaluados en 2013-2015 se calificaron como moderadamente satisfactorios como mínimo en lo relativo al impacto en la pobreza rural (85 %), los logros generales (81 %) y el desempeño del FIDA como asociado (88 %). El desempeño de los gobiernos mejoró considerablemente, pues pasó de un 60 % de proyectos evaluados como moderadamente satisfactorios como mínimo en 2009-2011 a un 77 % en 2013-2015. En cuanto a los resultados de los proyectos, actualmente el 67 % de los proyectos están calificados como moderadamente satisfactorios como mínimo. La nueva definición de resultados de los proyectos, que comprende la sostenibilidad de los beneficios, queda reflejada en la línea de tendencia que va desde 2011 hasta 2015, los años en que los proyectos llegaron a su fin.

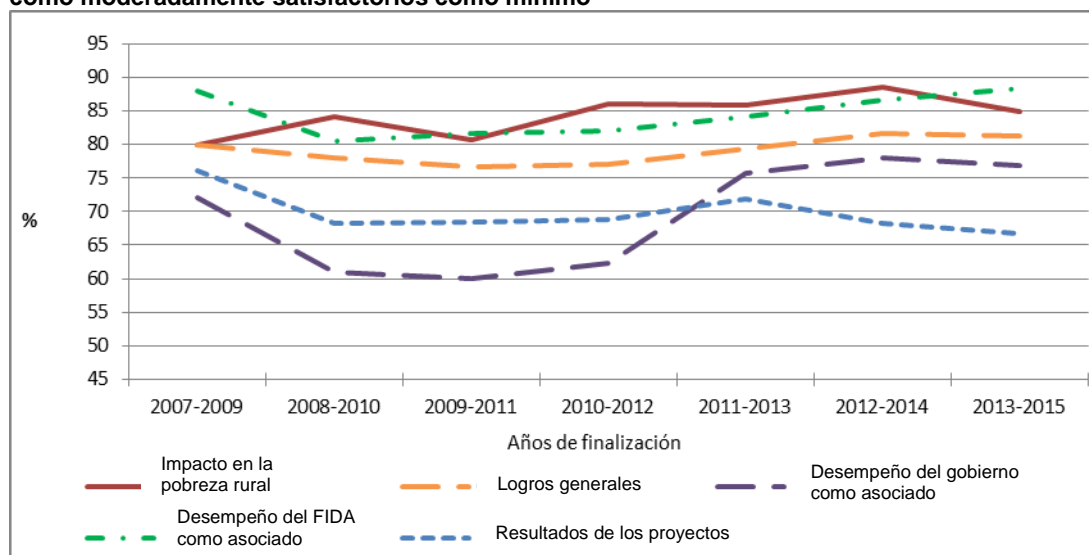
<sup>5</sup> Los proyectos que se califican como moderadamente satisfactorios como mínimo se sitúan en el intervalo "satisfactorio" (4-6), mientras que los proyectos calificados como moderadamente insatisfactorios como máximo se sitúan en el intervalo "insatisfactorio" (1-3).

<sup>6</sup> En el ARRI de 2015 el empeoramiento de los resultados se atribuyó al hecho de que una parte de los proyectos evaluados que habían finalizado en 2009-2011 se habían ejecutado en países con situaciones de fragilidad, así como al efecto de la adopción en 2008 del primer manual de evaluación del FIDA, en el que se basaron las evaluaciones de los proyectos realizadas a partir de 2009. La eficiencia y el desempeño de los gobiernos obtuvieron resultados especialmente flojos.

<sup>7</sup> En el ARRI de 2016 la mejora de los resultados se atribuyó a los importantes cambios introducidos en el modelo operativo del FIDA a partir de 2007 (por ejemplo, los exámenes *ex ante*, la supervisión directa y la descentralización), que comenzaban a influir en los datos de evaluación.

Gráfico 1

**Visión de conjunto de los criterios de evaluación principales: porcentaje de proyectos calificados como moderadamente satisfactorios como mínimo**



Fuente: Base de datos de evaluación de la IOE, marzo de 2017.

14. La mejora de los resultados entre la FIDA8 (2009-2012) y la FIDA9 (2013-2015) reforzó aún más esta evolución positiva de la cartera. El análisis de las calificaciones según el período de reposición revela los buenos resultados obtenidos por las operaciones que salieron de la cartera en la FIDA9. Los criterios que mejores resultados arrojaron en cuanto a un porcentaje más elevado de proyectos con calificaciones de moderadamente satisfactorios como mínimo son la pertinencia (90 %), el desempeño del FIDA como asociado (87 %) y la igualdad de género y el empoderamiento de la mujer (85 %). La mejora de los resultados de algunos criterios entre la FIDA8 y la FIDA9 queda confirmada por una prueba t de dos muestras realizada con los datos resultantes de las VIFP y las ERP. La pertinencia, el desempeño del FIDA como asociado, la igualdad de género y el empoderamiento de la mujer, la innovación y la ampliación de escala y los resultados de los proyectos registran incrementos estadísticamente significativos en sus calificaciones medias.
15. A pesar de estos progresos, los resultados de la cartera han comenzado a estancarse porque la mayoría de las calificaciones corresponden a "moderadamente satisfactorio". Aunque en el periodo 2013-2015 el desempeño del FIDA como asociado mejoró (el 88 % de los proyectos fueron calificados como moderadamente satisfactorios como mínimo), el gráfico 1 pone de manifiesto un ligero descenso en lo relativo a los logros generales de los proyectos (81 %), el desempeño de los gobiernos (77 %), el impacto en la pobreza rural (85 %) y los resultados de los proyectos (67%). El deterioro de los resultados de los proyectos puede atribuirse a la reducción del porcentaje de proyectos calificados como moderadamente satisfactorios como mínimo en cuanto a la eficacia (del 77 % al 75 %) y la eficiencia (del 61 % al 57 %), dado que la pertinencia aumentó ligeramente (del 88 % al 90 %) y la sostenibilidad de los beneficios no varió, permaneciendo en un 65 %. Entre los criterios específicos del FIDA, la innovación y la ampliación de escala aumentaron levemente hasta alcanzar el 91 %, mientras que la igualdad de género y el empoderamiento de la mujer registró un comportamiento plano (el 85 % de los proyectos recibieron una calificación de moderadamente satisfactorios como mínimo) y el medio ambiente y la gestión de los recursos naturales disminuyeron al 77 %. De los 28 proyectos en los que se había integrado el nuevo criterio de la adaptación al cambio climático y que habían finalizado en el periodo 2013-2015, el 74 % recibió una calificación de moderadamente satisfactorio como mínimo. Debido a lo novedoso de este criterio y

a los limitados datos empíricos resultantes, es más difícil hacer el seguimiento de las experiencias de adaptación al cambio climático que del criterio, bien arraigado, relativo al medio ambiente y la gestión de los recursos naturales.

16. Los criterios de la eficiencia y la sostenibilidad de los beneficios representan desde hace ya tiempo obstáculos para mejorar los resultados de los proyectos: en el periodo 2007-2015 obtuvieron las medias más bajas (3,62 y 3,67, respectivamente). En el periodo 2013-2015, la eficiencia sigue siendo el criterio de rendimiento más flojo por el elevado costo de los proyectos, la frecuente rotación del personal y la ampliación del período de ejecución resultante de los grandes retrasos en la puesta en marcha. Los resultados en la esfera de la sostenibilidad de los beneficios han mejorado, pero los progresos son lentos debido al problema recurrente que supone la fragilidad de los resultados al término de las intervenciones, el escaso sentido de apropiación de los beneficiarios y la falta de estrategias de salida claras, que, cabe recordar, fue objeto de una de las recomendaciones del ARRI de 2015.
17. En el criterio del impacto en la pobreza rural se registra una evolución constante positiva: la media entre 2007 y 2015 es de 4,09 y en el período 2013-2015 el 84,9 % de los proyectos fueron calificados de moderadamente satisfactorios como mínimo. Sin embargo, los resultados recientes no han variado e incluso se han deteriorado ligeramente. En cuanto a los proyectos cuyo impacto en la pobreza rural se calificó de insatisfactorio, las evaluaciones realizadas en 2016 ponen de relieve aspectos problemáticos relacionados con la estrategia de focalización y la falta de claridad acerca del grupo objetivo. La focalización es también uno de los factores que más incide en la pertinencia, criterio que adolece de estancamiento y respecto del cual el porcentaje de proyectos calificados de satisfactorios como mínimo se sitúa en el 52 %.
18. Las evaluaciones de 2015 y 2016 han constatado sistemáticamente que en los análisis de la pobreza realizados en la fase de diseño no quedaban suficientemente reflejadas las diferencias entre los distintos grupos de población rural pobre. Las actividades de los proyectos no llegan a todos los beneficiarios previstos, en particular a los más pobres, y las estrategias a menudo no son lo bastante flexibles como para adaptarse a los cambios que se producen durante la ejecución.
19. Las necesidades y limitaciones específicas de las mujeres no siempre se analizaron e incluyeron adecuadamente en la planificación y el diseño de los programas. En las evaluaciones de 2016 se observó que tener en cuenta de forma explícita las necesidades específicas de las mujeres y elaborar estrategias dirigidas expresamente a ellas es fundamental para garantizar que estas obtengan los mismos beneficios y que se atiendan sus necesidades estratégicas. Unas estrategias de focalización específicas son necesarias, principalmente, para atender las necesidades diferentes de las mujeres, sobre todo las que forman parte de los grupos con más probabilidades de quedar rezagados, como las personas muy pobres o sin tierra, los pueblos indígenas y los hogares encabezados por una mujer.
20. En lo que respecta a la seguridad alimentaria y la productividad agrícola, el FIDA ha incluido en el MMR de la FIDA10 dos nuevas metas en materia de impacto, relacionadas con el aumento de la producción y la mejora del acceso a los mercados. Sin embargo, con estas metas se cuantifica la producción tanto agrícola como no agrícola, de forma que se corre el riesgo de descuidar el efecto de la productividad agrícola en la seguridad alimentaria. Esta mayor atención prestada a la producción comercial quedó reflejada en la muestra de programas evaluados en el informe de síntesis de evaluación sobre el acceso de los pequeños agricultores a los mercados, que llegó a la conclusión de que la mejora del acceso a los mercados por sí sola no conlleva necesariamente una mejora de la seguridad alimentaria. Pese al aumento de la productividad agrícola, el impacto de los proyectos en la



nutrición infantil fue limitado y el régimen alimenticio prácticamente no varió. La cuestión de la invariabilidad de las tasas de malnutrición está relacionada asimismo con la falta de datos desglosados.

21. **Evaluación comparativa de los resultados de los proyectos.** En general, los resultados de los proyectos del FIDA siguen siendo sólidos y equiparables a los de las operaciones del Banco Mundial en el sector agrícola, como puede verse en el cuadro 1. A nivel regional, el FIDA sigue obteniendo el porcentaje más alto de proyectos cuyos resultados obtienen la calificación de moderadamente satisfactorios como mínimo en un período determinado cuando los proyectos que financia en las regiones de África y Asia y el Pacífico se comparan con los del Banco Africano de Desarrollo (BAfD) y el Banco Asiático de Desarrollo (BASD), respectivamente. En particular, la inclusión de la sostenibilidad de los beneficios en las calificaciones de los resultados de los proyectos ha reforzado la comparabilidad de los resultados del FIDA con los de los bancos regionales.

Cuadro 1

**Resultados de los proyectos: porcentaje de los proyectos de desarrollo agrícola y rural calificados como moderadamente satisfactorios como mínimo** (basado en todas las series de datos de evaluación)

Período	FIDA 2002-2015	FIDA África 2002-2015	FIDA Asia y el Pacífico 2002-2015	Banco Mundial 2002-2015	BAfD 2002-2013	BASD 2002-2014
2002-2015 (porcentaje)	75 %	68 %	88 %	76 %	44 %	65 %
Número de proyectos agrícolas evaluados	279	129	73	662	131	92

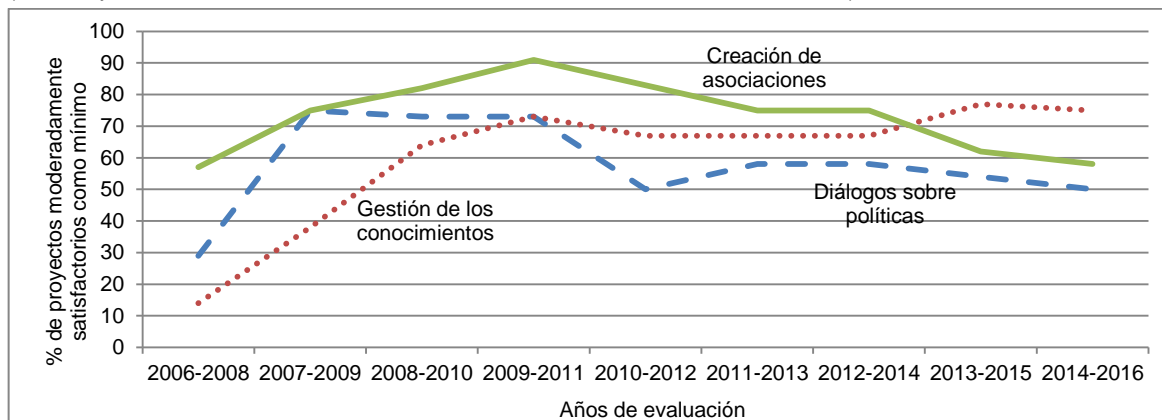
Fuente: Bases de datos de las calificaciones de evaluación independiente de la Dependencia de Evaluación Independiente del Desarrollo del BAfD, el Departamento de Evaluación Independiente del BASD, el Grupo de Evaluación Independiente del Banco Mundial y la IOE.

22. **Resultados de los países.** En las EEPP se analizan los resultados más allá del nivel de los proyectos, se informa al respecto y se extraen enseñanzas que son comunes a todos los programas del FIDA en los países. También se examinan los resultados de la cartera en el ámbito de las actividades no crediticias (es decir, la actuación normativa a nivel nacional, la gestión de los conocimientos y la creación de asociaciones). El ARRI de este año incluye cuatro nuevas EEPP realizadas en Filipinas, Mozambique, Nicaragua y la República Democrática del Congo.
23. La gestión de los conocimientos, la creación de asociaciones y la actuación normativa a nivel nacional son actividades que se refuerzan mutuamente y complementan los proyectos de inversión del FIDA. En el gráfico 2 se expone la evolución de las actividades no crediticias en el período 2006-2016. Los resultados de estas actividades mejoraron significativamente entre 2006 y 2011, a lo que siguió un período de estancamiento entre 2011 y 2014. El período 2013-2015 estuvo marcado por otro giro en los resultados, pues la gestión de los conocimientos mejoró y empeoraron la actuación normativa a nivel nacional y la creación de asociaciones. Cabe destacar que en 2014 la creación de asociaciones dejó de ser la actividad no crediticia que arrojaba los mejores resultados debido a las mejoras constantes en la gestión de los conocimientos. Sin embargo, la evolución positiva de la gestión de los conocimientos —los programas en los países calificados de moderadamente satisfactorios al respecto pasaron del 67 % en 2010-2012 al 75 % en 2014-2016— actualmente se mantiene estacionaria. Los resultados de la actuación normativa a nivel nacional empeoraron: el porcentaje de programas en los países calificados como moderadamente satisfactorios como mínimo pasó del 73 % en el período 2009-2011 al 58 % en 2011-2014, y se redujo aún más (54 %) en 2014-2016.

Gráfico 2

**Resultados de las actividades no crediticias en 2006-2016 (año de evaluación)**

(Porcentaje de actividades calificadas como moderadamente satisfactorias como mínimo)



Fuente: Base de datos de evaluación de la IOE, marzo de 2017.

24. Las EEPP de 2016 ponen de relieve la importancia de las actividades no crediticias como medio de mejorar el impacto global de los resultados de los programas del FIDA en los países y de determinar los factores que contribuyen a mejorar la capacidad del Fondo. La creación de plataformas de gestión de los conocimientos sólidas en el marco de los programas en los países es un primer paso esencial hacia la mejora de las actividades no crediticias en general. Estas plataformas permiten que conocimientos decisivos fluyan desde la unidad de gestión del programa (UGP) hacia el FIDA, los gobiernos y, a la larga, los asociados externos. En segundo lugar, centrar la labor no crediticia en el programa en el país y en los procesos programáticos existentes contribuye, teniendo en cuenta los limitados recursos disponibles, a lograr resultados mejores. En tercer lugar, para las actividades no crediticias hay que prever un sistema coherente en el que se delinee de qué manera los productos de gestión de los conocimientos contribuyen a la creación de asociaciones, y también la forma en que estas asociaciones favorecen una actuación normativa eficaz que mejora los resultados de los programas en los países. Por último, en vista de los escasos recursos disponibles para las actividades no crediticias, las EEPP de 2016 destacaron la utilidad de las donaciones como instrumento para establecer asociaciones, reforzar las capacidades de los países y promover la actuación normativa a nivel nacional.
25. **Tema de aprendizaje de 2017: la gestión financiera y las responsabilidades fiduciarias.** Según lo convenido por la Junta Ejecutiva en septiembre de 2016, el tema de aprendizaje del ARRI de 2017 es la gestión financiera y las responsabilidades fiduciarias en las operaciones financiadas por el FIDA. Puesto que los proyectos que financia se administran utilizando los sistemas públicos nacionales de gestión financiera, el FIDA pide garantías a los prestatarios/receptores de que cumplen sus normas fiduciarias, en particular estableciendo disposiciones de gestión financiera adecuadas<sup>8</sup>. Para ello el FIDA supervisa la eficacia de las disposiciones de gestión financiera en vigor y presta su respaldo a la capacidad fiduciaria de los prestatarios, tanto en la etapa de diseño como durante la ejecución de los proyectos.
26. De los datos empíricos extraídos de los informes de evaluación y los exámenes de la cartera pueden extraerse cinco lecciones importantes, que destacan los factores que impulsan o dificultan una gestión satisfactoria de las responsabilidades fiduciarias.

<sup>8</sup> Por "gestión financiera" se entienden las disposiciones en materia de organización, presupuestación, contabilidad, control interno, flujo de fondos, información financiera y auditoría interna y externa por las que los prestatarios/receptores reciben fondos, los gastan y registran su utilización (Manual de gestión y administración financieras 2016, pág. 3).

27. **Lección 1.** Adoptando medidas para subsanar las deficiencias detectadas en la capacidad institucional y de gestión de los proyectos, antes de su ejecución, se reduce la exposición innecesaria al riesgo fiduciario. Los proyectos del FIDA están expuestos a muchos riesgos, a saber: problemas de gobernanza de los países o de un sector en concreto (incluida la corrupción); normas, reglamentos y estructuras jurídicas complejos, confusos o ineficaces, e instituciones y capacidades deficientes que lastran la ejecución de los proyectos y socavan la gestión financiera y el cumplimiento de los aspectos fiduciarios. Las evaluaciones de la gestión financiera son esenciales para detectar los riesgos intrínsecos<sup>9</sup> y forman parte del proceso general de análisis de los riesgos fiduciarios de los proyectos (adoptado por primera vez en 2012), que se lleva a cabo inicialmente durante el diseño y luego se revisa al menos una vez al año durante toda la duración de una intervención. Las estructuras de gestión de los proyectos, que comprenden la supervisión por parte del comité directivo, el personal directivo superior del ministerio interesado y la UGP, son componentes organizativos esenciales de un entorno de ejecución propicio.
28. **Lección 2.** Gestionar las responsabilidades fiduciarias por medio de los sistemas y reglamentos nacionales puede comportar hallar un equilibrio entre los riesgos a corto plazo y la sostenibilidad a más largo plazo. De ser posible, los proyectos del FIDA utilizan los sistemas nacionales públicos de gestión financiera<sup>10</sup>. Como los sistemas gubernamentales suelen tener dificultades para ajustarse a los requisitos fiduciarios del FIDA (como la planificación y presupuestación integradas, los informes financieros y las adquisiciones y la contratación), es inevitable que la ejecución de los proyectos incremente los riesgos fiduciarios<sup>11</sup>. Entre las medidas que suelen adoptarse para mitigar estos riesgos cabe mencionar el aumento de la capacidad centrado en el entorno inmediato de gestión financiera del proyecto. Aun así, en la medida en que una labor de aumento de la capacidad nacional de mayor alcance está fuera de la esfera de competencia del FIDA, hay que adoptar medidas específicas para cada proyecto que protejan la gestión financiera de los riesgos intrínsecos en los sistemas vigentes. Esas medidas, que suelen reforzarse con un mayor apoyo a la ejecución por parte del FIDA, implican riesgos fiduciarios a corto plazo y también socavan la sostenibilidad a más largo plazo de las capacidades del proyecto.
29. **Lección 3.** Un seguimiento fiduciario eficaz mejora los controles de la gestión financiera y el cumplimiento de los aspectos fiduciarios, pero no elimina los riesgos correspondientes. Las deficiencias de gestión siguen siendo uno de los principales problemas para el cumplimiento de los aspectos fiduciarios y con frecuencia están relacionadas con la imposibilidad de garantizar una dotación de personal suficiente y adecuadamente capacitada, a lo que se añade la rotación de los funcionarios que ocupan puestos clave. Una capacidad de gestión insuficiente se traduce en una planificación ineficaz y a menudo poco realista, retrasos en las adquisiciones y la contratación, interrupciones del flujo de fondos, un seguimiento inadecuado de las actividades de los proyectos y, en definitiva, unos rendimientos de las inversiones que distan de ser óptimos. La insuficiencia de los controles financieros con frecuencia causa retrasos en la ejecución y a veces llega a hacer que los proyectos

<sup>9</sup> Una evaluación de la gestión financiera y un resumen de los aspectos fiduciarios a nivel nacional son la base de una evaluación de la gestión financiera a nivel de proyecto. La evaluación de la gestión financiera se basa en el examen de la documentación pertinente disponible acerca de: la gobernanza; las puntuaciones del índice de percepción de la corrupción más reciente elaborado por Transparency International; las conclusiones de todos los exámenes de diagnóstico recientes relativos a la gestión financiera financiados por donantes y todos los informes recientes de donantes y asociados en el desarrollo (por ejemplo, evaluaciones del gasto público y de la responsabilidad financiera, o informes parecidos). Estos materiales se completan con datos sobre la cartera del FIDA en curso en el país y las calificaciones de los riesgos en materia de gestión financiera asignadas a la misma.

<sup>10</sup> Como las cuentas únicas de tesorería, los presupuestos, los sistemas integrados de contabilidad financiera, las instituciones de auditoría interna y los procedimientos administrativos para autorizar gastos o las entidades fiscalizadoras superiores.

<sup>11</sup> Informes sobre la situación de los proyectos del FIDA.

- fracasen. Para mantener bajo control los riesgos fiduciarios, el seguimiento a nivel de proyecto de la gestión financiera debe centrarse ante todo en las esferas de control de riesgos siguientes: i) desembolsos/retiros; ii) plan operativo; iii) auditorías de la gestión interna y el cumplimiento contractual, y iv) adquisiciones y contratación.
30. **Lección 4.** La supervisión de los proyectos contribuye al cumplimiento de los aspectos fiduciarios solo en caso de que cuente con un mecanismo fiable de imposición del cumplimiento y vaya acompañada de un apoyo a la ejecución eficaz. La labor de supervisión del FIDA complementa y refuerza el seguimiento de los riesgos fiduciarios de los proyectos. Los objetivos de esas actividades de supervisión son los siguientes: i) vigilar el funcionamiento de los sistemas de control de los riesgos existentes en los proyectos y, por tanto, mejorar su nivel de cumplimiento de los requisitos fiduciarios del préstamo; y ii) mejorar la capacidad de los proyectos para gestionar adecuadamente las actividades en general y las finanzas en particular. Con estos objetivos, el FIDA hace el seguimiento de las posibles deficiencias en el funcionamiento de los controles y ofrece incentivos apropiados para mejorar su rendimiento.
  31. **Lección 5.** El apoyo a la ejecución reduce los riesgos que corren los controles fiduciarios, pero se ve limitado por los elevados costos de transacción. Las medidas de apoyo refuerzan el control fiduciario porque contribuyen a corregir las deficiencias de la gestión financiera de los proyectos. Dando seguimiento a los problemas detectados durante la supervisión de los proyectos, el FIDA ha prestado servicios consultivos de apoyo para resolver problemas específicos e impartido capacitación para desarrollar las capacidades locales. Por regla general sus medidas, que cubren toda la gama de cuestiones problemáticas de índole fiduciaria, han ayudado a mejorar el desempeño fiduciario de los proyectos. Entre ellas cabe destacar la preparación y ejecución del plan operativo, las cuestiones técnicas, el sistema de seguimiento y evaluación (SyE), los instrumentos de presentación de informes, el sistema de gestión financiera, las adquisiciones y la contratación y otras cuestiones financieras. No obstante, el elevado costo *de facto* de las misiones de supervisión ha limitado su frecuencia.
  32. En resumen, el cumplimiento fiduciario requiere respuestas institucionales y de procedimiento que se adapten atentamente a las distintas condiciones y dinámicas de los países. La sostenibilidad de los resultados de los proyectos, por otra parte, requiere que sean las instituciones nacionales quienes impulsen estas soluciones, mientras que el FIDA debe estar preparado para ayudarlas a ponerlas en práctica. Por consiguiente, el principio rector fundamental para el FIDA es que la gestión satisfactoria de las responsabilidades fiduciarias necesita rigor y no rigidez en la preparación, el diseño y la supervisión de los proyectos, en el cumplimiento de las obligaciones y en la prestación de apoyo a los mismos. Al fin y al cabo, la única manera de hacer frente a los riesgos fiduciarios es ayudar a fomentar la capacidad institucional: para reducir significativamente los niveles de riesgo lo único que resulta realista es prever un horizonte temporal de mediano a largo plazo.
  33. **Conclusiones.** El ARRI de 2017 ofrece las siguientes conclusiones, que tienen en cuenta las lecciones y las cuestiones intersectoriales.
  34. Los resultados de las operaciones del FIDA dan muestras de mejora desde 2009 pero, aun así, están empezando a estancarse. Entre la FIDA8 y la FIDA9 se produjo un aumento estadísticamente significativo en las medias de algunos criterios, como la pertinencia, la innovación y la ampliación de escala, la igualdad de género y el empoderamiento de la mujer, y el desempeño del FIDA como asociado. Más recientemente, en el 2013-2015, los resultados de los otros criterios de evaluación, como la eficacia, la eficiencia, los resultados de los proyectos, el impacto, la sostenibilidad, la gestión de los recursos naturales, el desempeño de los gobiernos como asociados y los logros generales de los proyectos, han seguido una

trayectoria estacionaria. La sostenibilidad y la eficiencia siguen requiriendo la atención del FIDA por ser una vez más los criterios que obtienen los peores resultados; en los últimos años, la eficiencia ha seguido una trayectoria ligeramente descendente. En general, las calificaciones de evaluación se mantienen en la zona de “moderadamente satisfactorio” (4).

35. Tomando como base las calificaciones de la IOE, en la actualidad la mayoría de los criterios están obteniendo resultados inferiores a las metas del MMR establecidas para la FIDA9 y la FIDA10. Cuatro criterios (eficacia, eficiencia, sostenibilidad de los beneficios y medio ambiente y gestión de los recursos naturales) se hallan de 10 a 20 puntos porcentuales por debajo de las metas de 2018, lo que apunta a la necesidad de desplegar mayores esfuerzos en esas esferas. Tres criterios (desempeño de los gobiernos como asociado, impacto en la pobreza rural y género y empoderamiento de la mujer) se hallan, como mínimo, cinco puntos porcentuales por debajo. El criterio de la innovación y la ampliación de escala ha superado la meta establecida en un 1 %. La adaptación al cambio climático ha superado su razonable meta. Sin embargo, hasta el momento solo se dispone de pocas observaciones relativas a este criterio. Si bien para medir las metas anteriores no se utilizarán las calificaciones de la IOE sino las de la dirección, y mientras la FIDA10 sigue su curso, esta cuestión impone a la atención de la dirección la necesidad de seguir mejorando para alcanzar esos objetivos en 2018.
36. La obtención de buenos resultados sobre el terreno está vinculada a la aplicación de estrategias de focalización bien definidas. Los proyectos del FIDA que arrojan buenos resultados guardan pertinencia con el contexto socioeconómico y satisfacen las necesidades de los beneficiarios y las prioridades institucionales. Unas estrategias de focalización bien definidas garantizan que la coherencia de la pertinencia de los proyectos, en particular para beneficiarios, desde la etapa de diseño hasta la consecución de los objetivos. Los principales problemas planteados en las evaluaciones tienen relación con las carencias en la definición de los diferentes grupos socioeconómicos y las distintas necesidades y exigencias expresadas por cada uno de ellos. Del mismo modo, las correcciones introducidas durante la ejecución de los proyectos a menudo no acaban de captar las distintas necesidades de los grupos más vulnerables y, en particular, de los jóvenes y las mujeres.
37. Promover la igualdad de género y el empoderamiento de la mujer es fundamental para superar el desafío, planteado en la Agenda 2030, de mejorar la seguridad alimentaria y nutricional y erradicar la pobreza rural. Entre los Objetivos de Desarrollo Sostenible (ODS), la igualdad de género y el empoderamiento de la mujer constituyen tanto una meta (ODS5) como un medio de alcanzar los ODS consistentes en poner fin a la pobreza y el hambre. En el Marco Estratégico del FIDA (2016-2025), uno de cuyos principios de actuación es la igualdad de género y el empoderamiento de la mujer, se prevé ampliar la escala de las prácticas actuales del Fondo en materia de incorporación sistemática de las cuestiones de género para alcanzar un impacto transformador en este ámbito que contribuya a lograr los ODS. Según las evaluaciones de la IOE, la igualdad de género y el empoderamiento de la mujer sigue siendo uno de los indicadores que mejores resultados consigue. Sin embargo, hay margen para seguir avanzando. El informe de síntesis de evaluación sobre la igualdad de género y el empoderamiento de la mujer contiene ideas sobre la forma en que el FIDA puede estimular unos efectos más transformadores en ese ámbito. Las prácticas más eficaces son las que rompen los roles y estereotipos de género, aumentan la representación y dan más voz a las mujeres en los órganos de gobernanza local y proveen capacitación funcional. Ahora bien, para que esa transformación tenga lugar hay que modificar asimismo las normas y prácticas culturales, más allá de las capacidades individuales, y promover cambios sistémicos, por ejemplo, en las leyes, las políticas y las capacidades de los gobiernos, donde todavía existen grandes lagunas.

38. La necesidad de mejorar los datos de SyE es un aspecto ampliamente reconocido en el FIDA. La ausencia de datos desglosados es motivo concreto de preocupación en las esferas del medio ambiente y la gestión de los recursos naturales, la adaptación al cambio climático, la seguridad alimentaria y la productividad agrícola. En 2016 la dirección tomó medidas para fortalecer sus sistemas de SyE, basándose en el Marco relativo a la Eficacia de la Labor de Desarrollo del FIDA. Sin embargo, las evaluaciones analizadas en el presente ARRI destacan la necesidad de disponer de datos más desglosados en función de dos criterios: el medio ambiente y la gestión de los recursos naturales y la adaptación al cambio climático. Durante el período de la FIDA9, estos datos se combinaron, con el resultado de que ahora predominan los datos empíricos sobre el segundo criterio y escasean los relativos al primero. La distinción entre esos dos criterios realizada en el marco de la FIDA10 representa un paso adelante, siempre que vaya acompañada de un aumento de los datos disponibles. La otra esfera corresponde al criterio de la seguridad alimentaria y la productividad agrícola. Los datos empíricos que más abundan guardan relación con la productividad agrícola, mientras que escasean los relativos a la seguridad alimentaria y, sobre todo, a la nutrición. Es importante destacar que la mejora de la productividad y la producción de alimentos no comporta automáticamente una mejor nutrición.
39. El tema de aprendizaje del ARRI de 2017 toma en consideración el desafío que supone garantizar la responsabilidad fiduciaria de los organismos gubernamentales. El desempeño de los gobiernos es el principal factor del que dependen la gestión financiera, las adquisiciones y la contratación, las auditorías y la coherencia entre ejecución y planificación. El FIDA desempeña un papel esencial para evaluar y mitigar los riesgos, así como para prestar servicios de supervisión y apoyo a la ejecución.
40. La utilización de los sistemas nacionales y la desigualdad que caracteriza las capacidades de las instituciones públicas, sobre todo en lo referente a las adquisiciones y la contratación, constituye para los proyectos de préstamo del FIDA un problema que contribuye a retrasar la marcha de la ejecución, afectando asimismo a los resultados. En vista de la variedad de contextos nacionales en los que el FIDA trabaja, para responder a esta situación hay que prever procedimientos especialmente adaptados que garanticen el cumplimiento fiduciario y estén dirigidos por las instituciones nacionales con el apoyo a la ejecución del Fondo. De esta forma el FIDA puede mantener el rigor en la gestión de su responsabilidad fiduciaria sin obstaculizar la fluidez de la ejecución.
41. A excepción de la gestión de los conocimientos, las evaluaciones han puesto de manifiesto los escasos progresos alcanzados en los últimos años en las actividades no crediticias. Estas actividades —gestión de los conocimientos, creación de asociaciones y actuación normativa a nivel nacional— se refuerzan mutuamente, complementan los proyectos de inversión del FIDA y multiplican el impacto de las operaciones financiadas por el FIDA sobre el terreno. La gestión de los conocimientos ha registrado una tendencia a mejorar, aunque en la actualidad se ha estancado. Las asociaciones y la actuación normativa a nivel nacional dan muestras de tendencia a la baja.
42. Resumiendo, aunque se observan mejoras significativas en los períodos de la FIDA8 y la FIDA9, la atonía que caracteriza los resultados recientes constituye una incitación a actuar para que el Fondo pueda alcanzar plenamente las metas de la FIDA10. Hay margen para mejorar y no limitarse a la calificación de “moderadamente satisfactorio” en esferas en las que el FIDA ha demostrado su fortaleza, como la pertinencia, la igualdad de género y el empoderamiento de la mujer y la innovación y la ampliación de escala. Una mejora de las tres esferas transversales —focalización, igualdad de género y empoderamiento de la mujer y actividades no crediticias— puede servir de catalizador para obtener mejores resultados sobre el terreno en los programas en los países y aumentar

notablemente el impacto en la pobreza rural. Liberar todo su potencial requerirá los esfuerzos concertados de la dirección. El ARRI de 2017 presenta las recomendaciones siguientes para dar respuesta a los desafíos más urgentes.

43. **Recomendaciones.** Se invita a la Junta Ejecutiva a adoptar las recomendaciones siguientes:
44. **Recomendación 1. Garantizar que la consolidación de los logros de la FIDA9 no tenga como resultado una situación de estancamiento en la FIDA10 y más adelante.** Las ambiciosas metas de la FIDA10 requieren que las operaciones del Fondo se basen en sus puntos fuertes y aborden los estrangulamientos que desde hace tiempo socavan la eficacia con el fin de optimizar unos resultados sostenibles. Para dar este salto es preciso cambiar el *modus operandi* del FIDA, adoptando en particular una nueva forma de concebir el diseño de los programas que permita a las operaciones del FIDA alcanzar de manera efectiva resultados pertinentes y sostenibles para los beneficiarios seleccionados. Esto requiere un planteamiento holístico que mejore la articulación entre el programa sobre oportunidades estratégicas nacionales (COSOP) y la cartera de proyectos en tramitación y reduzca el desfase entre el diseño y la ejecución del proyecto gracias a una participación del gobierno más intensa, que será posible gracias a la mayor descentralización del FIDA. Para poner en marcha este cambio de paradigma la dirección puede establecer para la FIDA11 metas satisfactorias o mejores en esferas en las que el Fondo ha demostrado su fortaleza, como la pertinencia, la igualdad de género y el empoderamiento de la mujer y la innovación y la ampliación de escala, con el fin de acabar con la situación actual de estancamiento.
45. **Recomendación 2. Adoptar enfoques que favorezcan la transformación y aborden las causas profundas de la desigualdad de género y la discriminación para que el FIDA pueda contribuir sustancialmente a cumplir la meta de los ODS consistente en no dejar a nadie atrás.** Para avanzar en la transformación de las relaciones de género el FIDA no puede limitarse a promover procesos participativos, que son muy importantes pero no suficientes. Las intervenciones que el FIDA respalda también tienen que fomentar cambios a más largo plazo en las prácticas culturales, así como en las leyes y las políticas. Para ello, los proyectos necesitan una teoría del cambio específica e indicadores para hacer el seguimiento de esas transformaciones a lo largo de toda su duración.
46. **Recomendación 3. Sistematizar las tres actividades no crediticias —gestión de los conocimientos, asociaciones y actuación normativa— a fin de liberar el potencial que estas tienen de ampliar la escala de los resultados de los programas en los países.** Las actividades no crediticias deben ver reconocida su función como ingredientes clave para cumplir el mandato del FIDA. Los objetivos de las actividades no crediticias tienen que formularse de manera más selectiva y estableciendo vínculos internos claros entre las actividades y los recursos necesarios para llevarlas a cabo. Las actividades no crediticias deben integrarse en los programas en los países y los procesos conexos (como la supervisión, el examen de los programas en los países y la evaluación de los resultados del sector rural).
47. **Recomendación 4. Aumentar el nivel de detalle de los datos relativos a algunos criterios estratégicos para mejorar el seguimiento de los resultados y potenciar los enfoques de intervención.** Habida cuenta de la mayor atención prestada en la FIDA10 a la incorporación sistemática de la adaptación al cambio climático, a lo que ha contribuido su separación del criterio de medio ambiente y gestión de los recursos naturales, es preciso recoger datos empíricos más específicos para poner de relieve los logros en esa esfera. Los avances tecnológicos, sobre todo en lo relativo a la información geoespacial y la

teleobservación, pueden ofrecer oportunidades eficientes en función de los costos de mejorar la calidad de los datos. La seguridad alimentaria es un aspecto fundamental del mandato del FIDA que requiere especial atención para garantizar que el aumento de la productividad agrícola redunde en la mejora de la seguridad alimentaria de los grupos objetivo del Fondo. Para ello será preciso incluir indicadores de la seguridad alimentaria en la formulación de las estrategias en los países y el diseño de los proyectos, así como en su seguimiento.

48. **Recomendación 5. Establecer una mayor diferenciación en la gestión financiera y los requisitos fiduciarios en materia de adquisiciones y contratación, al tiempo que se respalda la mejora de la capacidad nacional a largo plazo.**
- a) A corto y medio plazo, el FIDA debe diferenciar aún más los requisitos fiduciarios tomando como base el contexto y el perfil de riesgos del país de que se trate. Con este objetivo hay que potenciar la evaluación *ex ante* de los riesgos que comportan las adquisiciones y la contratación a nivel de país, de sector y de organismo, a cambio de un modo de concebir los requisitos fiduciarios mejor adaptado, especialmente en lo relativo a las adquisiciones y la contratación.
  - b) A largo plazo, el objetivo es contribuir al fortalecimiento de las capacidades de los organismos de ejecución en las esferas de la gestión financiera y las adquisiciones y la contratación, cuando sea posible con el apoyo de las donaciones del FIDA. En función del contexto nacional, y en colaboración con otros asociados, el FIDA podría respaldar el establecimiento de UGP permanentes que se encarguen de todas las intervenciones financiadas externamente en un sector o subsector específico.
49. **Tema de aprendizaje del ARRI de 2018.** Se invita a la Junta Ejecutiva a adoptar la recomendación de considerar la "focalización" como el tema de aprendizaje del ARRI de 2018. Si bien algunas evaluaciones han hallado buenos ejemplos de focalización, sigue habiendo un problema de falta de claridad y de análisis del grupo objetivo en el diseño de los proyectos y a nivel estratégico (COSOP).



## Abbreviations and acronyms

ADB	Asian Development Bank
AfDB	African Development Bank
APR	Asia and the Pacific Division of IFAD
ARRI	Annual Report on Results and Impact of IFAD Operations
AWPB	Annual work plan and budget
CLE	Corporate-level evaluation
COSOP	Country strategic opportunities programme
CPE	Country programme evaluation
CPM	Country programme manager
CSPE	country strategy and programme evaluation
ENRM	Environment and natural resources management
ESA	East and Southern Africa Division of IFAD
ESR	Evaluation synthesis report
FEDEC	Finance for Enterprise Development and Employment Creation Project in Bangladesh
FM	Financial management
FMA	Financial management assessment
FMD	Financial management services division of IFAD
GEWE	Gender equality and women's empowerment - Evaluation synthesis report
ICO	IFAD country office
IE	Impact evaluation
IFI	International financial institution
IOE	Independent Office of Evaluation of IFAD
KM	Knowledge management
LAC	Latin America and the Caribbean Division of IFAD
LICs	Low income countries
M&E	Monitoring and evaluation
MICs	Middle-income countries
NEDA	National Economic Development Authority - in the Philippines
NEN	Near East, North Africa and Europe Division of IFAD
PCR	Project completion report
PCRv	Project completion report validation
PESPA	Plano Estratégico para o Sector da Pesca Artesanal
PFR	Project Fiduciary Risk
PMD	Programme Management Department of IFAD
PMU	Project management unit
PPE	Project performance evaluation
PRAPO	Agricultural Rehabilitation Programme in Orientale Province in DR Congo
PROMES-GDT	Programme for Mobilization of Surface Water and Sustainable Land Management in the Republic of Djibouti
PSR	Project Supervision Report
PTA	Policy and Technical Advisory Division of IFAD
RLSP	Rural Livelihoods Support Programme
RMF	Results Management Framework
SAM	Smallholder Access to Markets – Evaluation Synthesis Report
SBAFP	Sofala Bank Artisanal Fisheries Project in Mozambique
SDG	Sustainable Development Goal
SPIU	Single Project Implementation Unit
WNRDP	West Noubaria Rural Development Project in Egypt
WCA	West and Central Africa Division of IFAD

# 2017 Annual Report on Results and Impact of IFAD Operations

## I. Introduction

### A. Background

1. The Annual Report on Results and Impact of IFAD Operations (ARRI) is the flagship report of the Independent Office of Evaluation of IFAD (IOE). In line with the requirements of the IFAD Evaluation Policy<sup>12</sup>, IOE has prepared this report on an annual basis since 2003, making this the 15<sup>th</sup> edition of the ARRI.
2. When the ARRI was first produced, IFAD was one of the first development organizations to produce a report of this type. In fact, the Fund remains one of the few multilateral and bilateral organizations to produce an annual evaluation of this kind.<sup>13</sup> The production of the ARRI is a reflection of IFAD's continued commitment towards strengthening accountability and transparency in reporting on results, as well as learning for better impact on the ground.
3. Objectives. The ARRI consolidates and summarizes the results and impact of IFAD-funded operations on the basis of independent evaluations conducted during the previous year.<sup>14</sup> The report has two main objectives: (i) present a synthesis of the performance of IFAD-supported operations based on a common evaluation methodology; and (ii) highlight systemic and cross-cutting issues, lessons and challenges that IFAD and recipient countries need to address to enhance the development effectiveness of IFAD-funded operations.
4. Audience. The primary audiences of the ARRI are IFAD Management, staff and consultants, and the Fund's Evaluation Committee and Executive Board. However, the report is also of interest to recipient countries and the wider development community at large, including the United Nations Evaluation Group, the Evaluation Cooperation Group of the Multilateral Development Banks, and the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) Network on Development Evaluation.
5. Comments on the 2016 ARRI. During the preparation of the 2017 ARRI, IOE carefully revisited the main comments of IFAD Management, the Evaluation Committee and the Executive Board on last year's edition of the ARRI (2016). IOE was congratulated for producing the report in-house, which remains the case for the 2017 ARRI. IFAD's governing bodies agreed with the recommendations of the ARRI which indicated the need to raise performance from moderately satisfactory to satisfactory or better, through food security and nutrition mainstreaming, better targeting strategies, enhanced monitoring and evaluation (M&E) and better management of fiduciary responsibilities. The 2017 learning theme on financial management and fiduciary responsibilities in IFAD operations was welcomed and regarded as important for examining government performance in the areas of financial management. Finally, the Executive Board requested the ARRI to highlight the trends in performance and provide a simpler presentation of its recommendations. The EB further requested a learning event on the evaluation databases which was held on 11 July 2017; whereas Management proposed that the ARRI only rely on the Project Completion Report Validation (PCR)/Project Performance Evaluation (PPE) data series in order to align better with the sources used in the Results Measurement Framework and the Report on IFAD's

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<sup>12</sup> See <http://www.ifad.org/gbdocs/eb/102/e/EB-2011-102-R-7-Rev-1.pdf>.

<sup>13</sup> The Independent Evaluation Department of the Asian Development Bank and the Independent Evaluation Group of the World Bank produce annual reports similar to the ARRI.

<sup>14</sup> Some of the evaluations included in this ARRI were finalized in the first part of 2017.

Development Effectiveness. In addition, Management requested a greater focus on operational learning by highlighting good practices and programmes for scaling up and through targeted communications particularly directed to the IFAD country teams and counterparts, which IOE provided by participating in the Near East, North Africa and Europe Division (NEN) and the East and Southern Africa Division (ESA) regional implementation workshops.

6. Learning themes. Since 2007, each ARRI has focused on one or two learning themes. The topics for the learning themes are agreed upon with the Executive Board, with the aim of deepening analysis on selected issues that merit additional reflection and debate in order to enhance the performance of IFAD operations. Chapter III addresses the learning theme selected for the 2017 ARRI, namely financial management and fiduciary responsibility in IFAD operations.<sup>15</sup>
7. Process. The draft ARRI document was internally peer-reviewed by IOE in June 2017. An in-house learning workshop was held on 5 July 2017 to discuss the ARRI's main findings and recommendations with IFAD staff. Moreover, Management had the opportunity to prepare written comments on the document. All major comments received by IOE on the draft 2017 ARRI have been duly considered in the final document.
8. New methodology and analyses. The 2017 ARRI includes some new aspects. First, it includes a number of changes in the criteria for project-level evaluations and nomenclature presented in the second edition of the Evaluation Manual: (i) inclusion of sustainability of benefits criterion as the fourth component of project performance,<sup>16</sup> and the introduction of two new stand-alone criteria environment and natural resources management and the adaptation to climate change; (ii) assessment based exclusively on qualitative evidence of rural poverty impact subdomains, as they are no longer rated; and (iii) new nomenclature – country strategy and programme evaluation (CSPE) replaces country programme evaluation (CPE), and project performance evaluation (PPE) replaces project performance assessment (PPA). Secondly, this ARRI includes t-tests of the evaluation criteria to compare data sets for statistical significance; and lastly, correlation analyses of PCR/V/PPE ratings to test for interrelationships among evaluation criteria. Greater details on the new methodology and analyses are included in Annex III.
9. Document structure. Chapter I discusses the background of the report, the various data sources used for the analyses and the context of this ARRI. Chapter II reports on the performance trends using independent evaluation ratings available from 2002, benchmarks the performance of IFAD operations against other comparable international financial institutions (IFIs) and internal targets adopted by the Fund, and highlights the major issues raised in the 2016 evaluations. Chapter III is devoted to financial management and fiduciary responsibility in IFAD operations, which is the learning theme of this ARRI. The main conclusions and recommendations are presented in chapter IV.

## B. Context of the 2017 ARRI

10. The 2017 ARRI is the first edition of the document produced under the Tenth Replenishment Period of IFAD's Resources (IFAD10) (2016-2018). It draws its qualitative findings from evaluations conducted in 2016, whose ratings are reported on by their year of completion. As this year's cohort of project evaluations fall between 2010 and 2015, they strengthen the quantitative evidence base for the

<sup>15</sup> The learning themes addressed by previous ARRIs include: sustainability and innovation (2007); country context and project-level monitoring and evaluation (2008); access to markets, and natural resources and environmental management (2009); efficiency (2010); direct supervision and implementation support (2011); policy dialogue (2012); understanding exceptional projects (2013); project management (2014); sustainability of benefits (2015); and knowledge management (2016).

<sup>16</sup> In addition to Relevance, Effectiveness and Efficiency.

periods 2010-2012 and 2013-2015, which coincide respectively with IFAD8 and IFAD9. The more-robust data for these two periods allows for additional statistical analyses to compare results between IFAD8 and IFAD9, and identify trends that are indicative of performance in the next triennium 2016-2018, which coincides with IFAD10.

11. According to the Report of the Consultation on the Tenth Replenishment of IFAD's Resources, IFAD will draw and build on its recent performance achievements to scale up its results and consolidate the strategic approaches of IFAD9 (2013-2015). As a result, the majority of the IFAD10 priorities and areas of reform are the same as in IFAD9. The four overall priorities for the IFAD10 period are presented in table 1. For each priority, a number of areas of reform are envisaged. The 2017 ARRI focuses primarily on the priorities "increasing operational effectiveness" and "increasing institutional effectiveness and efficiency"<sup>17</sup>, particularly resulting from country presence and on financial management. The 2018 ARRI is expected to address the areas of partnership and country-level policy engagement based on evaluative evidence produced from the related Evaluation Synthesis Reports (ESRs) being conducted in 2017.

Table 1

**Priorities and areas of reform for the IFAD10 period (2016-2018)**

<i>IFAD 10 priorities</i>	<i>Area of reform</i>
1 Increasing operational effectiveness	<ul style="list-style-type: none"> <li>• Innovation, learning and scaling up</li> <li>• Adaptation to climate change</li> <li>• Improved nutrition impact</li> <li>• Public-private producer partnerships (4Ps)</li> <li>• Gender equality and women's empowerment</li> <li>• Country-level policy engagement</li> <li>• Global policy engagement</li> <li>• South-South and Triangular Cooperation</li> <li>• Rural youths</li> <li>• More differentiated country approaches</li> </ul>
2 Increasing institutional effectiveness and efficiency	<ul style="list-style-type: none"> <li>• Further enhancing the operations delivery model and tools</li> <li>• Enhancing financial management and risk assessment</li> <li>• Proactive HR management</li> <li>• Upgrading communication and IT systems</li> <li>• Enhancing systems for procurement, facilities management and travel</li> </ul>
3 Results Measurement System for IFAD10	<ul style="list-style-type: none"> <li>• Impact assessment strategy</li> <li>• Results reporting</li> </ul>
4 Strengthening IFAD's financial capacity and management	<ul style="list-style-type: none"> <li>• Sovereign borrowing</li> <li>• Unrestricted complementary contributions</li> </ul>

12. As the keystone of IFAD's results management system<sup>18</sup>, the Results Measurement Framework (RMF) sets indicators and targets for the Fund's country programmes and projects and measures performance against them. The IFAD10 RMF was included as an integral part of the Report of the Consultation on the Tenth Replenishment of IFAD's Resources.<sup>19</sup> The IFAD10 RMF indicators encompass many of the areas of reform above and retained many of the same IFAD9 targets, on the premise that IFAD10 would consolidate IFAD9 achievements. Therefore, the 2017

<sup>17</sup> Within this priority area, the 2013 CLE on IFAD's efficiency thoroughly covered institutional efficiency and human resources reform.

<sup>18</sup> The priority area related to enhancing IFAD's results management system was addressed in the 2015 ARRI and is expected to be strengthened through the IFAD Development Effectiveness Framework prepared in 2016.

<sup>19</sup> IFAD10 RMF was refined in 2016 in consideration of IFAD's Strategic Framework (2016-2025), the IFAD9 impact assessment report findings, and the new Development Effectiveness Framework.

ARRI also compares IFAD9 results against a number of indicators<sup>20</sup> of the IFAD10 RMF as the basis for prospectively identifying opportunities and challenges in light of the priorities for IFAD10 and beyond.

### C. Independent evaluation database and data sources

13. In line with the Evaluation Policy, the IOE independent evaluation database<sup>21</sup>, containing ratings from independent evaluations conducted since 2002, is available online.<sup>22</sup> The aim is to enhance transparency and accountability, and make the IOE independent evaluation dataset available to IFAD staff, governing bodies and others interested in conducting further research and analytical work on smallholder agriculture and rural development.
14. The analysis presented in the 2017 ARRI is informed by the ratings from 295 project evaluations conducted by IOE using a common methodology since 2002. These 295 evaluations include ratings from 35 new individual project evaluations undertaken by IOE in 2016. The 35 project evaluations are listed in Annex VIII and include: two reviews of project performance in the context of four CSPes, 26 project completion report validations (PCRVs), one impact evaluation (IE) and six PPEs. Details on the objectives of the country programmes and individual projects evaluated can be found in Annex IX. In addition, the corporate-level evaluation (CLE) on IFAD's decentralization experience and three ESRs (on IFAD's support to scaling up of results, smallholder access to markets, and what works for gender equality and women's empowerment)<sup>23</sup> have been considered in the preparation of the 2017 ARRI.
15. The ARRI also assesses the performance of IFAD country programmes beyond the project level, using the assessments contained in CSPes. Historically, a total of 62 CSPes have been undertaken by IOE since the product was introduced in the 1990s. Of these, 40 CSPes have been conducted since 2006, based on a consistent methodology including the use of ratings, which allows for the aggregation of results across country programmes. This year's ARRI includes four new CSPes carried out in the DR Congo, Mozambique, Nicaragua, and Philippines. Annex X provides the complete list of CSPes conducted by IOE and the total number of ratings available from CSPes that have been used in the 2017 ARRI.<sup>24</sup>
16. Age of the portfolio. Of the 35 newly evaluated projects included in this year's ARRI, eight were approved from 1999 to 2003, 25 from 2004 to 2008 and two from 2009-2010. All of these projects are completed and closed: four completed from 2010-2012 and 31 completed from 2013 to 2015. The average project duration was seven years with four projects having an implementation period of more than 10 years. Thus, although some projects were designed 10 or more years ago, a large number of them were under implementation until recently. However, given the age of the portfolio of projects analysed in the ARRI, it is important to note that the analysis of performance does not take into account recently designed projects.

<sup>20</sup> Given the nature and focus of independent evaluations, the ARRI is able to report on IFAD development effectiveness against level 2 to 4 of the IFAD10 RMF, namely: development outcomes and impact delivered by IFAD-supported programmes, country programme and project outputs, and operational effectiveness of country programmes and projects.

<sup>21</sup> The database may be accessed at: <http://www.ifad.org/evaluation/arri/database.htm>.

<sup>22</sup> This practice is also followed by the Independent Evaluation Group of the World Bank.

<sup>23</sup> CLEs and ESRs generally do not include evaluations/ratings of individual projects financed by IFAD.

<sup>24</sup> CSPes done before 2006 did not follow a common methodology and did not generally include ratings. However, with the introduction of the Evaluation Manual in 2008, all CSPes follow a consistent methodology and normally include an assessment and rating of the evaluation criteria.

## II. IFAD's performance 2000-2016

17. This chapter is divided into three sections. Section A discusses project performance in the period 2000-2016, followed by an analysis in section B of country programme performance. Finally, section C benchmarks the performance of IFAD-financed projects against IFAD targets and the performance of other Multilateral Development Banks.
- A. Project performance
18. Methodology.<sup>25</sup> The project evaluations informing the 2017 ARRI were performed in 2016 and thus follow the provisions of the second edition of the Evaluation Manual published in December 2015. This is the first year that this new methodology is reflected in the ARRI. However, the evaluation criteria and definitions included in the revised harmonization agreement<sup>26</sup> between Management and IOE, applied in evaluations conducted in 2017, will be fully reflected in the 2018 ARRI.
  19. Each project is assessed and rated across nine evaluation criteria: relevance, effectiveness, efficiency, sustainability of benefits, rural poverty impact, gender equality and women's empowerment, innovation and scaling up, environment and natural resources management (ENRM) and adaptation to climate change. The latter two criteria were previously rated jointly as a rural poverty impact subdomain and are now separate stand-alone criteria.<sup>27</sup>
  20. IOE also has two composite evaluation criteria: project performance and overall project achievement. Project performance is an average of the ratings of four individual evaluation criteria (relevance, effectiveness, efficiency and sustainability - newly included), whereas overall project achievement is based on (but not an average of) all nine criteria now applied by IOE. Finally, each project is also evaluated for IFAD and government performance as partners, in line with the practice of other international financial institutions. The definitions for each evaluation criteria are found in Annex II.
  21. Ratings scale and data series. IOE uses a six-point rating scale to assess performance in each evaluation criterion.<sup>28</sup> The rating scale is summarized in table 2. The ratings, which are the foundation of performance reporting in IOE evaluations, are used in the analysis of the ARRI for reporting on IFAD's aggregate operational performance.

<sup>25</sup> Complete information on the 2017 methodology and analyses, including the t-test and correlation analyses can be found in annex III.

<sup>26</sup> Agreement on the Harmonization of IFAD's Independent Evaluation and Self-Evaluations Methods and Systems Part I: Evaluation Criteria: <https://webapps.ifad.org/members/eb/120/docs/EB-2017-120-INF-2.pdf>

<sup>27</sup> In accordance with the new methodology, ENRM and adaptation to climate change are no longer included among the impact domains contributing to Rural Poverty Impact. The four remaining impact domains (Household income and net assets; Human and social capital and empowerment; Food security and agricultural productivity; Institutions and policies) are no longer rated.

<sup>28</sup> In line with the Good Practice Standard of the Evaluation Cooperation Group of the Multilateral Development Banks for Public Sector Evaluations.

Table 2  
IOE rating system

Score	Assessment	Category
6	Highly satisfactory	
5	Satisfactory	Satisfactory
4	Moderately satisfactory	
3	Moderately unsatisfactory	
2	Unsatisfactory	Unsatisfactory
1	Highly unsatisfactory	

Source: IFAD Evaluation Manual, 2015

22. As in the last couple of ARRI, the analysis is based on two data series: (i) all evaluation data; and (ii) PCRV/PPE data only. The 2017 ARRI primarily presents analysis based on the "PCRV/PPE data" series given its homogeneity as compared to the all evaluation data series. The PCRV/PPE data series includes ratings from PCRVs, PPEs and Impact Evaluations that completed from 2007 to 20015. The "all evaluation data" series consists of ratings from all evaluations conducted by IOE since 2002<sup>29</sup>, including CSPEs.<sup>30</sup> It is used to triangulate findings and for the analysis benchmarking IFAD performance with other IFIs, as the sample sizes provided by "PCRV/PPE data" series are currently too small for this exercise. As in the past, the 2017 ARRI also analysed independent evaluation ratings by IFAD replenishment periods from IFAD5 (2001-2003) to IFAD9 (2013-2015) to inform the relevant section analysing performance by replenishment period. Charts and tables presenting the latter two data series are available in Annex V and IV respectively.
23. Analysis of ratings. The main trends in performance are explained through an analysis of the percentages of PCRVs and PPEs that are rated as moderately satisfactory or better for each evaluation criterion. However, as requested by the Evaluation Committee, the proportion of ratings for each evaluation criteria falling within the full range of the six-point rating scale (i.e. from highly unsatisfactory to highly satisfactory) used by IOE are shown in Annex V.
24. The ARRI uses three-year moving averages to highlight long-term trends and smoothen short-term fluctuations. To provide an overview of results from 2007 to 2015, additional analysis was undertaken including: (i) a distribution analysis of PCRV/PPE ratings; (ii) a block analysis with the overall mean and Standard Deviation by evaluation criteria; (iii) t-tests<sup>31</sup> of evaluation criteria to compare data sets for statistical significance; and (iv) correlation analyses of PCRV/PPE ratings to test for interrelationships among evaluation criteria. A 2017 methodology note is included in Annex III to provide further details on the data series, methodology and analyses.
25. The distribution analysis of available ratings displayed in chart 1 shows that most of the ratings from PCRVs and PPEs in the period 2007-2015 are moderately satisfactory (4). Out of the total 1,953 ratings across the nine evaluation criteria, only 1.3 per cent are outliers.<sup>32</sup> The majority (75.3 per cent) of the ratings are moderately satisfactory or better and 26.2 per cent are satisfactory or better. The normal distribution of the PCRV/PPE data as shown in chart 1 allows the 2017 ARRI to conduct t-tests for statistical significance.

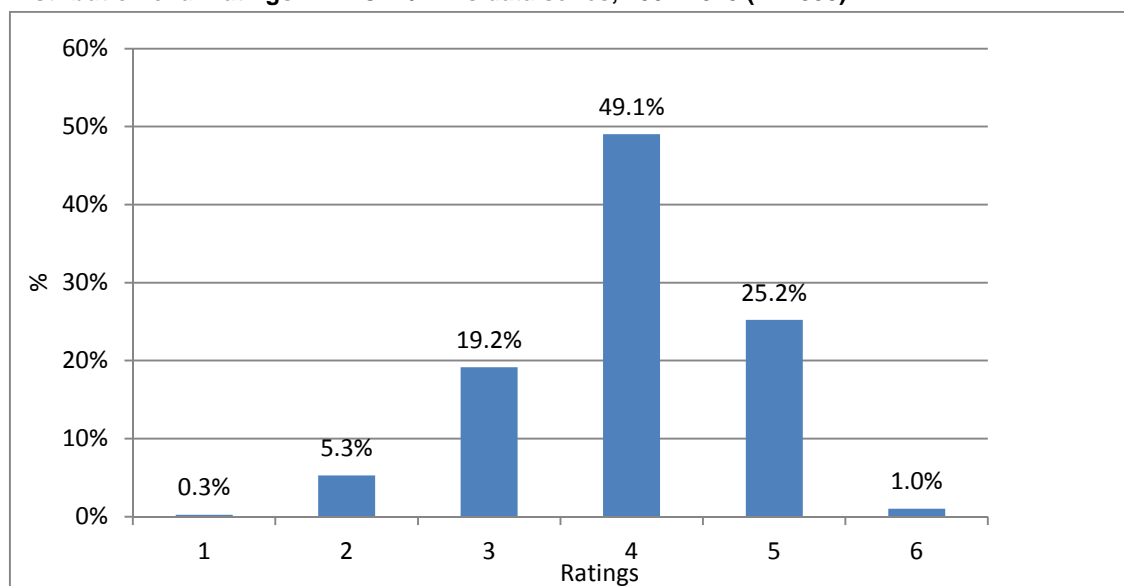
<sup>29</sup> This data series is considered until 2015 due to comparability with the PCRV/PPE data series and due to the small sample size of projects completing in 2016.

<sup>30</sup> Finally, the ratings discussed in the CSPE section (portfolio performance, non-lending activities and COSOPs) are included in a separate database by year of evaluation results between 2006 and 2016.

<sup>31</sup> In order to determine whether there is a significant difference in the means of the evaluation criteria ratings between 2013-2015 (IFAD9) and 2010-2012 (IFAD8) periods, a two sample t-test is used. These two periods have been selected due to the sample size in each period, the consistency of the dataset and the number of missing values assuring the representativeness of the periods under review to provide reliable results.

<sup>32</sup> Ratings of 1 and 6 are considered outliers for the purpose of this analysis.

Chart 1  
Distribution of all ratings<sup>33</sup> – PCR/PPEs data series, 2007-2015 (N=1953)



Source: IOE evaluation database, March 2017.

26. The block analysis conducted on the PCR/PPE dataset in the period 2007-2015 presents in table 3 the nine evaluation criteria ranked by mean. The best performing criteria in the period 2007-2015, besides relevance, are IFAD performance, gender equality, innovation and scaling up and rural poverty impact. This is positive given the mandate of IFAD to reduce poverty for women and men in rural areas. The weakest performing areas based on the average mean from 2007-2015 are operational efficiency and sustainability of benefits. The performance of adaptation to climate change is based on a very small sample and is therefore only indicative of this new criterion.

Table 3  
Ranking of averages and data dispersion per criteria – PCR/PPE data, 2007-2015

Criteria	Mean	Standard deviation	
Relevance	4.32	0.71	Best Performance
IFAD performance	4.22	0.72	
Gender equality and women's empowerment	4.21	0.84	
Innovation and Scaling-up	4.18	0.90	
Rural Poverty Impact	4.09	0.77	
Overall project achievement	3.98	0.75	
Effectiveness	3.97	0.87	
Project Performance	3.95	0.76	
Environment and natural resources management	3.89	0.75	
Government performance	3.83	0.88	
Sustainability	3.67	0.78	Weaker Performance
Efficiency	3.62	0.97	
Adaptation to climate change*	3.59	0.93	

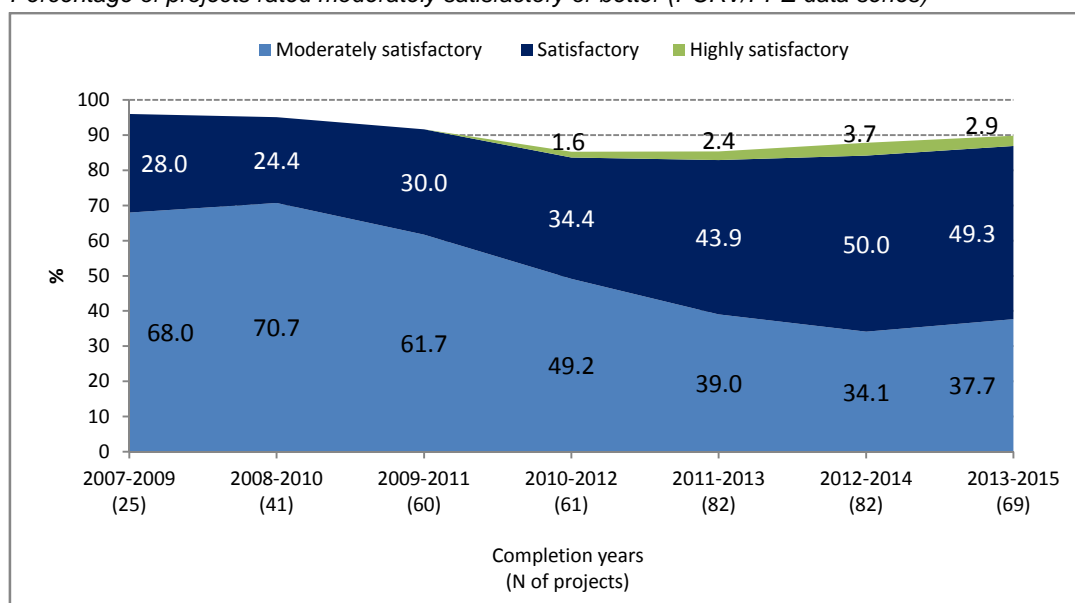
Source: IOE evaluation database, March 2017. \* Indicative mean based on 35 projects completing from 2008 to 2011.

<sup>33</sup> Impact domains criteria such as Household income and assets, Human and social and empowerment, Food security and agricultural productivity, Institutions and policy are no longer rated therefore previous years ratings have been removed in the quantitative analysis.



27. Trend analysis. This section of the report presents the analysis of the independent evaluation ratings for the whole set of evaluation criteria assessed by IOE in its project-based evaluations according to: (i) trends in performance over time by moving averages; and (ii) trends in performance by replenishment periods.
- (i) Analysis of trends in performance over time by moving averages
28. The analysis of project performance, which is a composite of relevance, effectiveness, efficiency, and sustainability is presented in two parts. The first part discusses the trends in performance for the four individual criteria and key features of good or weaker performance where appropriate. The second part outlines the trends for the composite criterion and issues determining the relevance and effectiveness of the targeting strategies adopted by IFAD-supported operations.
29. Relevance. IFAD operations with good performance remain highly relevant to: the context in which they are implemented, beneficiaries' requirements, institutional priorities and partner and donor policies. It however also requires a relevant project design and coherence in the achievement of the objectives through inter alia an appropriate targeting strategy. Chart 2 reflects a consistently positive trend of the PCRV/PPE data series. Of projects exiting the portfolio in 2013-2015, 90 per cent were rated moderately satisfactory or better. From 2010 until 2012-2014, this improvement was driven by an increase in the percentage of satisfactory or better projects which reached 53.7 per cent. However, in the last cohort, there is a slight decline to 52.2 per cent of projects rated satisfactory or better and a 3.6 per cent increase in moderately satisfactory ratings.

Chart 2

**Project relevance – three-year moving averages by year of completion***Percentage of projects rated moderately satisfactory or better (PCRV/PPE data series)*

Source: IOE evaluation database, March 2017.

30. Constraining features to relevance are often linked to limitations in project preparation and design, including the lack of (i) a proper targeting strategy (ii) ownership of the project by the respective implementing agencies and (iii) insufficient analysis of the socio-economic and political context of the project area and (potential) partners and institutions involved. These factors are highlighted in the PPE of the Agricultural Rehabilitation Programme in Orientale Province (PRAPO) in DR Congo which rated relevance moderately unsatisfactory. The project had overly ambitious objectives and targets and poor consideration of the context – the post-conflict situation; the weak capacities among public technical services; and

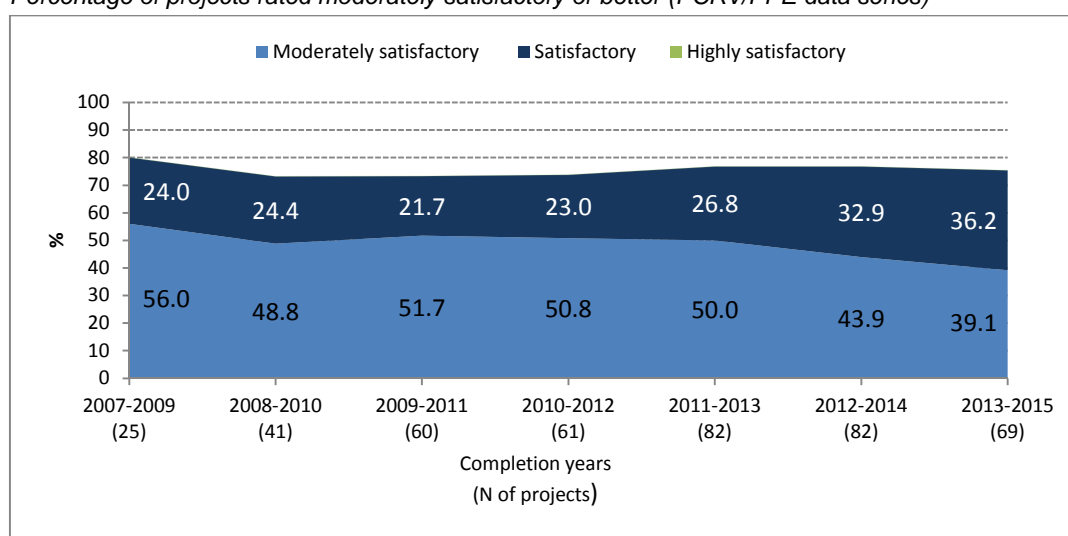
extremely isolated project area. Finally, the absence of a dedicated targeting strategy resulted in limited attention committed to vulnerable groups.

31. The Learning Theme of this year further emphasizes the importance of conducting thorough context and financial assessments. These and other precautionary principles help to identify weaknesses ahead of implementation and thereby avoid unnecessary exposure to project and fiduciary risks.
32. Effectiveness. The performance of projects in achieving development objectives has reached a plateau after improving slightly between 2010 and 2014. Although projects rated moderately satisfactory or better declined slightly to 75.3 per cent, the percentage of satisfactory projects has steadily increased from a low of 21.7 per cent in 2009-2011 (chart 3). However, no projects are rated highly satisfactory in the PCRV/PPE data series.<sup>34</sup>

Chart 3

**Project effectiveness – by year of completion**

*Percentage of projects rated moderately satisfactory or better (PCRV/PPE data series)*



Source: IOE evaluation database, March 2017.

33. The 2016 evaluations identify some key features that explain good and weaker results in the performance of a project. The CLE on Decentralization found that higher effectiveness ratings drove the significantly higher average project performance ratings in countries with IFAD Country Offices (ICOs). The PPE of the Bangladesh Finance for Enterprise Development and Employment Creation Project (FEDEC) considered the overall effectiveness of the project highly satisfactory based on: reaching the targeted number of microenterprises mid-way through the project; far exceeding its critical lending targets; and building the capacity of the implementing agency<sup>35</sup> and partner organizations to efficiently support microenterprise development. These successful results are being scaled up in the on-going Promoting Agricultural Commercialization and Enterprises Project.
34. Instead, in weaker performing projects, poor performance against stated objectives is caused by (i) a deteriorating security situation; (ii) weak implementation capacity; (iii) slow progress in implementation; or (iv) a lack of adequate support and/or collaboration between the implementing partners. Other factors inhibiting effectiveness are described in the PPE of the Rural Livelihoods Support Programme in Malawi such as too many interventions confusing communities; insufficiently

<sup>34</sup> According to the IFAD Evaluation Manual, second edition, a highly satisfactory rating for effectiveness indicates that the project has achieved or surpassed all its main objectives and targets and could be considered as a model within its project typology.

<sup>35</sup> The Palli Karma-Sahayak Foundation, a government apex funding agency for non-governmental organizations

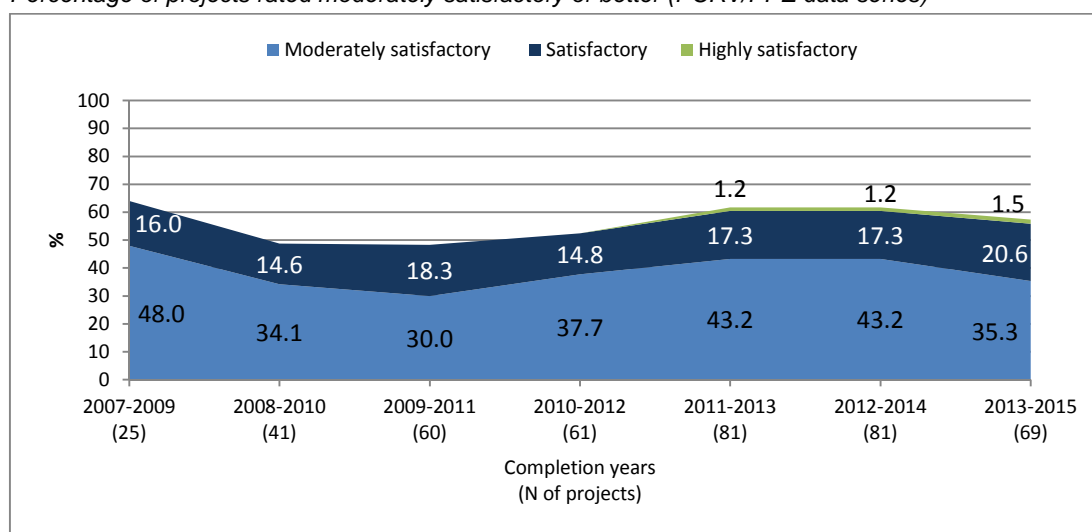
engaging relevant government bodies and partners for the formation of farmers' organizations; and not promoting important interventions for beneficiaries to interact with input/output markets.

35. Efficiency. Operational efficiency remains the weakest performing criterion in the last cohort and the entire period covered by the PCRV/PPE data series. Despite a rise in the percentage of moderately satisfactory or better ratings from a low of 48.3 per cent in 2008-2010 to a high of 61.7 per cent in 2011, performance has been flat and declined slightly to 57.4 per cent in 2013-2015. Notably, the number of projects rated satisfactory or better remained stable and increased slightly by 3 percent from 2011 to 2015.

Chart 4

**Project efficiency – three year moving averages by year of completion**

Percentage of projects rated moderately satisfactory or better (PCRV/PPE data series)



Source: IOE evaluation database, March 2017.

36. The 2016 evaluations highlight key factors inhibiting efficiency in IFAD-funded projects which are summarized in box 1 below. High project management costs are particularly cited, which in the PPE of PRAPO in DR Congo are attributed to underestimating the challenging and dispersed context and capacities of subcontractors, and consequently, the operating costs. This led to an overload of administrative work and technical oversight for the project management unit (PMU) which resulted in significant implementation delays. According to the Rural Microenterprise Promotion Programme PPE in Malawi, the high programme management costs (40 per cent of the total) were due to high staff salaries, a dense implementation structure, and a long implementation period of nearly 10 years. Budget overruns in the Egypt West Noubaria Rural Development Project (WNRDP) were attributed by PPE to (i) extension of the project implementation by four years, which was a consequence of slow implementation and later political instability; (ii) the Government handing over activities from an earlier IFAD project<sup>36</sup> to the PMU; and (iii) five changes of Project Directors. In the case of the Philippines Rural Livelihoods Support Programme (RLSP) the project management cost remained low, which according to the PPE may have been the result of underestimation of staffing requirements, which affected the implementation progress and under-investment in M&E.

<sup>36</sup> The Newlands Agricultural Services Project, to deliver services that were initially intended to be delivered by service providers.

## Box 1

**Factors inhibiting operational efficiency deriving from the 2016 evaluations**

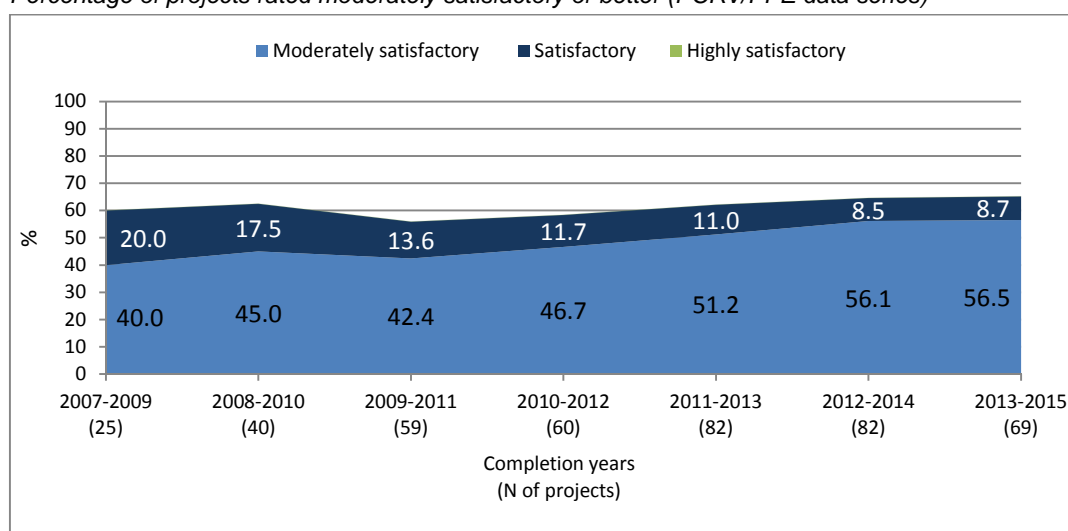
- Significant start-up delays and approval to effectiveness lag;
- Slow disbursement rate from IFAD and/or partners and low disbursement at completion;
- Poor use of resources through under-spending and over-spending for the project components;
- High cost per beneficiary;
- High cost of project management;
- High staff turnover;
- Low internal rate of return;
- Cumbersome contract and procurement norms.

37. The 2016 evaluations found that good project efficiency is overall based on smooth implementation and a high disbursement rate and financial return, and low programme management costs, as evinced in the impact evaluation (IE) of the Mozambique Sofala Bank Artisanal Fisheries Project and the PCRV Colombia- OPORTUNIDADES. The PPE of the Bangladesh FEDEC project assigned a satisfactory rating to the operational efficiency as (i) the loan became effective sooner than IFAD's global average<sup>37</sup>; (ii) the loan proceeds were utilized within the originally prescribed project implementation period without extending the closing date, indicating high utilization efficiency; and (iii) the actual programme coordination costs amounted to 0.4 per cent of total costs, compared to 1.6 per cent allocated at programme design, indicating a higher management efficiency than planned. The Learning Theme chapter further emphasizes how the quality of the project team and its management are key to financial management and project success.
38. Sustainability of benefits. The prospects of sustained benefits generated by IFAD's operations have improved steadily from 2009. Sixty-five per cent of the projects completed in 2013-2015 rated moderately satisfactory or better versus a low of 56 per cent of projects in 2009-2011 (chart 5).

Chart 5

**Project sustainability – by year of completion**

Percentage of projects rated moderately satisfactory or better (PCRV/PPE data series)



Source: IOE evaluation database, March 2017.

39. Despite this improvement, sustainability remains the second weakest performing criteria. In addition, the vast majority of projects are increasingly in the moderately

<sup>37</sup> FEDEC became effective four months following IFAD's EB approval against IFAD's global average of 12.3 months.

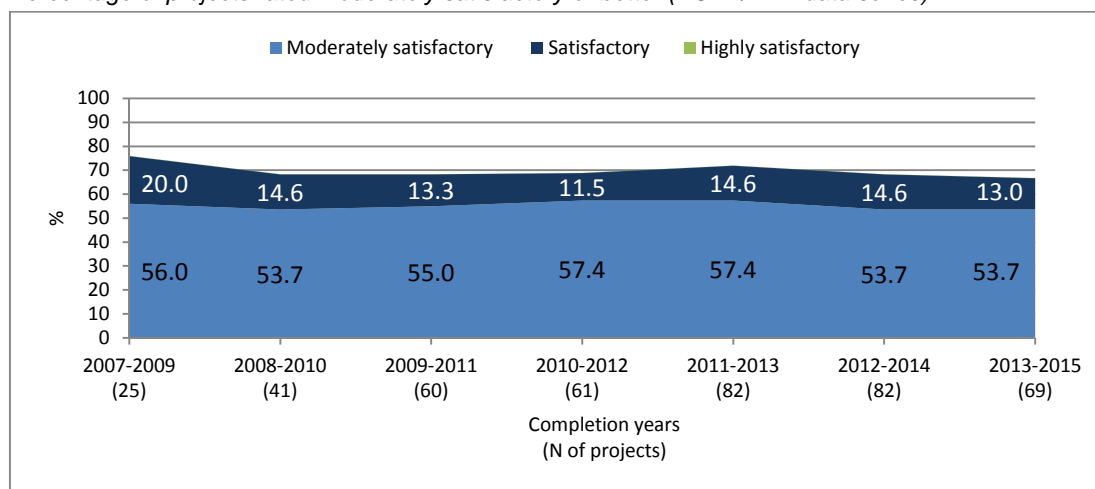
satisfactory zone and the percentage of projects that are rated satisfactory are gradually diminishing with no projects rated as highly satisfactory.

40. In particular, the most recurrent issues in the 2016 evaluations relate to (i) fragile results at completion; (ii) limited beneficiary ownership; (iii) lack of resources; and (iv) lack of a clear exit strategy, clarifying the roles and responsibilities of different institutions and actors in ensuring beneficiaries receive the necessary inputs and services after completion. The PCRV of the Small-scale irrigation and water management programme in Burkina Faso found that many activities were carried out in the last year of the project, leaving little time for farmers to learn how to self-manage them. The PPE of PRAPO in DR Congo found sustainability of impact to be at risk due to the weak maturity of producers' organizations and limited capacity of public private service providers. Finally, the IE of the Mozambique SBAFP describes that grass-roots institutions were weak after completion because, by and large, they were not federated into apex organizations.
41. Project performance. This composite criterion is the arithmetic average of the ratings for relevance, effectiveness, efficiency, and sustainability (included only in this year's project evaluations) according to the new Evaluation Manual. The new definition of project performance was included in 28 projects which completed between 2011 and 2015. Chart 6 presents project performance ratings as they were recorded in their respective published evaluations. Therefore, it presents project performance ratings based on both the old and new definitions. From this mixed methodology, 66.7 per cent of projects are rated moderately satisfactory or better in project performance. The overall trend is flat and slightly declining with the majority of ratings being moderately satisfactory.

Chart 6

**Project performance – three year moving averages by year of completion**

Percentage of projects rated moderately satisfactory or better (PCRV/PPE data series)



Source: IOE evaluation database, March 2017.

42. The IE of the Mozambique SBAFP Project underlined that good performance on the ground is intrinsically linked to well-defined targeting strategies. The availability of in-depth thematic studies and elaboration of appropriate implementation strategies is a prerequisite to successfully achieving project outcomes, impact and sustainability. In particular, the development and implementation of strategies for gender mainstreaming, private sector engagement, microfinance, markets and food security based on rigorous studies would have helped in better understanding the opportunities, challenges and synergies across the several project components. Moreover, it would enable a better definition of the scope and the geographic, institutional and social targeting of the project.

43. In this regard, the 2016 evaluations continue to find several issues and constraining factors in terms of relevance and effectiveness of the targeting strategies adopted by IFAD-supported operations. A recurrent issue mentioned in the 2016 evaluations is that IFAD and its implementing partners need to ensure that projects have a specific targeting strategy to reach the most vulnerable people, based on a sound vulnerability analysis, and leading to differentiated support according to the needs of vulnerable groups, youth and women in particular.
44. The Programme for Mobilization of Surface Water and Sustainable Land Management (PROMES-GDT) in the Republic of Djibouti offers an excellent example of a good targeting approach. The targeting strategy was based on the outcomes of several identification missions and associated fieldwork and analysis. The target areas were selected in a participatory way, in consultation with both the administrative authorities and beneficiaries. Moreover, the participatory approach notably ensured that the traditional authorities were consulted over the choice of projects and targeting of beneficiary households. The programme also followed a satisfactory social targeting strategy at community level, taking into account all socio-economic groups of the pastoral communities, with specific support to the most vulnerable and women-headed households.
45. At mid-term review, the targeting strategy was adjusted to enhance the geographic and social targeting and keep effectiveness on track. This shows flexibility in the approach and adaptability to changes. Moreover, it is an example of why good monitoring of the distribution of project benefits according to the different target area and target groups is crucial throughout the implementation process.

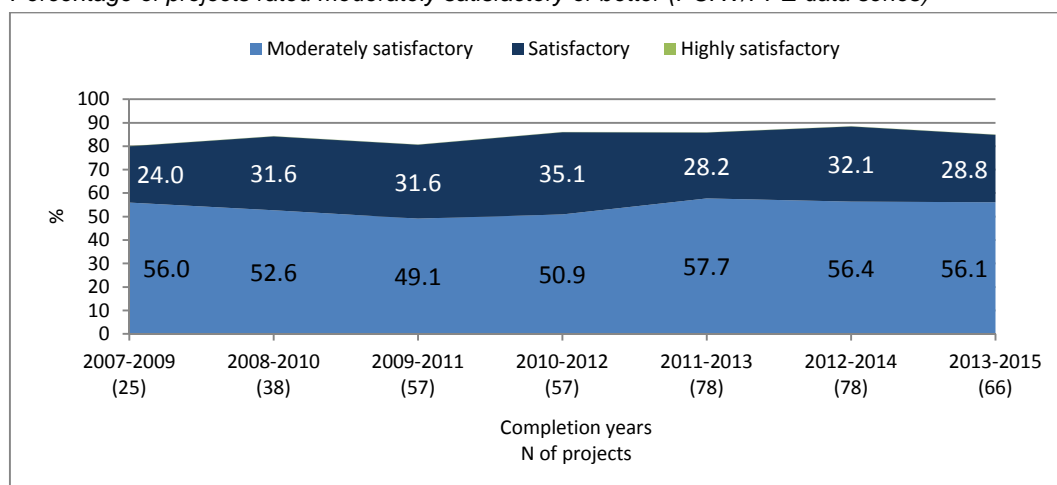
#### Rural poverty impact

46. This section is devoted to the assessment of rural poverty impact which consists of four sub-domains (household income and assets, human and social capital and empowerment, food security and agricultural productivity, and institutions and policies).<sup>38</sup> Given that the reduction of rural poverty is IFAD's most important objective, the key features of positive and less positive rural poverty impact are provided by sub-domain.
47. Rural poverty impact is consistently positive with the percentage of moderately satisfactory or better projects ranging from 80 per cent in 2007-2009 to 84.9 per cent in 2013-2015. However, the overall trend is essentially flat and driven by predominantly moderately satisfactory projects. The percentage of satisfactory projects is also stagnant with minor variations, and no projects are rated highly satisfactory.

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<sup>38</sup> Until 2015, the criterion natural resources, environment and climate change was included as a sub-domain and all the five sub-domains were rated.

Chart 7

**Rural poverty impact – Three-year moving averages by year of completion***Percentage of projects rated moderately satisfactory or better (PCR/V/PPE data series)*

Source: IOE evaluation database, March 2017.

48. Household income and assets. This rural poverty subdomain provides a means of assessing the flow of economic benefits and accumulated items of economic value to individuals and households. For IFAD10, IFAD management aims to have 40 million rural people experiencing economic mobility measured as an economic change in status (10 percent or more) in terms of income, consumption, wealth, food diversity or nutrition. In order to achieve the IFAD10 target as well as contribute substantially to the Agenda 2030 goal to eradicate poverty, IFAD needs to scale up its results for greater impact through partnership and policy engagement.
49. The 2016 evaluations found that IFAD projects made a positive contribution to raise incomes and diversify income sources, and helped build assets for the targeted population, though on a small scale. This has happened mainly through: (i) support to agricultural productivity; (ii) employment opportunities; (iii) diversification of livelihoods; (iv) support to investments in productive assets including improvements in animal husbandry (livestock and fisheries); (v) improved access to microfinance and markets; and (vi) improved post-harvesting activities. Box 2 highlights drivers of improved income and assets based on Mozambique SBAFP which was rated 5 for rural poverty impact by the impact evaluation.

**Box 2****Drivers of better income and assets in beneficiary groups**

The IE of the Mozambique SBAFP highlighted the following main drivers for the improved income and assets of the beneficiary groups by the project:

- Expansion of the fishing area through the formulation and adoption of sectoral policies and the diversification of fishing practices and technologies, which resulted in slightly higher fish production;
- Increased access of the artisanal fishery communities to informal microfinance (through accumulating savings and credit associations), which led to increased personal savings and improved investment capacity in the artisanal fishery subsector; and
- Training activities led to improved post-harvesting activities (e.g. salting and drying) and its infrastructure development component created better access to markets, which indirectly contributed to better incomes.

50. A number of 2016 evaluations reported positive impact on income and assets from livestock activities. For example, the Burundi Livestock Sector Rehabilitation Support Project had an impact on household income through the sale of animal products and recapitalization of small livestock that generated income when resold,

and increased livestock productivity from improved rangelands. In Mali, the Northern Regions Investment and Rural Development Programme benefited 6,792 households through farming, income-generating activities and livestock loans which allowed households to accumulate assets. The programme also increased and diversified the income of people through nomadic livestock and agropastoral development. The revival of small livestock and diversification of agriculture were hallmarks of the programme. In Djibouti, livestock recapitalization was responsible for generating an additional US\$790 to US\$1,550 a year in income per household in PROMES-GDT.

51. Another prominent source of income generation in the 2016 PPEs and PCRVs was related to formal employment. The Northern Regions Investment and Rural Development Programme in Mali contributed to improving local incomes through the transfer of resources to local businesses, which developed outsourcing and job creation. The Employers' Association of Construction Contractors reported the creation of 160 permanent jobs and 600 temporary jobs for 40 companies mobilized as part of the Kidal Integrated Rural Development Programme (PIDRK) activities in Mali.
52. Despite these few positive examples, limited data on household income and assets was a major constraint in evaluating projects in 2016 for rural poverty impact. Limited evidence and data resulted from lack of baseline surveys; unclear definitions of how livelihood, social and human assets are defined in the surveys; lack of control groups or information on macro-economic change in the Project Completion Report (PCR); no outcome or income level M&E data; or confusion in impact assessment methodology. The PPE of the Philippines RLSP project adds that, in addition to the challenges of data availability, there also have been a number of complementary initiatives from other agencies, thus making it even more difficult to assess the level of contribution by RLSP to impact on household incomes and assets.
53. Human and social capital and empowerment. Empowerment is one of the key principles of engagement of IFAD and essential for sustainable reduction of poverty and hunger. IFAD's notable comparative advantage versus other IFIs is the targeting and participatory approaches promoted in IFAD operations which have a positive impact on the empowerment of individuals.
54. IFAD-funded projects rated satisfactory in rural poverty impact by the 2016 evaluations have adopted IFAD's hallmark approach of enhancing the capabilities of rural poor people, by bringing together smallholder farmers into grass-roots institutions and organizations and improving their access to basic amenities and productive resources, as well as fostering their participation in local governance processes. This notably occurred in the Mozambique SBAFP project which the impact evaluation (IE) found strongly contributed to improved human capital in project areas through infrastructure that improved the quality and access to water, health services and education for poor artisanal fishery communities. The project also represents a good practice in terms of actively engaging the artisanal fishery communities in local development processes and their empowerment in relation to local governments. The IE found the project contributed to raising awareness and knowledge about key policies introduced by the Plano Estratégico para o Sector da Pesca Artesanal (PESPA) (e.g., mesh size, boundary, closed fishing season) in the treatment group.
55. Capacity building through group formation featured prominently in the majority of IFAD-funded projects that the 2016 evaluations found contributed to enhancing human and social capital and empowerment. The Egypt PPE found that WNRDP improved human and social capital and filled an important gap left by the absence of public services. Remarkably, the community organizations that implemented the activities in a participatory manner were still functioning two years after project



closure and the infrastructures visited were still functioning and in high demand, although their capacity to continue with maintenance had diminished. The positively evaluated projects in Nepal, Bangladesh, Niger, Djibouti, Mali, Burundi all applied a participatory approach for empowerment which focused on improving the communities' capacity to organize and manage its own development.

56. Participatory community-based development is a key feature of many successful IFAD projects. The Philippines CSPE finds the most significant and consistent impact across the projects is the contribution to enhancing the way government agencies and local government units work on rural development initiatives and how they work with the rural poor, e.g., participatory approach, in tandem with the efforts to strengthen organizations of the rural poor to effectively participate in such processes.
57. In projects rated unsatisfactory for rural poverty impact, 2016 evaluations highlight issues with the targeting strategy and insufficient clarity on the target group. In the case of the Small-scale irrigation and water management programme in Burkina Faso, the approach was not participatory enough and there was limited control over the project's choice of beneficiaries. The DR Congo CSPE expressed doubts about the portfolio's impact on the most vulnerable people – women, unemployed youth, the landless and indigenous people – who may have been excluded from the farmer organizations that channelled most of the project support. The PPE of WNRDP in Bangladesh also stressed that although positive results have been achieved in this impact subdomain, these results were mostly among the better off and to a lesser extent among the "hard-core poor".
58. The importance of targeting and gender strategies is further reflected in box 4 which highlights the key findings from the ESRs on Smallholder Access to Markets (SAM) and Gender equality and women's empowerment (GEWE).

**Box 4**

**ESR on SAM and GEWE – key targeting and gender findings related to rural poverty impact**

- Targeting: SAM programmes serve the rural poor in almost all instances, often with an express focus on the economically active poor. The most common approach was to target specific geographical areas, and in many cases this was combined with the selection of specific product types of value chains. Targeting focused on value chains had higher rated impact and relevance than most of those focused on a specific product and its production. Finally, programmes delivering market-oriented activities to target population showed notable market relevance.
- Gender equality: Women's specific constraints and needs were not always sufficiently analysed and incorporated into programme design and planning. However, programmes focused on microenterprise development; interventions sought to improve institutional stakeholder responsiveness; and member-based and no-bank financial institutions were responsive to gender-differentiated needs. Nevertheless, explicit consideration of specific women's needs and specific strategies to target women are critical to ensuring that women benefit equally and that their strategic needs are addressed. There is scope to better target the diversity of women along lines of ethnicity, religion, and life cycle through specific targeting strategies. Moreover, specific targeting strategies are required to address the needs of different groups of women that are more likely to be left behind, such as very poor women, landless women, single women, female-headed households, indigenous women and young women, together with good contextual analysis.
- Participatory processes: To some extent, participatory processes are instrumental in addressing women's needs, and there are many positive examples of where highly participatory approaches have led to social change. At the same time, participatory approaches are often not effective in overcoming generally-held beliefs about particular groups, in particular minority groups, which must be addressed through specific and targeted interventions.
- Theory of Change: Projects are recommended to develop explicit theories of change to underpin targeting strategies for different groups of women, together

with indicators to monitor them at the point of design, and offer tailored interventions based on available good practices.

- Monitoring & evaluation: Explicit strategies have to be integrated into design and carefully monitored during implementation, based on thorough analysis. To facilitate the monitoring and enhance effectiveness and impact, beneficiary data needs to be further disaggregated.

59. Food security and agricultural productivity. Food security lies at the heart of IFAD's mandate. To achieve this fundamental goal, the organization issued in 2015 an action plan for mainstreaming nutrition-sensitive agriculture during the IFAD10 period. Two of the new IFAD10 RMF impact targets relate to this subdomain - 43 million rural people with improved production and 42 million people with improved market access. However, the increased production and value of production that is measured is for both agricultural and non-agricultural production, which may exclude agricultural productivity for food security.
60. This greater emphasis on commercial production is also reflected in the sample of SAM programmes evaluated in the ESR. Although almost all of them had an explicitly stated goal to improve food security and nutrition, only three integrated food security into programmatic outcome objectives and very few designed components or activities to improve food security. Even fewer programmes detailed how food security would be improved or reflected on risks smallholders are exposed to by altering traditional economic strategies – often involving food production for home consumption. Based on the mixed record of food security enhancement in the sample, the ESR on SAM concluded that improved access to markets alone does not necessarily lead to improved food security.
61. The mixed results found in the ESR on SAM sample are also reflected in the 2016 evaluations where increased agricultural productivity and food security is not reflected in nutrition indicators. The DR Congo CSPE finds that the portfolio had a noticeable impact on agricultural productivity and food security in the cases of PRAPE and PRAPO projects with food security improved over the baseline situation due in part to higher yields from improved seeds and increased cultivated areas. However, project impact on child nutrition was limited, as diets remained largely unchanged. In Egypt, the WNRDP project contributed to the highly diversified agricultural production which results in households in the treatment areas consuming 15 per cent more categories of food compared to the control group, indicating that these households potentially have a more nutritious and balanced diet. Despite these positive results, malnutrition rates have remained unchanged across the different survey periods.
62. The issue of unchanged malnutrition rates is also related to the lack of disaggregated data. The 2016 project evaluations noted that many malnutrition rates remained more or less unchanged, and that in some instances child malnutrition remained severe. The evaluations emphasized that the project results are mainly focused on productivity with little to no evidence in nutrition. The ESR adds that while almost all programmes had food security /nutrition objectives, few were measurable or based on transparent risk-reward calculations regarding smallholders' food security. The absence of data on nutrition limits the full assessment of food security and agricultural production.
63. Institutions and policies. Institutions and policies are critical for the sustainability and scaling up of IFAD's country programme results. The National Agricultural Technologies Programme in Bangladesh offers another example of an IFAD project providing strong support for capacity enhancement and institutional development for agricultural research and extension services. While the key achievement of the project was completing the amendment of the BARC Act 1996, which provided a foundation to revitalize agricultural research in the future, the project also contributed to the establishment of an innovative agricultural research

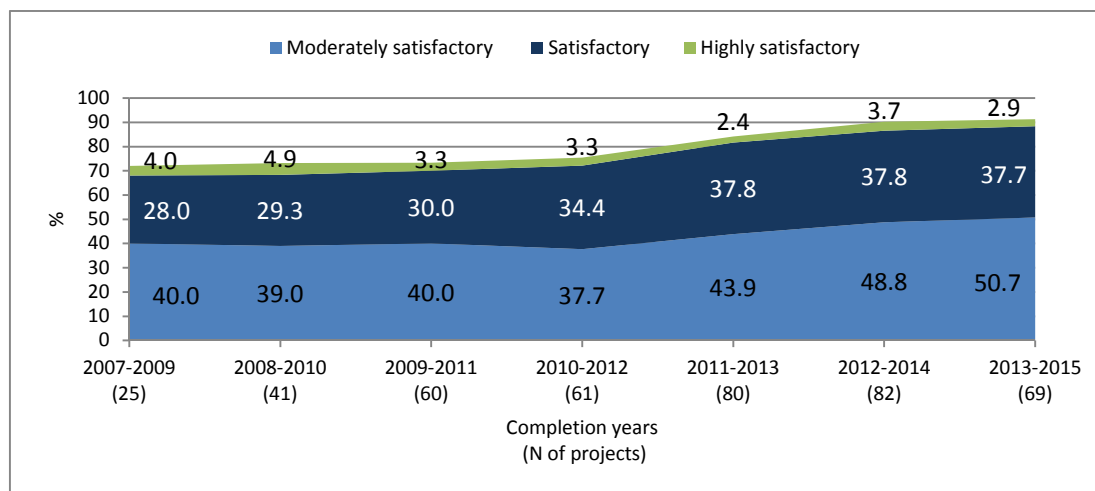
organization; 'one stop' extension services to farmers; and established grassroots organization focused on marginal farmers and small farmers. The project established groups on a pilot basis to improve marketing channels between small farmers and traders which contributed to achieving higher profits from the sale of high value produce.

64. The IE of the Mozambique SBAFP finds the project was instrumental in instigating institutional changes which are still visible today. The project contributed to the establishment of a normative framework of policy and legislation in favour of artisanal fishing and adoption of a corresponding strategy - PESPA - in November 2006. SBAFP nurtured sound provincial-level approaches and practices, previously not in place, for the co-management of small-scale fisheries which became enshrined in PESPA. PESPA promoted three important fisheries management measures to the benefit of the artisanal sector.
65. The ESR on SAM shows that support to institutions and policies that are focused on enterprise development and trade have the highest ratings, whereas general agricultural policy has less notable ratings. The more market-oriented the institution and policy effort is, the more favourable the ratings. Indeed, formal institution-building, while limited in the SAM sample, have had key contributions to programmatic achievements. Institution-building has been effective in those instances where local needs and risks were addressed, and local actors were empowered within the broader SAM programme ecosystem.
66. Limited impact in terms of institutions and policies also resulted from project design and the country context. The Nicaragua CSPE notes that rapid institutional dynamics required IFAD to make its programme more flexible. The Egypt WNRDP PPE finds the project design did not elaborate on how the community approach would be institutionalized. Thus, though supported-institutions served a purpose during project implementation in terms of planning and implementation of project activities and responding to a gap in the administrative system, their role has diminished post-project.

#### Other performance criteria

67. This section of the chapter analyses innovation and the potential for replication and scaling-up; attention to gender equality and women's empowerment; environment and natural resources management; and adaptation to climate change.
68. Innovation and scaling up. As of 2017, IOE rates innovation and scaling up separately, following the harmonization agreement. However, as this ARRI is based on 2016 evaluations, this section still reports on innovation and scaling up jointly. IFAD's contribution to promoting innovations and scaling up successful experiences for expanded and sustainable impacts has been improving since 2009 as shown in chart 9. The percentage of projects rated as moderately satisfactory or better increased from 73.7 per cent in 2009-2011 to 91.3 per cent in 2013-2015, out of which 40.6 per cent are satisfactory or better (chart 8). This is the highest proportion of moderately satisfactory and higher projects in the period covered by the PCR/PPE data series. This strong improvement is further evidenced by the statistically significant increase of the mean from 4.03 in 2009-2011 to 4.34 in 2013-2015). This improvement is driven primarily by more moderately satisfactory projects rather than satisfactory and higher projects which are stable.

Chart 8

**Innovation and scaling up – by year of completion***Percentage of projects rated moderately satisfactory or better (PCR/V/PPE data)*

Source: IOE evaluation database, March 2017.

69. Innovation and scaling-up remains a priority in IFAD10 with a target of 90 per cent of projects rated moderately satisfactory at completion by 2018. IFAD also committed to have a strategy for innovation, knowledge management and scaling up in all project designs in the IFAD10 period. Its inclusion as a core principle of engagement in IFAD's Strategic Framework 2016-2025 indicates the strategic importance the Fund places on increasing the impact of its investments.
70. The assessment of innovation and scaling-up by IOE focuses on the extent to which IFAD development interventions have (i) introduced innovative approaches to rural poverty reduction, and (ii) been scaled up by government authorities, donor organizations, the private sector and others agencies. The main reference document in assessing innovation and scaling up is the 2007 IFAD's innovation strategy.<sup>39</sup>
71. In regard to innovation, the 2016 evaluations found that projects were successful in introducing new rural finance products, improved technologies in agriculture, fisheries and irrigation, as well as methodologies previously unknown in the intervention areas, including participatory approaches. The Mozambique CSPE assessed innovation and scaling up as satisfactory. Several innovations previously unknown in the intervention areas, though usually already in use and well-known outside Mozambique, have been introduced through the projects. Two IFAD regional grants with the National Agriculture Extension Programme Support Project enabled the piloting of both Plant Clinics and Diamondback moth biological control in the project districts with promising results. The National Directorate for Agricultural Extension was planning to gradually integrate these two initiatives in the public extension agenda throughout the country, where relevant. The SBAFP and ProPesca projects introduced a number of fishing gears and boat-construction technologies, including use of ice on board, as well as solar-powered ice-makers and freezer systems, that were innovative for the country.
72. The Egypt PPE of WNRDP highlighted three types of innovation introduced by WNRDP<sup>40</sup>, among which was the successful introduction of drip irrigation. The PPE confirms that while drip irrigation was not necessarily innovative, it was considered innovative to this particular target population and was highly replicable as it was a

<sup>39</sup> The IFAD innovation strategy is found at <http://www.ifad.org/gbdocs/eb/91/e/EB-2007-91-R-3-Rev-1.pdf>.

<sup>40</sup> (i) linking farmers to markets; (ii) the adoption of drip irrigation and the way it was adapted to smallholders; (iii) artificial insemination services through private inseminators.

relatively low-cost technology. Moreover, the materials were readily available and the farmers saw an immediate advantage which motivated them to use it.

73. IFAD also has been able to introduce innovative practices in other areas, such as the introduction of new financial products (seasonal loans) in the FEDEC project in Bangladesh and the systematic integration of marketing-related aspects into most of the interventions for the RLSP project in the Philippines. During the SBAFP project in Mozambique, the project also introduced savings and credit associations where financial services were previously absent, and the development of skills in participatory strategies and bottom-up approaches to planning and implementation that were new to the institutions involved.
74. Scaling up is especially critical as a means for augmenting the impact of IFAD's country programmes to reduce rural poverty. As presented in the Evaluation Synthesis Review on Scaling up, IFAD has been emphasizing scaling up at least since 2002, with conceptual clarity sharpening with the 2010 Brookings review and the 2015 Operational Framework for Scaling Up of Results. Scaling up happens when other partners converge in supporting certain interventions and approaches. This requires extended support from IFAD, often through several project phases. Partners need to be convinced of IFAD's own buy-in, in the first place. Even when interventions seem "promising", they may need more fine-tuning or improvements, requiring further support from IFAD before they are ready to be scaled up.
75. While almost all Country Strategic Opportunities Programmes (COSOPs) since 2010 make reference to scaling up, few have articulated a strategy for it. On average, there was evidence of scaling up in about half of the evaluations examined. Most of the scaling-up cases observed consisted of: (i) an attempt to broaden project geographical coverage to new areas (95 per cent); (ii) project interventions informing public strategies or policies (41 per cent); and (iii) an IFAD-funded project being adopted by a larger programme, funded either by the government or a donor (16 per cent). Scaling up also is recorded more often in lower-income countries rather than upper-middle income countries, due in part to the availability of international funding; counter to the commonly held expectation that more space for scaling up exists in countries with higher income levels.
76. According to evaluations reviewed in the ESR, scaling up was three times more prevalent in countries where IFAD had an office. Similar findings in the 2016 CLE decentralization showed that opening country offices helped promote partnership with government, mobilize government funding and enhance opportunities to participate in donors' thematic coordination groups. Other factors related to scaling up are outlined in box 5.

#### Box 5

#### **Enabling and Constraining Factors to Scaling Up**

- **Government Ownership** – Government support can open scaling-up opportunities, even with limited fiscal space. Government were able to facilitate support, notably funding, from external donors when their own resources were insufficient. Government ownership also manifested as the establishment of a central unit in a ministry or public agency.
- **IFAD leadership and extended engagement** – IFAD often continued to support through multiple phases before other partners could recognize the validity of a given development approach – particularly in the case of innovative projects that required testing, development and fine-tuning.
- **Partnership** – Networking and partnership building undertaken by IFAD staff or project coordinators were crucial to build interest and ownership by the government and other development actors. Without strong partnerships with national and local governments, even successful projects may remain in isolation with key decision-makers not familiar with their experiences (e.g., Laos People's Democratic Republic, Dominican Republic).

- Knowledge management – KM is instrumental in providing evidence (including scalability analysis) of the success of an intervention to partners. However, it is more challenging to engage partners with insufficient data and analytical work (e.g., Bolivia with municipal governments).
- Country-level policy engagement – Approaches promoted through IFAD-funded projects informed state or country-level legislative initiatives and sectoral policies (e.g., India and Peru). In contrast, a non-conducive policy environment makes it difficult to scale up successful schemes. In Moldova, it was difficult to scale up a successful long-term credit and revolving fund established by the IFAD-funded projects due to a policy environment which discouraged banks from offering long-term deposits.

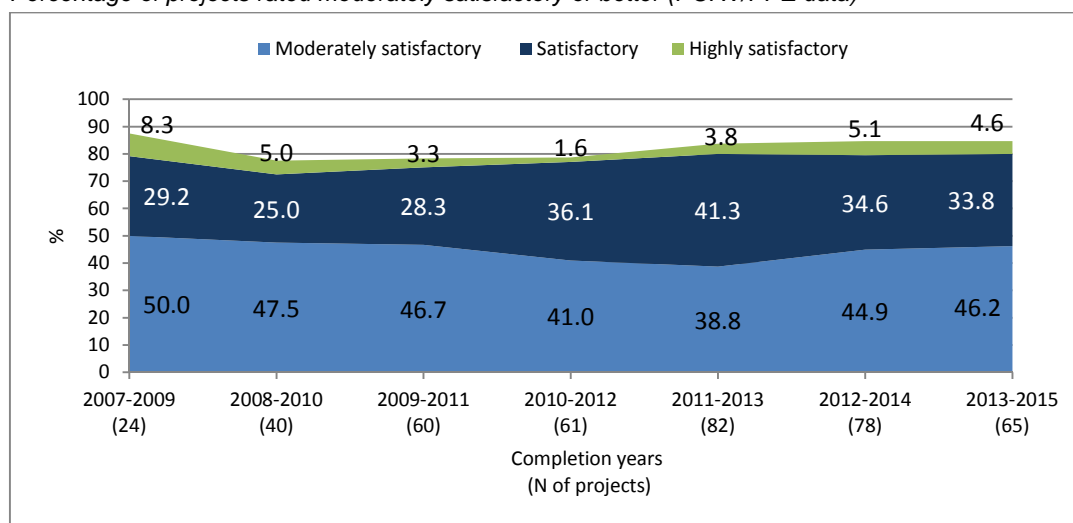
Source: ESR on IFAD's support to scaling up of results.

77. Gender equality and women's empowerment (GEWE). Agenda 2030 promotes GEWE as basic human rights across all development goals. While addressing gender inequality and exclusion is a goal in itself (SDG5), it is also a means to other SDGs. Thus, the promotion of gender equality and women's empowerment is critical to meet the challenge of improving food and nutrition security and eradicating rural poverty.
78. In line with the SDGs, the IFAD Strategic Framework (2015-2025) envisages IFAD consolidating its leading position on innovative gender practices by moving beyond mainstreaming and achieving transformative gender impacts. IFAD's Midterm Plan (2006-2018) also aims to ensure that at least 15 per cent of project designs are gender-transformative and at least 50 per cent achieve full gender mainstreaming.<sup>41</sup> Despite these ambitious goals, the IFAD10 results measurement framework target for gender equality remains at 90 per cent of projects rated moderately satisfactory or better.
79. A review of IFAD's performance on gender equality and women's empowerment over time shows that performance has plateaued. There was an overall positive trend in moderately satisfactory or better ratings starting in 2009-2011 at 78.3 per cent and reaching 85 per cent in 2013-2015. The improved performance is due to a steady increase in the percentage of projects rated moderately satisfactory and highly satisfactory, respectively 46.2 percent and 4.6 percent in the last cohort of the PCR/PPE data series (chart 9). The mean of project ratings show a statistically significant increase from 3.49 to 4.15 in the respective periods of 2009-2011 versus 2013-2015 (Annex V). Yet the main driver of the overall improvement in the last two cohorts has been an increase in the percentage of project rated moderately satisfactory. At the same time the proportion of satisfactory (full gender mainstreaming) and highly satisfactory (transformative) ratings has declined which indicates that IFAD still has some way to go to reach the above targets.

<sup>41</sup> PTA's Gender Desk has developed a six-point gender marker to assess programs in which 5 signifies full gender mainstreaming and 6 indicates gender transformative.

Chart 9

**Gender equality and women's empowerment – Moving averages by year of completion**  
*Percentage of projects rated moderately satisfactory or better (PCR/V/PPE data)*



Source: IOE evaluation database, March 2017.

80. The Evaluation Synthesis Report on “what works for gender equality and women’s empowerment – a review of practices and results” (ESR on GEWE) points out that, as yet, there is no agreed definition or operationalization of gender-transformative approaches at IFAD or elsewhere. The report defines gender-transformative approaches as addressing the root causes of gender inequality and discrimination by promoting sustainable, inclusive and far-reaching social change. Gender transformation goes beyond individual self-improvement among women and towards transforming the power dynamics and structures that reinforce gendered inequalities. Such changes are required to achieve sustainable development as envisioned by Agenda 2030 and to ensure women and girls have freedom from violence; access to resources, knowledge and health; and voice, leadership and participation.
81. The ESR on GEWE provides some insights and suggestions on how IFAD can increase the share of transformative projects. Overall, the review confirmed that the guidance provided by IFAD’s corporate GEWE action plan<sup>42</sup> and policy has been relevant and effective to ensure interventions address key GEWE issues. IFAD’s investment focus on access to resources, services and opportunities, which in many cases are effective in terms of resulting in the economic empowerment of women. Interventions enabling women to take up a role in value chains and marketing can particularly make a contribution to GEWE, although gender scores on participation in value chains were low in the sample included in the ESR on SAM. Practices considered more effective and more common break gender roles and stereotypes; enhance representation and voice in local governance; and provide functional skills training. Practices which are more effective, but are less common, provide labour-saving technologies; off-farm employment; technical and vocational training; and work with men. Backyard and home gardens can help enhance women’s role in household food production and income generation, but were found less transformative. In addition, practices providing child-care support and promote policy engagement and legal rights were less effective and less common.
82. With regards to GEWE impacts, the ESR finds that IFAD has addressed the underlying reasons for gender inequality and women’s powerlessness, in particular

<sup>42</sup> The objectives of the 2003 Gender Action, which are well-aligned to the gender policy, are: (i) expand women’s access to and control over fundamental assets – capital, land, knowledge and technologies; (ii) strengthen women’s agencies – their decision-making role in community affairs and representation in local institutions; and (iii) improve women’s well-being and ease their workloads by facilitating access to basic rural services and infrastructures.

illiteracy, exclusion from access to resources and limited social capital through participatory approaches and capacity building. Highly participatory approaches are important for gender-inclusive outcomes, if combined with specific strategies to target women as mentioned previously in box 4. Measures to protect women from violence have enabled them to claim public spaces, which in some cases was among the enabling factors transforming women's lives. Reducing drudgery and challenging gender norms has led to transformational changes in secluded and marginalized communities, where the provision of water as a common good had a catalytic effect. Overall, the ESR finds that the most significant changes identified in the synthesis sample were at the individual level (e.g., women's confidence and self-esteem, men's attitudes, and awareness on rights and entitlements) rather than formal systematic change (e.g., literacy and functional skills, incomes of women and men). However, transformation requires changes beyond individual capabilities which entails policy engagement and changing cultural norms and practices.

83. Finally, the ESR on GEWE finds that social mobilization and strengthened leadership has helped women to claim political spaces. This is also reflected in projects in the Philippines portfolio that encourage participation and leadership in grassroots organizations. Moving towards transformative GEWE, in CHARMP2, the proportion of women in leadership positions is reported to range between 45 and 50 per cent in different types of groups including irrigation associations. In addition, husbands generally support the business activities of their wives and they may also provide labour. In DR Congo, women's participation in farmer organizations and farmer field schools was relatively strong, which may have contributed to their economic empowerment and participation in production-related decision-making.
84. Environment and natural resources management. For the first time, this criterion is rated separately from adaptation to climate change which is a positive step forward. Of the 28 projects that included this new criterion and completed in the period 2013-2015, 75 per cent performed moderately satisfactory or better in terms of the environment and natural resources management (ENRM). For the purpose of accountability, this figure will be used to measure against the RMF target for environment and natural resources management of 90 per cent (see internal benchmarking section, paragraph 170).
85. In chart 10, the ratings have been presented along with the former combined criterion in order to observe the trend in ENRM's performance.<sup>43</sup> The performance increased from 77.8 per cent in 2011-2013 to 81.6 per cent of projects rated as moderately satisfactory or better in 2013-2015. While the majority of ratings are moderately satisfactory, since 2010 a few examples of highly satisfactory ratings have appeared.

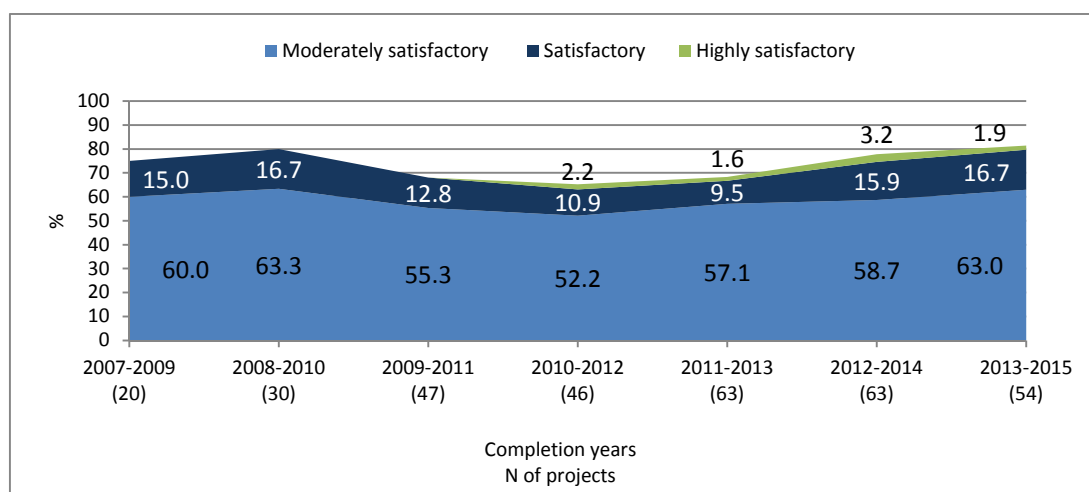
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<sup>43</sup> Until 2015, ENRM was rated along with adaptation to climate change, however, the evidence presented for the rating was primarily based on environment and natural resources management performance and not, adaptation to climate change. Therefore, past performance may be more reflective of ENRM than adaptation to climate change and can be presented with the new separated criterion ratings.



Chart 10

**Environment and natural resources management – Moving averages by year of completion**  
*Percentage of projects rated moderately satisfactory or better (PCR/V/PPE data series)*



Source: IOE evaluation database, March 2017.

86. The 2016 evaluations indicate overall positive environmental impact from the IFAD-funded investments. The Nepal Leasehold Forestry and Livestock Programme PCR/V rated this criterion as highly satisfactory due to its strong emphasis on environment and natural resources management and the impressive results attained. Through reforestation, the project increased the overall surface area of Nepal where degradation would be prevented in the future; 60 to 70 per cent of the total leased lands were rehabilitated. The Bangladesh National Agricultural Technologies Programme PCR/V found performance in ENRM satisfactory highlighting the development of an Environmental Management Framework as a proactive measure to minimize any likely adverse impacts of legally allowed pesticides; and the adoption of a system of environmental screening, and process of environmental data collection and monitoring whose data was disclosed to the public.
87. Notwithstanding overall improvement, the performance of IFAD's operations in this area appears to be relatively low as compared to other criteria. As highlighted in the Evaluation Synthesis on Natural Resources Management, attention to ENRM only began at the corporate level in IFAD9. Therefore, the projects analysed in the 2017 ARRI do not fully reflect the important steps undertaken in the last six years to strengthen the environmental sustainability of IFAD operations.<sup>44</sup>
88. The 2015/2016 ESR on Environment and Natural Resources Management underlined some important areas of attention to improve IFAD's performance in ENRM moving forward. First, there is need to improve coordination with relevant government and technical partners involved in ENRM with clear budget lines for ENRM activities and improved alignment with IFAD country strategies. Second, there is a need for greater linkages between ENRM, poverty and livelihood. While there is evidence of direct results of ENRM activities (e.g. on soil and water management) there is much less evidence on how diversification of production or adaptation of more sustainable options have contributed to better use of natural resources and thereby, to better livelihoods of farmers. In fact, despite the increased prominence of ENRM in the Strategic Frameworks and replenishment

<sup>44</sup> Examples of recent IFAD efforts towards improving its environmental impact are: the establishment of the IFAD Environment and Climate Change Division in 2010; the 2011 environmental policy; the Adaptation for Smallholder Agriculture Programme (ASAP) and the collaboration with the Global Environment Facility (GEF); the inclusion in the IFAD10 RMF of a dedicated indicator to assess "support for smallholder adaptation to climate change"; and the introduction in 2015 of the social, environmental and climate assessment procedures (SECAP).

consultations, ENRM remains an area that IFAD systems have difficulty in tracking reliably.

89. Therefore, greater attention is needed for environmental assessment, monitoring process and data collection. Also, there is a risk that increased focus on climate change objectives could lead to less focus on the persistent natural resources management issues. In some cases, for example, climate change appears to have displaced a strategic ENRM focus or the ENRM funding is used for climate change adaptation only. While this may not always be a problem, it should be assessed carefully, as the issues frequently overlap with each other. The balance between ENRM findings and evidence and those for adaptation to climate change, on the other hand, is often unbalanced. This makes it difficult for evaluations to provide a thorough assessment of the two criteria.
90. Adaptation to climate change. IFAD has committed in IFAD10 to mainstream climate change into 100 per cent of project designs and COSOPs by 2018. The IFAD10 RMF also has introduced an impact target of 22 million people with greater resilience. As a result of its increasing importance in IFAD's work, adaptation to climate change is now a separate criterion from natural resources management and environment and was rated separately for the first time in the 2016 evaluations.
91. Of the 28 projects that included this new criterion and completed in the period 2013-2015, 74 per cent performed moderately satisfactory or better in terms of adaptation to climate change. For the purpose of accountability, this figure will be presented to prospectively gauge progress towards the IFAD10 RMF target for support for smallholder adaptation to climate change of 50 per cent (see internal benchmarking section, paragraph 170). This conservative target is appropriate given projects approved prior to the 2010 IFAD climate change strategy address ENRM rather than adaptation to climate change.
92. Due to the criterion's novelty and resulting limited evidence, tracking adaptation to climate change experiences is more difficult than the more well-established ENRM criterion. In the majority of the in 2016 evaluated projects, adaptation to climate change was not a specific objective of the project and as such there has been very little systematic data collection and supervision in this regard. As a result, project documentation mention very little to no efforts or results in the area of climate change adaptation. The absence of information and data limits the assessment of adaptation to climate change in evaluations and the ARRI.
93. Examples of indirect strengthening the resilience of smallholders to climate change risks include, for example, the diversification of the production systems as in the case of the livestock sector rehabilitation support project in Burundi. This diversification may have reduced poor farmers' dependence on highly weather-sensitive farming activities, and allowed them to expand their capacity to take advantage of better years to recover from previous crises, and to be better prepared against future impact of climate change. Manure contributes to restore soil fertility and structure, soil degradation including erosion is contained and increased agricultural production. Therefore, households may be less exposed to climate shocks and more climate resilient.
94. Another good example of indirectly targeting climate change is PROMES-GDT in Djibouti. Even though the programme was not designed explicitly to take into account climate change, its activities, however, were entirely focused on strengthening the country's adaptive capacity to flood and drought conditions. It supported improvements in the collection, conservation and use of surface water for human and livestock consumption, and contributed to the restoration of agro-pastoral areas and protection of forests. The PROMES-GDT also introduced innovations to improve the design and efficiency of the infrastructures to make them more resistant to climate change (albeit with limited success). Other

technical innovations, such as floodplain thresholds and water and soil conservation measures, are also likely to have contributed to the country's resilience to climate change.

95. It is crucial that future projects give greater consideration to adaptation to climate change in the design phase and during implementation and that the objectives and initiatives are clearly separated from ENRM. Moreover, as recommended by the Nicaragua CSPE, adaptation to climate change strategies should be aligned with national, municipal and communal policies and strategies to enhance project performance.

#### Overall project achievement

96. This is a composite evaluation criterion which provides an assessment of IFAD-funded projects drawing upon the ratings for project performance, rural poverty impact, innovation and scaling-up, gender equality and women's empowerment, environment and natural resources management and adaptation to climate change.
97. As shown in chart 12, overall project achievement is positive with 81.3 percent of projects rated moderately satisfactory and better compared to a low of 76.7 per cent in 2009-2011. However, no projects are rated highly satisfactory and an increasing proportion of projects rated only moderately satisfactory.

Chart 12

#### Overall project achievement– by year of completion

Percentage of projects rated moderately satisfactory or better (PCR/PPE data)

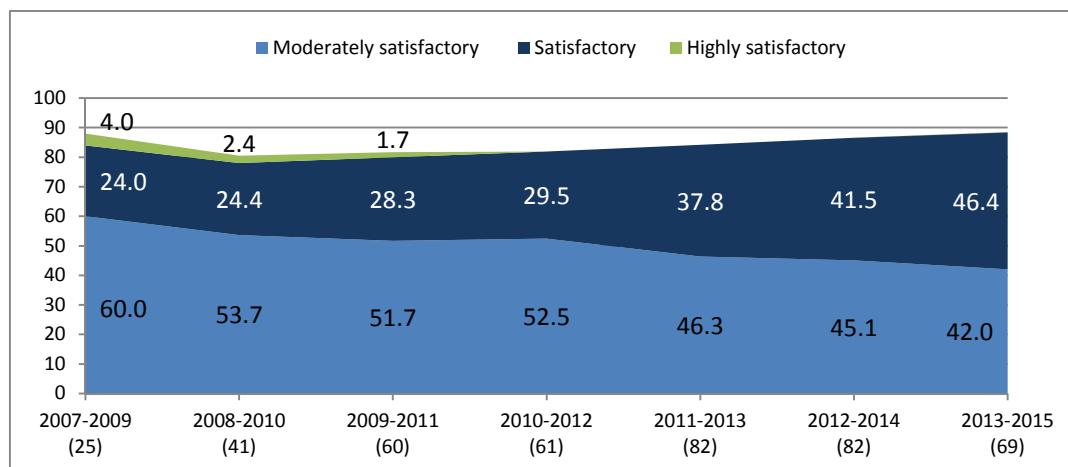


Source: IOE evaluation database, March 2017.

#### Performance of partners

98. The following paragraphs assess the contribution of two key partners (IFAD and the government) to project design and execution, monitoring and reporting, supervision and implementation support.
99. IFAD's performance as a partner. IFAD's performance as a partner was evaluated as moderately satisfactory or better in 88.4 per cent of the projects completed in the period 2013-2015 (chart 13). Nearly half of the projects are satisfactory having increased steadily from 2010. This is a positive trend although no projects have been rated highly satisfactory in either of the data series since 2010. The PCR/PPE data mean has also steadily increased from 4.10 in 2010-2012 and to 4.35 in the last cohort (Annex IV). The t-test confirms that the increase in the mean from 4.11 in 2009-2012 to 4.34 in 2013-2015 is statistically significant. Therefore, IFAD's performance as a partner has significantly improved since 2010.

Chart 13

**IFAD performance as a partner – by year of completion***Percentage of projects rated moderately satisfactory or better (PCR/PPE data)*

Source: IOE evaluation database, March 2017.

100. The 2016 evaluations confirm that IFAD is valued and trusted by governments for the quality and timeliness of its support, and for its focus, flexibility and responsiveness. Evaluation evidence from the CLE on decentralization suggests that country presence strengthened an IFAD-government partnership which was positively correlated with domestic financing. The CLE on Decentralization shows that ICOs contributed to better development effectiveness<sup>45</sup> of IFAD-funded operations. In particular, bringing IFAD closer to its operations allowed for a better understanding of the institutional and policy context of countries and more regular and in-depth consultation with partners. This resulted in IFAD country strategies that respond better to country priorities and local needs. ICOs most importantly enable IFAD to provide more timely intervention when implementation issues arise. It is through this support that country offices contributed to better project performance and results, especially in terms of impact, gender, innovation and scaling up and sustainability of benefits. In fact, ratings for project performance and development results were significantly higher with country presence.<sup>46</sup>
101. As described in the PPE of the Nicaragua Technical Assistance Fund Programme, the appointment of a Nicaragua-based liaison officer allowed the fund to be a proactive partner. Supervision missions were all carried out in a timely manner and it allowed the project to improve streamlining procedures and IFAD requirements, among which in the field of project management and fiduciary aspects.
102. However, this year's Learning Theme finds that supervision report findings and recommendations were not always sufficient for projects to adopt the necessary measures to overcome shortcomings with regard to fiduciary controls and financial management. In fact, the dedicated chapter discusses how certain issues can be avoided if risks are properly anticipated by IFAD, among which through the conduct of risk assessments during the design stage of the project.<sup>47</sup> The importance of thorough assessments is also highlighted in the PPE of the Malawi Rural Microenterprise Promotion Programme, where necessary assumptions were not factored into the design and implementation and consequently affected the efficiency and sustainability of the project.

<sup>45</sup> Ratings were also higher but not statistically significant for relevance and efficiency dimension of project performance.

<sup>46</sup> While many other factors influence project performance, there is sufficient evidence to conclude that country presence played an important role.

<sup>47</sup> This is amongst others further discussed under lesson one of the Learning Theme chapter.

103. Furthermore, the CLE on Decentralizations finds room for improvement in the efficiency of its decentralization process. While IFAD managed to avoid cost escalation, it could further explore opportunities for efficiency gains. For example, there has been no in-depth analysis of how to best assign functions between headquarters, ICOs and international/national professionals at the country and sub regional level as well as the reorganization of the headquarter divisions. The report further highlighted an insufficient differentiation of expectations between the varying ICO types<sup>48</sup> and prioritization of functions for individual countries. In particular, the range of activities that country offices were to perform was very broad compared to the resource envelope allocated to them. Moreover, while a number of support functions to the ICOs have been introduced, the process of delegation of authority is progressing slowly. Moving forward, The CLE has proposed five recommendations which are showcased in box 7 below.

**Box 7**

**Five recommendations deriving from the Corporate-level evaluation on IFAD's decentralization experience**

Strengthen IFAD's country presence and enhance cost-efficiency. Based on a functional analysis: (i) re-organize country presence around a selected number of sub-regional hubs; and (ii) re-organize staff levels between headquarters and country offices.

Better support non-lending activities through decentralization to achieve stronger development results. Introduce a more selective agenda for non-lending activities, based on consultation with national development partners. Differentiate the non-lending agenda and the expectations by type of country office and resources available.

Enhance delegation of authority. Prepare a plan for delegating budget-holding authority to country directors, including provisions for training. Define a framework for further delegation of authority in relation to communication and for establishing a platform to facilitate access to analytical and knowledge products prepared by country offices and project teams.

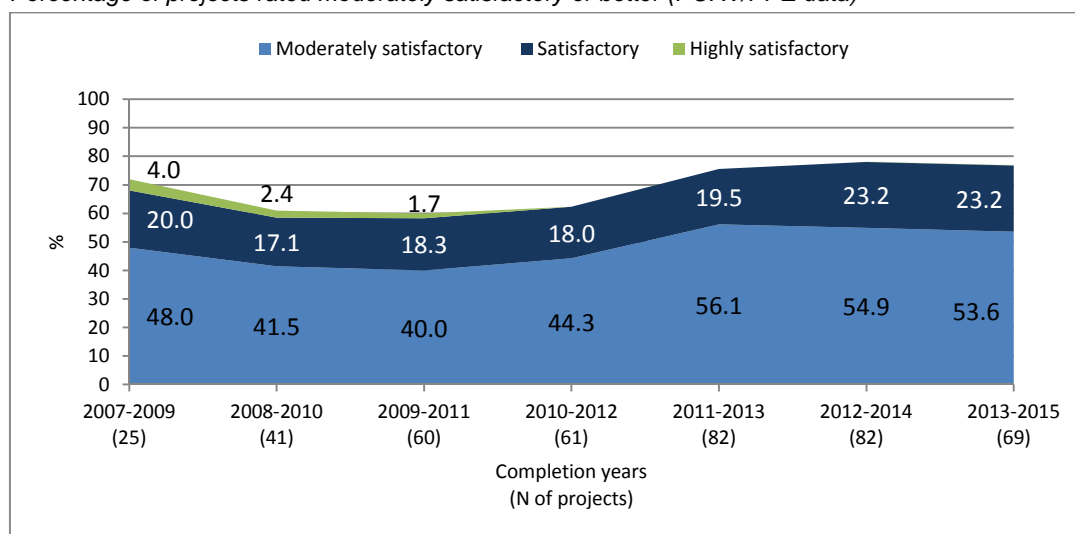
Enhance staff incentives and capacity to operate in a decentralized environment. Strengthen incentives for out-posted staff (e.g. opportunities for career advancements), notably for those in countries with fragile situations. Develop a plan to better recognize and empower country programme officers.

Improve the quality of data, monitoring and self-assessment. Adjust IFAD financial management and accounting systems to monitor more comprehensively the cost of country programme management.

104. Government performance. The performance of governments appears to have improved from a low of 60 percent of projects rated moderately satisfactory or better in 2009-2011 to rise in 2013, but has plateaued at 76.8 in the last cohort. The predominant share of the ratings is moderately satisfactory with no highly satisfactory ratings since 2010-2013.

<sup>48</sup> ICO types: CPM led, CPO led, Sub-regional hubs and regional service centre (Nairobi).

Chart 14

**Government performance as a partner – by year of completion***Percentage of projects rated moderately satisfactory or better (PCR/PPE data)*

Source: IOE evaluation database, March 2017.

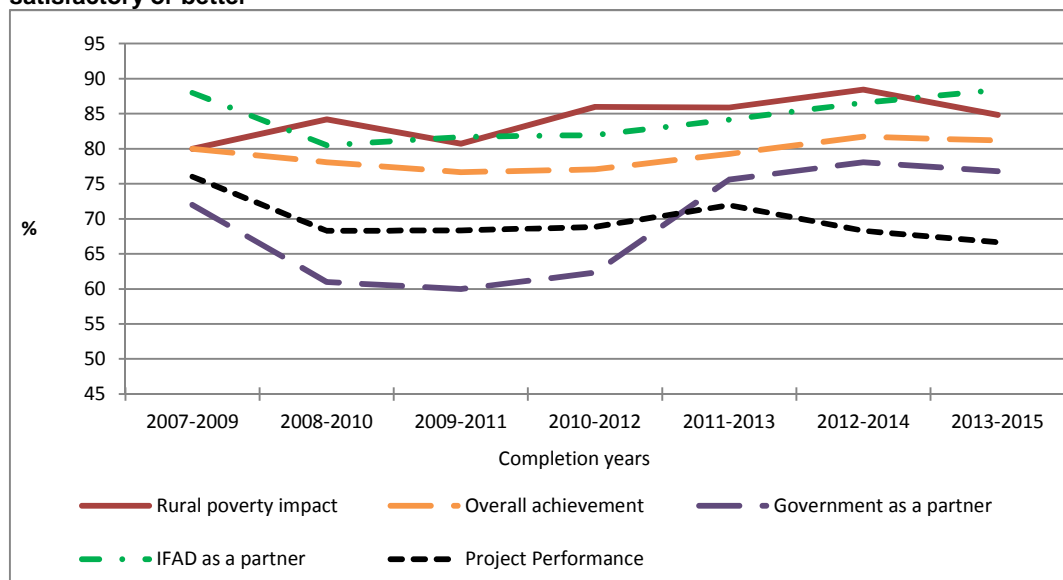
105. The 2016 evaluations include cases of both good and weaker government performance. The PPE of the Philippines RLSP project assessed government performance as satisfactory finding strong engagement from the National Economic Development Authority (NEDA). NEDA participated in practically all supervision missions and the two members took on responsibilities such as M&E, institutional issues and procurement. This good practice indicates strong ownership by the Government and promotes country capacity building. Of note, IFAD and NEDA signed an MoU in 2008 to promote collaboration in areas such as country-level policy engagement, knowledge sharing and learning events, supervision and implementation support and M&E. In the Tunisia Integrated Agricultural Development Project in the Governorate of Siliana- Phase II, the Government provided the appropriate financial and technical support as well as timely counterpart funds. The national steering committee met annually as planned to validate the annual work plan and budget (AWPB) and progress reports, and assisted the project in solving critical constraints of national jurisdiction, ensuring thus a more efficient programme delivery.
106. In contrast, the CSPE DRC Congo rated government performance as unsatisfactory. The government played an active role in project steering and supervision, but encountered frequent delays in processing recruitment and tenders. The performance of PMUs was very weak for all projects for the first 3-4 years of implementation, seriously affecting project performance. The Liaison office, initially set up in 2005 as a liaison office in the capital for a project in Equateur Province, has played an important role in supporting logistics and representing the project coordinators in Kinshasa, but its mandate has gradually grown far beyond these roles, including fiduciary supervision of projects and Knowledge Management (KM) on their behalf, which has reduced the authority and autonomy of project coordinators and is duplicative of the ICO. The understanding and rigorous management of fiduciary aspects by governments depends largely on national capacities and the complexity of the country programmes, and ensuring efficiency and good governance of loans and grants is key, as detailed further in the Learning Theme.

### Summary of project performance

107. Chart 15 provides an overview of the trends in project performance, overall project achievement, rural poverty impact, and performance of partners. The chart confirms a shift in performance from a low in 2009-2011<sup>49</sup> to a rise in 2011-2013<sup>50</sup> which has plateaued in the last two cohorts. Rural poverty impact, IFAD as a partner and overall achievement have historically performed consistently better, whereas project performance and government as a partner show weaker performance, though the latter improved significantly in 2011-2013. However, in 2013-2015, only IFAD as a partner shows improvement, having overtaken rural poverty impact as the strongest performing criterion, while the other criteria have declined slightly.
108. In chart 15, the project performance trend line includes past project performance ratings (which do not include sustainability) with the new project performance ratings from 28 projects evaluated in 2016 (which include sustainability ratings). The percentage of projects rated moderately satisfactory and higher for project performance (new definition) is about 1 per cent higher than the performance based on the old definition for the last three cohorts. This is due in part to the slightly improved performance of sustainability from 2011 to 2015 as shown in chart 5. Therefore, the slightly declining trend line of project performance in recent years reflects the flat and declining performance of effectiveness and efficiency.

Chart 15

#### Combined overview of the main evaluation criteria, percentage of projects rated moderately satisfactory or better



Source: IOE evaluation database, March 2017.

- (ii) Analysis of performance of IFAD operations by replenishment period
109. This section of the report provides an account of the performance of IFAD by replenishment periods, with a focus on the most recent periods IFAD8 and IFAD9.<sup>51</sup> The “all data” series has been used for the analysis and reporting on performance by IFAD replenishment periods. This is because the ARRI reports on performance

<sup>49</sup> The 2015 ARRI attributed the dip in performance to the fact that part of the project evaluated that completed in 2009-2011 were implemented in countries in fragile situations and as a reflection of the introduction of IFAD's first Evaluation Manual in 2008 which was the basis for project evaluated from 2009 onwards. Efficiency and government performance were particularly weak.

<sup>50</sup> The 2016 ARRI attributes the improved performance to the significant changes in IFAD's operating model since 2007 (e.g., ex ante review, direct supervision and decentralization) starting to be reflected in evaluation data.

<sup>51</sup> The number of evaluations completed in the IFAD10 period are limited.

trends since the IFAD5 replenishment period (2001-2003) onwards, and PCRV/PPE data is not available from that period.

110. The charts and tables displaying the ratings by replenishment period in Annex V show good performance of operations exiting the portfolio in IFAD9. The best performing criteria in terms of highest percentage of moderately satisfactory and better project ratings are relevance (90 per cent), IFAD performance (87 per cent), and gender equality and women's empowerment (85 per cent). The criteria with the lowest percentage of moderately satisfactory or better ratings are efficiency (55 per cent), sustainability (68 per cent) and project performance (71 per cent).
111. Overall improvement can be observed when comparing IFAD9 with IFAD8. The greatest improvement occurred in government performance which increased from 66 per cent to 78 per cent, followed by environment and natural resources management from 69 per cent to 77 per cent, and innovation and scaling up which increased from 76 per cent to 84 per cent. Although sustainability is the second weakest performing criteria in both IFAD8 and IFAD9, it also improved considerably from 61 per cent to 68 per cent.
112. For six indicators (relevance, effectiveness, sustainability, project performance, IFAD as a partner and government as a partner) improvement between IFAD8 and IFAD9 resulted from an increase in the percentage of projects rated "satisfactory", indicating better quality of performance. Notably, thematic areas which are being mainstreamed such as gender equality, innovations and scaling-up, adaptation to climate change and natural resources management all improved primarily due to an increase in the percentage of projects that are rated moderately satisfactory.<sup>52</sup>
113. The improved performance between IFAD8 and IFAD9 is further confirmed for select criterion based on a two sample t-test on PCRV/PPE data. This study detailed in Annex III compares the means of the evaluation ratings between IFAD8 and IFAD9. The results from the t-test as shown in table 5 provide the statistical significance for the following five evaluation criteria: relevance, innovation and scaling up, project performance, gender equality and women's empowerment, and IFAD performance as a partner. The positive differences in the IFAD8 and IFAD9 averages for these criteria are statistically significant, therefore suggesting improvement in the overall project performance.

Table 5

**Difference in average ratings between IFAD 9 and IFAD 8 for statistically significant criteria**

<i>Evaluation criteria</i>	<i>Difference between IFAD 9 and IFAD 8 averages</i>	<i>P-value</i>
Relevance	+0.21	.05**
Innovation & scaling up	+0.30	.03**
Project performance	+0.21	.08***
Gender equality & women empowerment	+0.66	.001*
IFAD performance	+0.23	.04**

Source: IOE ratings database 2017, STATA

\*, \*\* and \*\*\* respectively indicate significance at 1%, 5% and 10% level.

114. For IFAD10, relevance is no longer included among the monitored criteria by IFAD management having reached 90 per cent in IFAD9. However, IOE will continue reporting on relevance as it is important in the assessment of quality of design, alignment to country needs and appropriateness of the intervention. Efficiency and sustainability, the two historically weakest performing criteria, will require special focus given the raised targets in IFAD10 of 80 per cent and 85 per cent

<sup>52</sup> The IFAD10 mainstreaming approach entails ensuring 100 per cent of IFAD projects or COSOPs address these issues.



respectively. Efficiency is an area of particular concern given its flat performance as compared to previous replenishment periods. Although rural poverty impact declined in the percentage of projects rated moderately satisfactory or better, this change is not statistically significant. There is scope for further improvement in the quality of performance since most projects are mainly moderately satisfactory in the evaluation criteria and a few criteria (relevance, effectiveness, efficiency, innovation and scaling up, and gender equality) have any “highly satisfactory” ratings. Moving forward, Management may consider “raising the bar” for criteria such as gender equality and the newly separated scaling up criteria.

115. Project completion reports (PCRs). In PCRVs, IOE assesses and rates PCRs using four evaluation criteria. These are: (i) scope (e.g. whether the PCR has adhered to IFAD guidelines for PCRs); (ii) quality (e.g. report preparation process and robustness of the evidence base); (iii) lessons (e.g. whether the PCR includes lessons on the proximate causes of satisfactory or less than satisfactory performance); and (iv) candour (e.g. in terms of objectivity in the narrative, and whether ratings in the PCR are supported by evidence included in the document). Ratings for each of these criteria are aggregated in the PCRVs to provide an overall rating of the PCR document.
116. As seen in table 7, the overall assessment of PCRs in 2013-2015 improved compared to 2011-2013 with 83.6 per cent of the PCRs validated by IOE rated moderately satisfactory or better.<sup>53</sup> Previous ARRIs have highlighted lessons and candour as areas of strength, and quality as the lowest rated criterion. The 2017 ARRI finds lessons and scope the strongest performing criteria. Notably, the improved performance of lessons from 91.4 per cent to 94.2 percent rated moderately satisfactory is statistically significant. Although quality remains the weakest criteria it shows improvement, whereas candour has declined.

Table 7  
Quality of PCR documents (PCRv/PPE data series)

Evaluation criteria for assessing PCRs	Percentage satisfactory or better			Percentage moderately satisfactory or better			t-test (means comparison) (p-value)
	2011-2013	2012-2014	2013-2015	2011-2013	2012-2014	2013-2015	
Scope	41.5	34.6	32.8	81.7	86.4	85.1	0.58
Quality	14.6	14.6	15.9	69.5	78	76.8	0.05*
Lessons	54.3	52.4	53.6	91.4	93.9	94.2	0.00*
Candour	46.3	39.0	33.3	85.4	85.4	82.6	0.86
Overall rating for PCR document	29.6	21.1	16.4	78.9	85.9	83.6	0.00*

\*indicates significance at 5 per cent

## B. Country strategy and programme evaluations

117. Background. CSPEs provide a broader assessment of the IFAD-government partnership in the reduction of rural poverty, and serve to inform the development of new country strategies and IFAD-supported activities in the country.
118. Since 2010, the ARRI has included a dedicated chapter on CSPEs, to analyse and report on performance beyond the project level and to identify lessons that cut across IFAD country programmes. In accordance, this chapter outlines

<sup>53</sup> The t-test for the overall rating (for PCR document) mean comparison between the two cohorts is statistically significant at 1 per cent level (P=0.001).

IFAD's performance in relation to: (i) non-lending activities (i.e. country-level policy engagement, KM, and partnership-building); and (ii) country strategies (i.e. the COSOP) in terms of relevance and effectiveness. It also includes a section on cross-cutting issues of importance to ongoing and future IFAD country strategies.

119. Historically, a total of 62 CSPEs have been undertaken by IOE since the product was introduced in the 1990s (see Annex X for the complete list). Of these, 40 CSPEs have been conducted since 2006 based on a consistent methodology including the use of ratings, which allows for the aggregation of results across country programmes. This year's ARRI includes four new CSPEs carried out in DR Congo, Mozambique, Nicaragua, and the Philippines.
120. Twenty-five out of the 40 CSPEs by IOE were conducted in middle-income countries (MICs) and fifteen in low-income countries (LICs). Two of the 2016 CSPEs were done in Lower MICs (Nicaragua, and the Philippines), while the other two were done in LICs (DR Congo and Mozambique), the former of which is also in a fragile situation. This provides an opportunity to compare the performance of non-lending activities in these different situations and regions.
  - (i) Non-lending activities
121. Trends in performance 2006-2016. Knowledge management, partnership-building and country-level policy engagement are mutually reinforcing actions to complement IFAD's investment projects. They are increasingly recognized as essential instruments to promote institutional and policy transformation at country level and scale up the impact of IFAD operations for deeper results in rural poverty reduction.
122. Table 8 presents the consolidated results from the 40 country programmes evaluated since 2006. In summary, nearly 65 per cent of the country programmes are moderately satisfactory and 5 per cent satisfactory for overall non-lending activities, 30 per cent are moderately unsatisfactory and none highly satisfactory.
123. Half of the CSPEs assessed IFAD and government's combined performance as mainly moderately satisfactory in both KM and partnership-building. The latter has been the best among non-lending activities in the period 2006-2016, whereas country-level policy engagement remains the least satisfactory. However, the average rating is below 4 for the three non-lending activities throughout the period with a marginal decline in all the criteria except overall non-lending which remains stable.

Table 8  
Performance of non-lending activities 2006-2016 (year of evaluation) (N=40)

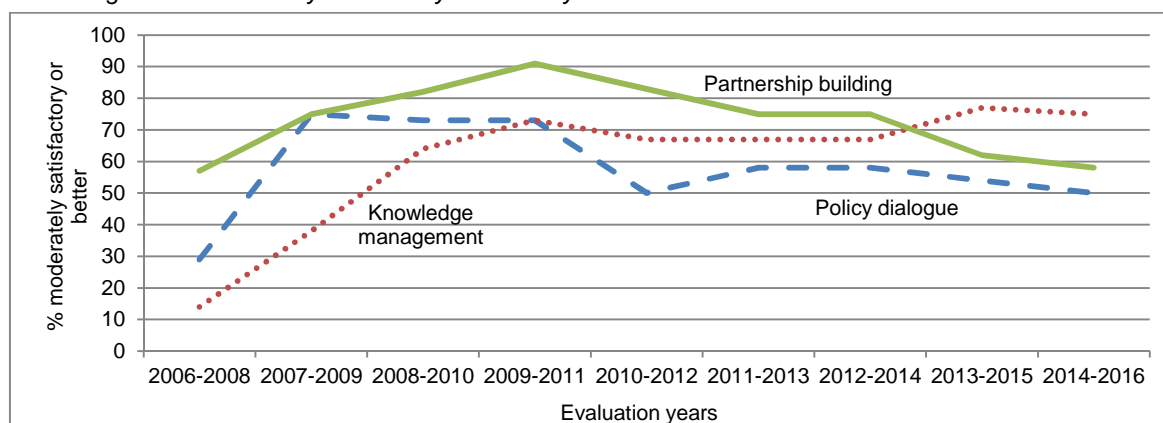
Rating (Per cent)	Policy dialogue	Knowledge management	Partnership building	Overall non-lending activities
Highly satisfactory	2.5	2.5	0	0
Satisfactory	15.0	10.0	15.0	5.0
Moderately satisfactory	47.5	50.0	55.0	65.0
<b>Total satisfactory</b>	<b>55.0</b>	<b>62.5</b>	<b>70.0</b>	<b>70.0</b>
Moderately unsatisfactory	37.5	35.0	30.0	30.0
Unsatisfactory	7.5	2.5	0	0
Highly unsatisfactory	0	0	0	0
<b>Total unsatisfactory</b>	<b>45</b>	<b>37.5</b>	<b>30</b>	<b>30.0</b>
<b>Average rating</b>	<b>3.6</b>	<b>3.8</b>	<b>3.9</b>	<b>3.8</b>

Source: IOE evaluation database, March 2017.

124. Trends in performance 2014-2016. The next paragraphs discuss the trends in the performance of non-lending activities by three-year moving averages (chart 16) starting from 2006. The analysis focuses on the period 2014-2016 and the factors of good and less good performance emerging from the 2016 CSPEs.

Chart 16

Performance of non-lending activities 2006-2016 (year of evaluation)  
Percentage rated moderately satisfactory or better by criteria



Source: IOE evaluation database, March 2017.

125. Chart 16 shows that performance of non-lending activities improved significantly between 2006 and 2011 followed by flat performance between 2011 and 2014. The period 2013-2015 marks another shift in performance with improvement in KM and declines in country-level policy engagement and partnership-building. Notably, from 2014 partnership building is no longer the strongest performing non-lending activity due to steady improvements in KM. However, the positive trend for KM from 67 per cent in moderately satisfactory country programmes since 2010-2012 to 75 per cent in 2014-2016 has now reached a plateau.
126. The performance of country-level policy engagement declined from 73 per cent of the country programmes rated moderately satisfactory or better in the period 2009-2011 to 58 per cent in 2011-2014, to decline further to 50 per cent in 2014-2016.
127. The downward trend is even sharper for partnership-building. In this case performance diminished from 91 per cent of country programmes assessed as

moderately satisfactory or better in 2009-2011 to 75 per cent in 2011-2014, to 58 per cent in 2014-2016. The decline in performance raises concerns in view of the IFAD10 targets for 2018, which are 85 per cent for policy and 90 per cent for partnership building.

128. Knowledge management. The IFAD KM framework, which updates the 2007 KM Strategy<sup>54</sup>, outlines a broad knowledge vision for IFAD. Noted as “in development” by the 2016 ARRI learning theme, an operational KM Action Plan was approved in 2016 for implementation in the IFAD10 period which will be monitored and reported on by an interdepartmental KM Coordination Group. By identifying concrete actions and responsible divisions, the KM Action Plan moves towards addressing the recommendations of the KM learning theme to: systematize KM in IFAD, provide resources for KM, develop indicators for measuring performance in KM, enhance staff KM skills and provide incentives for staff to engage in KM.
129. The 2016 ARRI and CSPEs cited the need to strengthen country-level knowledge to lead to the scaling up of approaches. As noted in the CLE on Decentralization, ICOs have the potential to contribute to country-level KM by (i) acting as a hub for KM platforms and disseminating knowledge products; (ii) capture and share lessons and best practices due to proximity to projects; (iii) provide KM training to local partners; and (iv) organize study visits to other countries/projects. The potential was illustrated in the Philippines CSPE which found the role of the ICO in facilitating KM initiatives, presented in Box 8, stopped short of channelling findings to inform policy discussions. The Mozambique CSPE also found a progressive intensification of KM activities overtime which started with a rich informal and internal learning and stocktaking process for new project designs to engagement in agricultural information exchange platforms by ICO staff. However, the CLE rated ICOs contribution to KM as moderately unsatisfactory finding that ICOs had limited resources and time to allocate to KM.
130. In the DR Congo CSPE, KM also lacked an operational strategy though it was included in the 2012 COSOP as an important activity with a well-defined mechanism. It lacked strong engagement from the PMUs and was regarded as the main responsibility of a Communication and KM Officer in the Liaison office who produced a limited number of leaflets and articles and a few workshops. While project and ICOs produce project-related knowledge as evinced in the Nicaragua CSPE, IFAD’s knowledge management systems do not effectively organize it to allow other to easily retrieve it. As a result, IFAD staff and stakeholders outside of IFAD cannot make full use of the project-related knowledge that is produced.

#### Box 8

#### **Good practice – Systematic Knowledge Management in the Philippines Country Programme**

KM well set out as an integrated part of the Philippines country programme which established a number of platforms for systematic KM:

- (i) Annual Country Programme Review meeting with representatives of active loans and selected grants, government departmental staff and IFAD staff, helped reflect and improve implementation and share lessons among loans and grant projects.
- (ii) Knowledge and Learning Markets annual, two-day public events that bring together stakeholders of the IFAD country programme in the Philippines and the general public and showcase the activities accomplishments and products of IFAD-supported projects and assisted communities.
- (iii) IFAD Philippines Gender Network of gender focal points from the IFAD-funded project, civil society organizations, and implementing agencies. The network provides a forum where gender focal points discuss and analyse gender issues and formulate recommends which contributed to experience sharing and cross

<sup>54</sup> Implemented from 2008 to 2010 and yielded the recognition that IFAD needed to improve its learning from development practice to deliver better results and impact.

fertilization.

To improve further, the Philippines country programme needs to: enhance evidence-based analysis and learning to inform key policy issues and larger programmes so that good practice can be scaled up; promote opportunities for wider or structured country-level policy engagement; and strengthened partnerships with other development agencies.

Source: Philippines CSPE.

131. Partnerships. The 2016 CSPEs report different levels of partnership-building between IFAD and government, multilateral organizations and the private sector. Generally, IFAD has established close and effective partnerships with government. Building IFAD's partnership with governments accounts for most of the time Country Programme Managers (CPMs) allocated to partnership activities. In Nicaragua, IFAD's strongest partnerships also are with government entities, in particular relevant ministries such as finance and development as well as those implementing IFAD's programmes. The Philippines country programme established extensive partnerships with a large number of government line departments and oversight agencies with projects working through local government units to strengthen collaboration. The DR Congo country programme also strengthened and diversified its partnership with government institutions, though partnership with government technical services did not perform well due to their limited capacities. Similarly in Mozambique, partnership with IFAD is highly valued by the Government especially, but not only, at the central level.
132. The new IFAD Strategic Framework (2016-2025) identifies partnerships both as one of its five principles of engagement and also as one of the means of strengthening the quality of IFAD's country programmes. In addition to strengthening existing partnerships (collaboration with the Rome-based agencies is a strategic priority) and developing new ones, especially with partners with complementary areas of expertise, the Framework calls for IFAD to continue to engage with the international development community to build support around global issues affecting rural communities. At country level it calls for IFAD to facilitate multi-stakeholder partnerships between governments, the private sector and small-scale rural producers; through amongst other mechanisms, South-South and Triangular Cooperation.
133. In this regard, the 2016 evaluations find further scope for enhancement. The Philippines CSPE found that partnership with bilateral and multilateral agencies were fewer than planned. In DR Congo, IFAD successfully mobilized major co-financing for updating social services and roads, though was less successful in developing new partnerships for scaling up. In Nicaragua, partnerships with non-state actors, including the private sector, are limited, as is the incorporation of IFAD-funded regional project experiences into the programme. The Mozambique CSPE described two types of potential partnership-building that lagged behind: (i) cooperation with non-IFAD projects that could bring added value; and (ii) substantive collaboration with other IFIs in the country, like the World Bank, or the African Development Bank. These types of potential partnerships are particularly important in view of upscaling successful experiences from IFAD-funded projects.
134. While it is expected that ICOs would contribute to enhancing such partnerships, particularly with the Rome-based agencies, given the thematic affinities, evidence from the CLE on Decentralization suggests that ICOs helped establish more regular contact, but did not strengthen significantly the substantive and programmatic collaboration. Although ICOs were members of the United National country teams, their participation was limited as meetings were viewed as not adding value to IFAD operations. ICOs also generally viewed IFAD's participation in One UN Initiatives as a low priority, given that IFAD's operating model is different and more akin to that of Multilateral Development Banks.

135. In DR Congo, the few successful partnerships with FAO were funded by IFAD grants such as setting up of Farmer Field Schools and Community-based listening clubs. In Mozambique, involvement by the three Rome-based agencies in an EU-funded program also served as a catalyst for greater collaboration as illustrated in box 10.

**Box 10**

**Good practice – Rome-based agencies collaboration in Mozambique**

In Mozambique, IFAD has developed solid partnerships with FAO and WFP in the context of the EU-funded MDG1c implementation. Prior to the period under evaluation, between 2008 and 2011, IFAD, WFP and FAO had implemented the joint programme “Building Commodity Value Chains and Market Linkages for Farmers’ Associations” funded by the Spanish Millennium Development Goals Fund. This experience was a good stepping stone for FAO, IFAD and WFP to prepare a consolidated, though not joint project proposal in 2011 for the EU-funded grant ‘Support to Accelerate Progress towards MDG 1C in Mozambique’ (MDG1c).

Source: Mozambique CSPE.

136. Partnership with the private sector is a particular priority in the IFAD10 period with the Public-Private-Producers Partnership (4Ps) model as one of the approved themes for unrestricted complementary contributions.<sup>55</sup> The ESR on SAM explains that well-defined roles and responsibilities, with adequate incentives crafted to motivate and support smallholder empowerment, capacity development and market access were key to successful programme partnerships. Especially “market-knowledgeable” or “market-oriented” partnerships tended to have greater impact and relevance. Other success factors for private sector partnership are outlined in box 11 below.

**Box 11**

**Success factors for public-private-producer partnerships**

The ESR on SAM highlighted eight enabling factors for successful 4P smallholder value chain access programming:

- Define rationales and underlying assumptions
- Ensure a clear market pull
- Prioritize farmer ownership of the 4Ps
- Align partner incentives and build trust
- Manage risks through their identification, distribution and mitigation
- Build capacity to respond to changes in complex market systems
- Take a proactive approach to public accountability and transparency
- Facilitate sustainable market systems

Source: ESR on SAM; IDS study, 2005.

137. However, 2016 evaluations found partnership with the private entities limited as was found in the Nicaragua CSPE as mentioned above. While the Philippines CSPE also found few private partnerships materialize, the CLE on Decentralization found cases in which country presence facilitated partnerships with private sector entrepreneurs, though they are more often initiated by project management units rather than country offices (e.g., maize in Ghana, cocoa in Indonesia, -oil palm in Uganda).
138. While KM has strengthened, more opportunities are to be explored to expand the partnership and dialogue with international development partners and the private sector, which could leverage the scaling up of successful experiences and results. IOE is currently undertaking an Evaluation Synthesis on “Building partnerships for enhanced development effectiveness” to identify lessons relevant to different forms of partnership at country level. The findings will be presented in the 2018 ARRI.

<sup>55</sup> Unrestricted complementary contributions are contributions by Member States which are included as part of the total replenishment contribution and performance-based allocation but are earmarked by theme.

139. Country-level policy engagement. Performance of country-level policy engagement has declined significantly to become the weakest non-lending area since IFAD8. IOE has previously highlighted weaknesses in IFAD's country-level policy work from: (i) overambitious policy agenda of COSOPs which are not followed through; (ii) a narrow focus on projects at the expense of knowledge management and policy engagement; (iii) lack of capacity in terms of in-country presence and in-house skills; and (iv) lack of instruments and tools to support country-level dialogue. The forthcoming Evaluation Synthesis on IFAD's Country-level Policy Dialogue, to be reported upon in the 2018 ARRI, will provide a comprehensive review of past evaluations in light of recent corporate initiatives, including the inclusion of policy engagement in the pillar Knowledge Building, Dissemination and Policy engagement pillar for results delivery in IFAD's Strategic Framework.
140. The country-level policy engagement approach was developed by management to address these issues, which is a relatively new area of focus and attention in IFAD. A fundamental principle of this approach is that policy engagement must be led by the CPM with the support of two country-level policy officers in the Policy and Technical Advisory Division (PTA).<sup>56</sup> Thus, it is not surprising that the CLE on Decentralization found that good coverage of country-level policy engagement issues in COSOPs and project design documents appear to be largely determined by the interests, experience and initiatives of CPMs. In addition, the turnover of CPMs and long delays in filling vacancies had an adverse impact on country-level policy engagement (e.g., DR Congo). However, many CPMs are recruited for project management skills and are not necessarily experienced in country-level policy engagement. No corporate incentives exist to encourage CPMs or ICOs to undertake country-level policy engagement and individual performance assessment are more heavily driven by project approval, successful implementation and ensuring sound fiduciary matters than by non-lending activities. Therefore, overstretched CPMs and CPOs allocate little time to country-level policy engagement particularly if there are implementation issues with the country programme, as was the case in DR Congo where the out-posted CPM gave less attention to non-project activities.
141. In fact, the DR Congo CSPE further emphasizes that country-level policy engagement activities were largely confined to participation by the CPM in donor-Government coordination mechanisms. Several opportunities for dialogue were missed, such as (i) participation in the process of formulating national strategies and policies; (ii) putting in place political conditions during negotiations for new project financing; (iii) conducting studies on policy issues to be addressed under the 2012 COSOP; and (iv) capitalizing on project results.
142. Key factors for good performance in non-lending activities. The 2016 CSPEs highlight the importance of non-lending activities as vehicles for enhancing the overall impact of the results from IFAD's country programmes. They further draw attention to factors to enhance IFAD's capacity to engage in non-lending activities more effectively.
143. First, building strong knowledge management platforms within country programmes is a critical first step towards enhancing non-lending activities overall. Such platforms allow the critical flow of knowledge from the PMU to the ICO/CPM to government and eventually to external partners. Web-based knowledge platforms such as IFADAsia, further facilitate the exchanges between projects and IFAD and external partners.

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<sup>56</sup> Strategy and Knowledge Department also has two global engagement specialists and PMD has five regional economists to support policy dialogue at regional level.

144. Second, centring non-lending on the country programme and existing programme processes, given limited resources, contributes to better results. For example, annual country programme reviews with project staff, government, IFAD staff and stakeholders provide a critical moment for knowledge exchange and improving the country programme performance. Supervision reports that regularly provide a section on KM or learnings on good practices allow for systematic knowledge capture for dissemination. The rural sector performance assessment, if conducted in a participatory manner with government and in-country partners, provides an opportunity for country-level policy engagement directly related to the country programme.
145. Third, a coherent system for non-lending activities is required that outlines how KM products contribute to partnership building, and then how these partnerships lead to effective policy engagement that enhances country programme results. This entails capturing required evidence which is shared with specific external partners to enhance IFAD's voice for promoting particular policies that are conducive to country programme objectives. This is evidenced in the Philippines CSPE which further noted how knowledge management events led to improved linkages between the regional grants and country programme.
146. Fourth, the concentration of responsibility for non-lending in one position can limit activities and the overall impact. For country-level policy engagement, knowledge management, South-South Triangular Cooperation and partnership, CPMs can draw on the enhanced resources in PTA, in the Strategy and Knowledge Department and in the Office of Partnership and Resource Mobilization to improve linkages and scaling up country programme results with regional development plans and related thematic sectors.
147. Finally, 2016 CSPEs highlighted grants as a useful instrument for engaging partners, country capacity-building and country-level policy engagement. In Nicaragua, regional grants implemented by UN and private entities served to build the capacity of women's organizations, regional and national institutions as well as promote policy dialogue. In a context of limited resources, grants may further country-level policy engagement as was seen in DR Congo where IFAD supported apex farmer organizations with a grant to engage in dialogue with Government on agricultural policies. While outcomes of this dialogue remain modest, the voice of farmer organizations in political fora has certainly increased. Several grants in DR Congo also provide direct support to project implementation and contributed to improving programme performance.
148. The Philippines CSPE highlighted a small country-specific grant to support results-based M&E. It contributed to the emergence of a new national results-based M&E system developed between NEDA and the Department of Budget Management. In Mozambique, regional grants were successfully integrated into the National Agricultural Extension System with good perspectives for institutional sustainability. Despite the examples above, more effort is required to capitalize on the grant instrument by strengthening the integration of grants in COSOPs and the linkages between regional grants and the country programme.
149. To summarize, non-lending activities are not an end in themselves but a crucial means to leverage and scale-up IFAD impact from its country programmes.
  - (ii) COSOP performance
150. COSOPs are fundamental instruments to determine IFAD's strategic positioning in the country and to articulate the mix of interventions that will contribute to rural poverty reduction. Results-based COSOPs were introduced in 2006, which helped sharpen their results orientation. Each CSPE includes an assessment and ratings for COSOP performance, which entails the review of relevance and effectiveness of IFAD country strategies. Based on these ratings, CSPEs also generate an overall rating for COSOP performance.



151. Table 9 summarizes the ratings from the 40 CSPEs done between 2006-2016. COSOP relevance is assessed as moderately satisfactory or better in 82.5 per cent of IFAD country strategies, effectiveness in 75 per cent and COSOP performance in 81.3 per cent. The majority of the ratings falls in the moderately satisfactory zone, though over a quarter are satisfactory for relevance and performance, while none of the country strategies is found to be highly satisfactory for any criteria.
152. Evidence from the CLE on Decentralization suggests that the establishment of ICOs contributed to better design and performance of COSOPs. For instance, the analysis of CSPEs and their ratings show that the presence of ICOs is associated with COSOPs that are more relevant (responsive to country priorities and local needs) and perform better in terms of delivering results. Ratings on relevance, effectiveness and overall performance for COSOPs in countries with an ICO were significantly higher than for those without.<sup>57</sup>

Table 9

**Results of COSOP relevance, effectiveness and performance, 2006-2016 (year of evaluation) percentage of country programme rated moderately satisfactory or better<sup>a</sup>**

<i>Rating</i>	<i>COSOP relevance</i>	<i>COSOP effectiveness</i>	<i>COSOP performance<sup>b</sup></i>
6 Highly satisfactory	0	0	0
5 Satisfactory	30.0	9.4	25.0
4 Moderately satisfactory	52.5	65.6	56.3
<b>Total moderately satisfactory or better</b>	<b>82.5</b>	<b>75.0</b>	<b>81.3</b>
3 Moderately unsatisfactory	17.5	25.0	18.8
2 Unsatisfactory	0	0	0
1 Highly unsatisfactory	0	0	0
<b>Total moderately unsatisfactory or worse</b>	<b>17.5</b>	<b>25.0</b>	<b>18.8</b>
Average rating	4.1	3.8	4.1
Country programmes rated	40	32	32

Source: IOE evaluation database, March 2017.

<sup>a</sup> The seven CSPEs completed before 2009 did not contain ratings for COSOP relevance, effectiveness and overall performance, since this rating was not required by the IOE methodology at that time. IOE thus decided to assign ratings on the basis of the evidence available in the seven CSPEs. This was possible for county strategy relevance in all seven cases, but there was insufficient evidence to provide reliable ratings for country strategy effectiveness and overall COSOP performance.

<sup>b</sup> COSOP performance is a composite rating based on the individual ratings for COSOP relevance and COSOP effectiveness. This composite rating is not an arithmetic average of the individual ratings for relevance and effectiveness, but rather a round number based on the available evidence and the objective judgement of the evaluations.

153. Cross-cutting issues. The 2016 CSPEs identified several cross-cutting issues that merit attention for improving ongoing and future IFAD country strategies. However, one-size does not fit all and the measures to address the issues need to be differentiated based on the fragility or income status of the country.
154. First, evaluations find that IFAD's specificity and comparative advantage could be better reflected in COSOPs, in terms of the target group and/or thematic areas with a clear pro-poor orientation, with a view to generating knowledge and lessons to inform investments by the government and other partners for scaling-up. In countries in fragile situations, focused geographic coverage within the country over a longer period is especially advisable to achieve better effectiveness of supervision, M&E activities as well as non-lending activities.

<sup>57</sup> See table 10, annex IV of CLE Decentralization.

155. Second, evaluations find that learning from project results and using information to support government policy is currently not an explicit element of the country strategy. The strategy needs to discuss the opportunities for diverse types of support apart from investment financing, for example, reimbursable technical assistance and facilitating knowledge-sharing with other countries, particularly for MICs. Capacity building is a non-lending activity not assessed but is highly relevant for country programmes in LICs and in countries in fragile situations. In these situations, IFAD in collaboration with Government and project teams need to identify strengths and weaknesses, and document project approaches related to rural organizations and capacity development as well as promote lesson sharing and ensure the holding annual joint portfolio reviews as a means of developing knowledge platforms.
156. Third, evaluations find that country strategies do not enhance diagnostic analysis of the potential target groups and a specific targeting strategy to reach most vulnerable people. They highlight the need for good quality diagnosis of different groups within the potential target population, a differentiated approach to reach them, and monitoring of the outreach, beneficiary profiles and the targeting performance. In countries in fragile situations, IFAD needs to limit projects and grants to selected provinces with high poverty rates but stable security situations, and remain there for a sufficient length of time. The geographical coverage of individual projects need to be limited to a single province and exchanges with other provinces promoted, when supporting agricultural value chains that cross provincial borders, to allow scaling up. In addition, the rigorous analysis of risks in the targeted areas is required for developing a risk management strategy and adapting the design and score of projects to the context.
157. Fourth, ICOs require appropriate resources to increase support to national policy and strategy issues. As found by the forthcoming Evaluation Synthesis on IFAD's Country-level Policy Dialogue, IFAD is gaining increasing recognition as a respected and trusted partner. The growing number of IFAD country offices offers new opportunities for IFAD to be more involved in country-level policy processes.
158. The Evaluation Synthesis report also emphasizes the synergistic relationship among the three non-lending activities, as country-level policy engagement, knowledge management and partnership-building are mutually reinforcing actions to complement IFAD's investment projects and strengthen programme effectiveness. The report stresses the importance of considering these interdependent relationships in order to ensure synergies among them, as well as between them and investment operations. The Mozambique CSPE and CLE on Decentralization also highlight the need for a coherent non-lending system whose elements are outlined in box 12.

#### Box 12

##### **Key elements for coherent non-lending system**

Ensure sufficient resources are allocated in project and ICO budgets for non-lending activities, starting from sound M&E systems then develop:

- (i) robust outcome-level monitoring indicator for COSOPs and project;
- (ii) a country programme-level knowledge management strategy closely anchored to key COSOP elements and to those project components that can usefully be scaled up through national policies and strategies;
- (iii) early identification of evidence-based issues and results that can be usefully fed into policy dialogue processes at a high strategic level, through appropriate knowledge management processes.

Source: Mozambique CSPE and CLE on Decentralization.

159. Partners have an important role in country-level policy engagement. Through ICOs, IFAD can work with other development partners in the rural sector to strengthen

the exchange of information with Government, with a focus on the areas of its comparative advantage and the Government's priorities. There are also opportunities for IFAD to work with other Rome-based agencies to provide advisory support on issues such as food production and food security, gender equality and women's empowerment in agriculture and rural development. In LICs, particularly in fragile situations, ICOs need to be strengthened in terms of fiduciary management competencies, to better support PMUs with procurement and the preparation of withdrawal applications and adequate resources to operate commensurate with country realities. In Mozambique, projects could contribute lessons for evidence-based policy making, however, this would require resources to develop adequate monitoring systems, identify the potential topics, conduct relevant analysis and support scaling up through policy discussion platforms, with Government partners and other stakeholders as appropriate.

160. Fifth, IFAD needs to improve integration of projects and non-project grants to ensure complementarity, in particular on cross-cutting issues that call for specialized technical support such as gender, environmental management, rural finance, taking interventions by other development partners into account. In Mozambique, the grants portfolio had high level of interconnectedness and synergy and all grants attached to loans enhanced the latter's relevance and filled their design gaps, in particular on nutrition and natural resources management.
161. Finally, in developing COSOPs in countries in fragile situations, evaluations suggest that IFAD make use of in-depth research done by other development partners to strengthen its analysis of the cause of rural poverty and how these are linked to the different dimensions of fragility (political, institutions, social and economic). In addition, adequate budget in each project is required from government and IFAD for strengthening the capacity of public partners and to involve them more in project implementation which will contribute to building their technical and management capacities, particularly in decentralized contexts. Finally, PMUs require long-term assistance in results-based management (planning, fiduciary management and M&E).

### C. Benchmarking the performance of IFAD-financed projects

162. The ARRI benchmarks the performance of IFAD operations externally with the performance of the agriculture sector operations of other development organizations. Internal benchmarking is done against the targets included in the IFAD10 RMF, and across the five geographic regions<sup>58</sup> covered by IFAD operations. Finally, a peer-to-peer comparison of IOE and the Programme Management Department (PMD) ratings is provided.
163. External benchmarking. This section of the report benchmarks IFAD performance with the performance of other IFIs and regional development banks, in particular the African and Asian Development Banks and the World Bank.<sup>59</sup> These organizations have been selected because, like IFAD, they are members of the Evaluation Cooperation Group of the Multilateral Development Banks and therefore broadly use similar evaluation methodologies and have independent evaluation offices and independent evaluation databases.
164. Although each organization is different in size and has a different geographic focus, they have similar operating models as IFAD. That is, unlike the United Nations specialized agencies, programmes and funds, the African and Asian Development

<sup>58</sup> Asia and the Pacific, East and Southern Africa, Latin America and the Caribbean, Near East, North Africa and Europe, and West and Central Africa.

<sup>59</sup> The Inter-American Development Bank and the International Bank for Reconstruction and Development are not included in the benchmarking analysis because the former does not use a rating system, while the nature of focus and coverage of the latter is significantly different from IFAD.

Banks and the World Bank also provide loans for investment operations with sovereign guarantees.

165. Table 10 summarizes the results of the benchmarking done in this year's ARRI. Overall IFAD's project performance remains strong and most similar to that of the agriculture sector operations of the World Bank. At the regional level, IFAD maintains the highest share of moderately satisfactory or better project performance ratings in the given period, when IFAD-funded projects in the Africa, and the Asia and the Pacific regions are compared with the African Development Bank (AfDB) and the Asian Development Bank (ADB) respectively.

Table 10

**Project performance - Percentage of agriculture and rural development projects completed rated moderately satisfactory or better** (all evaluation data series)

<i>Time period</i>	<i>IFAD 2002-2015</i>	<i>IFAD Africa 2002-2015</i>	<i>IFAD Asia and the Pacific 2002-2015</i>	<i>World Bank 2002-2015</i>	<i>AfDB 2002-2013</i>	<i>ADB 2002-2014</i>
2002-2015 (percentage)	<b>75%</b>	<b>68%</b>	<b>88%</b>	<b>76%</b>	<b>44%</b>	<b>65%</b>
Number of agriculture projects evaluated	279	129	73	662	131	92

Source: Independent evaluation rating databases of the Independent Development Evaluation Unit of AfDB, Independent Evaluation Department of ADB, Independent Evaluation Group of the World Bank and IOE.

166. Due to the different sample size and composition of the performance ratings between the banks, the data needs to be interpreted with some caution. While the World Bank does not include sustainability in its project performance ratings, the ADB has always done so. The Independent Development Evaluation unit at the AfDB, has followed the same format as ADB since 2013. However, up until 2013 their agricultural projects were evaluated by the Independent Development Evaluation unit of AfDB following three different rating frameworks which do not provide an identical match with all IOE project performance indicators. Therefore, IOE manually calculated their project performance rating using comparable relevance, effectiveness, efficiency and sustainability ratings in the given time period.
167. IOE follows an updated evaluation methodology<sup>60</sup> since January 2016, and includes sustainability in the project performance rating. This will further enhance the comparability with the performance of ADB and AfDB in the coming years. At the same time, as sustainability is an area of weak performance in IFAD operations, it has somewhat lowered IFAD's project performance rating compared to last year. Notwithstanding this change, IFAD's performance remained comparable to the World Bank's project performance which does not include sustainability.
168. Finally, even though the ARRI compares IFAD's project performance with the agriculture sector operations of the other three banks, it is important to note that IFAD-funded projects have some distinguishing characteristics, such as greater focus on remote rural areas, targeting of disadvantaged populations (e.g. indigenous peoples, pastoralists and artisanal fishers), grass-roots institution building, bottom-up participatory resource allocation methods, and work in fragile situations. All these factors make the design, implementation, supervision and evaluation of IFAD-funded projects challenging.
169. Internal benchmarking. Table 11 benchmarks the internal performance against selected indicators and targets in the IFAD9 RMF, as well as prospectively for IFAD10. As the 2017 ARRI data includes projects completing up to end-2016, it provides a more robust picture of performance during IFAD9. However, since

<sup>60</sup> As per the second edition of the IOE Evaluation Manual (2016): <https://www.ifad.org/documents/10180/bfec198c-62fd-46ff-abae-285d0e0709d6>

IFAD10 will build on the achievements of IFAD9 and many targets are the same, comparison is also made with IFAD10 targets to draw attention to areas that may be particularly lagging and need special consideration. A more accurate picture of performance against the IFAD10 targets can only be provided after the close of 2018, presented in the 2019 ARRI.

170. According to IOE ratings, as illustrated by table 11, currently only one out of the nine outcome indicators have reached the IFAD9 or IFAD10 RMF targets, namely innovation and scaling up (green). That said, the RMF is not verified by IOE data but by Management self-assessment data, namely PCR ratings presented in the Report on IFAD's Development Effectiveness. However, table 11 serves to draw attention to Management evaluation criteria requiring additional attention. For example, although adaptation to climate change (grey) appears to have already reached the IFAD10 RMF target, it will need to remain closely monitored given the recent introduction of the evaluation criterion in 2016 and since the result is currently based on 28 projects only.<sup>61</sup>
171. Three indicators are within five percentage points of the RMF targets – namely government performance as a partner, rural poverty impact, gender and women's empowerment (orange). Four indicators – effectiveness, efficiency, sustainability of benefits, and environment and natural resources management – are ten to twenty percentage points below the expected target and will require particular attention during the IFAD10 period (red). In particular, efficiency has one of the lowest targets but achieved only 57 per cent.

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<sup>61</sup> The 3-year moving average includes only the 28 projects in the 2013-2015 cohort of the all data series and 27 projects in the 2013-2015 cohort of the PCR/V/PPE data series, for which adaptation to climate change was rated separately.

Table 11  
**Internal benchmarking – Percentage of projects rated moderately satisfactory or better against RMF targets**

<i>Outcome indicators (percentage of projects rated moderately satisfactory or better) at completion</i>	<i>PCR/PPE 2013-2015</i>	<i>2015 Targets From the 2013-2015 IFAD 9 RMF</i>	<i>2018 Targets From the 2016-2018 IFAD 10 RMF</i>	<i>Difference Between PCR/PPE and 2015 Target</i>	<i>Difference Between PCR/PPE and 2018 Target</i>
Effectiveness	75	90	90	(15)	(15)
Efficiency	57	75	80	(18)	(23)
Rural poverty impact	85	90	90	(5)	(5)
Sustainability	65	75	85	(10)	(20)
Innovation & scaling up	91	90	90	1	1
Gender equality and women's empowerment	85	90	90	(5)	(5)
Environment and natural resources management	75	90	90	(15)	(15)
Adaptation to climate change	74	NA	50	NA	24
Government performance as a partner	77	80	80	(3)	(3)

Source: IOE evaluation database, March 2017.

172. To provide a more differentiated assessment of performance, table 12 benchmarks project performance, rural poverty impact and overall project achievement across the five geographical regions covered by IFAD operations. It is important to note that benchmarking performance across regions should not be considered tantamount to assessing the performance of the corresponding IFAD regional division. This is because the regional divisions' performance is only one, although important, factor affecting the performance of a project. In fact, government performance (0.78) is slightly more strongly correlated with project performance than IFAD performance (0.66), although the correlation levels are similarly satisfactory.

Table 12  
**Internal benchmarking – Comparison across geographic regions from 2000-2015** (all evaluation data series)

<b>Project performance</b>	<i>Asia and the Pacific N=76</i>	<i>Latin America and the Caribbean N=44</i>	<i>East and Southern Africa N=59</i>	<i>Near East, North African and Europe N=51</i>	<i>West and Central Africa N=61</i>
Percentage of projects rated moderately satisfactory or better	88	80	76	73	56
Percentage of projects rated satisfactory or better	43	18	20	10	16
<b>Rural poverty impact</b>	<i>Asia and the Pacific N=73</i>	<i>Latin America and the Caribbean N=41</i>	<i>East and Southern Africa N=53</i>	<i>Near East, North African and Europe N=49</i>	<i>West and Central Africa N=59</i>
Percentage of projects rated moderately satisfactory or better	90	83	85	80	59
Percentage of projects rated satisfactory or better	45	29	32	29	22
<b>Overall project achievement</b>	<i>Asia and the Pacific N=76</i>	<i>Latin America and the Caribbean N=43</i>	<i>East and Southern Africa N=60</i>	<i>Near East, North African and Europe N=51</i>	<i>West and Central Africa N=61</i>
Percentage of projects rated moderately satisfactory or better	88	81	78	80	59
Percentage of projects rated satisfactory or better	45	26	25	14	16

Source: IOE evaluation database, March 2017.

173. As in previous years, Asia and the Pacific division (APR) shows the best results in all evaluation criteria analysed. Between 2000 and 2015, APR has the highest proportion of projects that are moderately satisfactory or better, and also the highest proportion of projects that are satisfactory or better. One key factor is that 84 per cent of the projects evaluated by IOE in APR show a moderately satisfactory or better performance for government performance<sup>62</sup>, confirming again that the latter is one of the single most important determinants of successful outcomes. The performance of IFAD operations in the West and Central Africa region continues to be the weakest also due to government performance. This is further supported by the strong correlation between the project performance and government performance in Asia (0.68) and West and Central Africa (0.70).
174. Peer-to-peer comparison. Following the practice introduced in the 2015 ARRI report, this report presents the results of the peer-to-peer comparison between IOE and PMD ratings for all evaluation criteria using the mean and mode values. The peer-to-peer comparison aims at assessing the “net disconnect” between PMD and IOE ratings for each criteria included in PCRs and PCRVs to get a better understanding of where differences lie in reporting on performance. As evaluations in 2016 no longer rate rural poverty sub-domains, this year the comparison is only made among 12 criteria.

<sup>62</sup> 78 per cent in Latin America and the Caribbean, 69 per cent in East and Southern Africa, 66 per cent in Near East, North African and Europe and 52 per cent in West and Central Africa.

175. As detailed in the following paragraphs, the results of the peer-to-peer comparison are largely similar to last year. However, the analysis draws from a larger sample of 151 projects completed in the period 2007-2015, as compared to 126 in the 2016 ARRI.
176. Table 13 shows that for the 151 projects assessed in this analysis, the PMD ratings were higher on average for all criteria. The differences in the mean ratings of IOE and PMD are statistically significant for all criteria except government performance, based on the p values derived from the t-test conducted. This indicates that for government performance the assessments by IOE and PMD are statistically the same. As last year, relevance presents the largest disconnect, where the PMD ratings tend to be 0.55 higher on average.<sup>63</sup> IOE assessments and ratings for relevance cover both aspects – review of project objectives and design – which are both critical in ensuring effectiveness. Another explanatory factor is that many PCRs only assess relevance of the project as embedded in design documents, while IOE assessments include an analysis of relevance both at the time of design as well as at project completion. In 2017, IFAD and Management concluded a harmonization agreement which may help reduce any differences due to inconsistencies in criteria definition by IOE and PMD.

Table 13

**Comparison of IOE's PCR/PPE ratings and PMD's PCR ratings for all evaluation criteria in projects completing in 2007-2015 (N=151)**

Criteria	Mean ratings		Disconnect of mean rating	T-test (Means comparison)
	IOE	PMD		p-value
1. Relevance	4.32	4.87	-0.55	0.03**
2. Effectiveness	3.97	4.21	-0.24	0.02**
3. Efficiency	3.63	3.92	-0.29	0.01*
4. Sustainability	3.67	4.00	-0.33	0.00*
5. Project performance	3.95	4.33	-0.38	0.02**
6. Rural poverty impact	4.10	4.25	-0.15	0.000*
7. Innovation and scaling-up	4.19	4.44	-0.25	0.03**
8. Gender equality and women's empowerment	4.22	4.46	-0.24	0.00*
9. Environment and natural resources	3.88	4.13	-0.25	0.00*
10. Overall project achievement	3.98	4.28	-0.30	0.02**
11. IFAD performance	4.22	4.53	-0.31	0.03**
12. Government performance	3.83	4.11	-0.28	<b>0.49</b>

Source: IOE evaluation rating database and PMD project completion report rating database; \* indicates significance at 1 per cent and \*\* indicates significance at 5 per cent level.

### III. Learning theme on financial management and fiduciary responsibilities in IFAD-funded operations

#### A. Introduction

177. As agreed by the Executive Board in September 2016, the learning theme for the 2017 ARRI is financial management and fiduciary responsibilities in IFAD-funded operations. Although government performance has improved in recent years,

<sup>63</sup> A review of PCRVs finds that this is because – in analysing and rating relevance of a project – the PCRVs primarily assess the relevance of project objectives and do not focus sufficiently on the relevance of design.



financial management and fiduciary responsibility remain a factor hampering further improvements in the performance of IFAD's portfolio. Therefore, the objective of this learning theme is to provide IFAD management and staff with lessons, practices and insights on financial management and fiduciary responsibilities of IFAD-funded projects towards improving the Fund's overall operational performance and institutional efficiency and effectiveness.

178. Learning themes are not evaluations as such, but rather a review that highlights key lessons based on existing IFAD evaluation reports and other evaluative evidence. To provide meaningful lessons based on comparable experiences, this learning theme concentrates on project loans<sup>64</sup> that have been completed since 2009, after the approval of the direct supervision policy. Supervision<sup>65</sup> by cooperating institutions, with their different fiduciary models, was phased out in 2007 when IFAD introduced the policy on direct supervision and implementation support. Therefore, in order to fully appreciate the effects of the policy at the operational level, the sample of projects reviewed by the learning theme will comprise evaluated projects exiting the portfolio in the period 2009-2015.<sup>66</sup>
179. In addition, this learning theme takes into account IFAD policies, guidelines and institutional practices related to the financial management and fiduciary responsibilities in IFAD-funded operations. It draws on IFAD Management's own assessments through regional portfolio reviews and project status reports since IOE evaluations only selectively review financial management and fiduciary issues under government performance. It also has been informed by the findings of previous ARRI learning themes on project management (2014) and efficiency (2011).
180. Definition and operational framework. Fiduciary responsibility is the key principle of IFAD's financial management, whereby "the proceeds of any financing are [to be] used only for the purposes for which the financing was provided, with due attention to considerations of economy, efficiency and social equity," as stated in the Agreement establishing IFAD. Since IFAD-financed projects are nationally managed using national public financial management systems, IFAD requires assurance from borrowers that they meet IFAD's fiduciary standards, notably by maintaining adequate financial management arrangements.<sup>67</sup> To that end, IFAD oversees the effectiveness of the financial management arrangements in place and supports the Borrower's fiduciary capacity, both at the project design stage and during implementation.
181. Assuring fiduciary compliance starts at project design, when financial management arrangements and various capacity-building activities are put in place to safeguard projects against inherent risks in the immediate project environment. Fiduciary monitoring of financial management helps projects identify departures from fiduciary standards during implementation. IFAD promotes corrective measures through its supervision, enforcement infrastructure and implementation support.
182. The operational framework of fiduciary responsibility is based on an integrated set of policies and guidelines as outlined in box 13.

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<sup>64</sup> Project loans constitute the bulk of IFAD's operations. In addition, in 2017 the Office of Audit and Oversight is conducting an Audit of Grant Fiduciary Management.

<sup>65</sup> Supervision ensures compliance with loan covenants, procurement, disbursement and the end-use of funds, and is an effective tool for promoting efficiency and good governance.

<sup>66</sup> It is important to note that IOE introduced the first edition of the evaluation manual in 2009; thus evaluations conducted from that year onwards follow the same methodology.

<sup>67</sup> "Financial management" refers to the organization, budgeting, accounting, internal control, funds flow, financial reporting and internal and auditing arrangements by which Borrowers/Recipients receive funds, spend them and record their use. (Financial management and Administration Manual 2016, p. 3)

## Box 13

**Fiduciary responsibility – operational framework**

- (i) The General Conditions for Agricultural Development Financing, last updated in 2014, provide the frame of reference for IFAD lending operations and hence fiduciary responsibility, in which the general conditions and procedures for loan withdrawals and project implementation, including procurement, monitoring and evaluation, financial accounts, audits and reporting, and remedies (loan suspension/cancellation), are outlined.
- (ii) Borrowing countries' fiduciary responsibility is more closely delineated in the project financing agreement. Borrowers commit to adhere to IFAD's policies and procedures, notably the guidelines on Project Procurement (2010) and Project Audits (2011). Manuals and handbooks, such as the Loan Disbursement Handbook (2009), assist project implementation agencies in discharging their responsibilities by conforming to IFAD policies and procedures. At the project level, fiduciary arrangements and procedures are captured, as applicable, in the Project Implementation Manual.
- (iii) IFAD's roles and responsibilities are established by the guidelines on "Supervision and implementation support of projects and programmes funded from IFAD loans and grants." First issued in 2007, they were revised in 2014 to bring procedures in line with implementation experience.\*

\* A policy on Supervision and Implementation Support drafted in 2012 complements these guidelines.

Source: Agreement establishing IFAD, 1976, p.12 - Article 7 (c).

183. Responsibility for fiduciary supervision is now divided between the Financial Management Services Division (FMD), which handles almost all financial management aspects, and the Programme Management Department (PMD), which is in charge of the procurement dimension within the context of its overall implementation planning,<sup>68</sup> monitoring and support function. Supervision and implementation support missions play a central role in IFAD's fiduciary management.
184. Since the adoption of the new operating model of direct loan supervision and implementation support in 2007, assurance of fiduciary requirements has been a continuing concern for IFAD: fiduciary risk is now a central organizing principle for financial management and administration (Financial Management and Administration Manual, 2016).

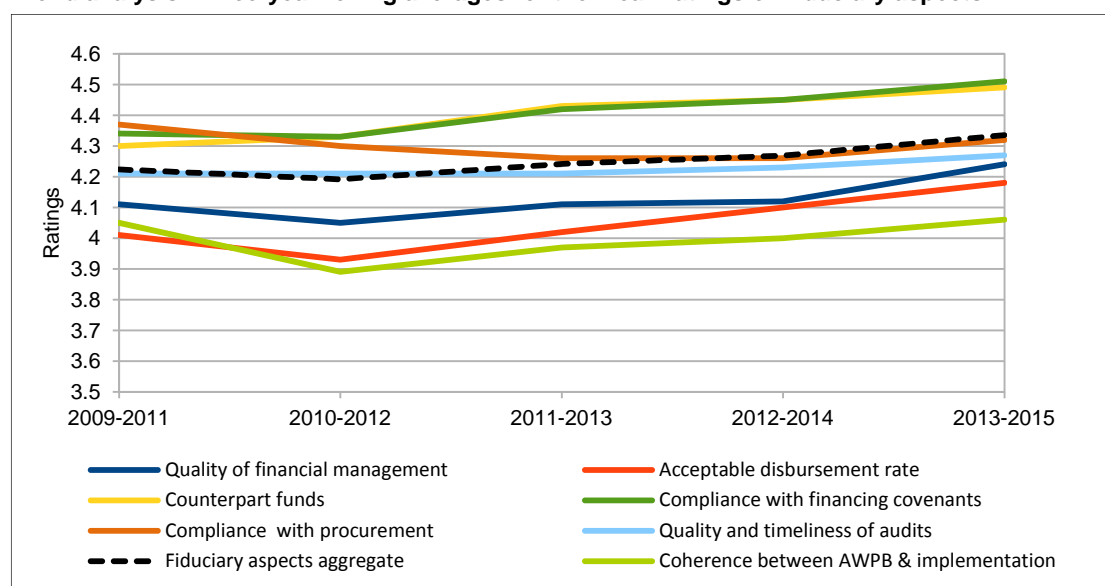
## B. Main findings

### Statistical analysis

185. Trend analysis reveals that fiduciary compliance has been improving over the review period, particularly since 2010. The average aggregate rating on fiduciary aspects rose, albeit only modestly, as did most of its component indicators, as detailed in chart 17. Overall, the mean ratings for the various fiduciary indicators remains around 4 – which is moderately satisfactory – with the exception of ratings for counterpart funds and compliance with financing covenants, which have moved towards the satisfactory zone.

<sup>68</sup> Notably, the Annual Work Plan and Budget process.

Chart 17

**Trend analysis: Three-year rolling averages for the mean ratings on fiduciary aspects**

Source: Project Supervision Report database (projects completed 2009-2015).

186. An analysis of available ratings<sup>69</sup> shows a high correlation between fiduciary standards and practices and overall project implementation progress. Using the average of the six customary indicators on fiduciary aspects<sup>70</sup> and the overall project implementation progress score included in the Project Supervision Report (PSR), the correlation measure is a 0.79 on a scale from 0 to 1.<sup>71</sup> As shown in table 14, individual fiduciary compliance scores also exhibit moderate to strong correlation with overall implementation progress.
187. As for correlation with IOE independent composite ratings (project performance and overall project achievement), correlation levels are mostly moderate (with the exception of compliance with procurement, which displays weaker correlation). Good fiduciary performance generally points to satisfactory implementation performance and overall project achievement. In turn, projects marked by fiduciary weaknesses are more likely to experience difficulties in reaching their implementation results.

Table 14

**Correlation analysis: Fiduciary aspects and overall project implementation progress, project performance and overall project achievement (N=118)**

	Quality of financial management	Acceptable disbursement rate	Counterpart funds	Compliance with financing covenants	Compliance with procurement	Quality and timeliness of audits	Aggregate fiduciary score
Overall project implementation progress*	0.57	0.70	0.54	0.74	0.53	0.57	0.79
Project performance	0.42	0.49	0.46	0.55	0.36	0.46	0.59
Overall project achievement	0.41	0.47	0.43	0.54	0.38	0.45	0.58

Source: PSR database and IOE ratings database (projects completed 2009-2015) \* PSR indicator.

<sup>69</sup> Deriving from 118 projects evaluated by IOE with completion dates between 2009 and 2015 (PCRVP/PPE data series) and PMD self-evaluation project performance ratings for the same projects.

<sup>70</sup> (i) Quality of financial management, (ii) acceptable disbursement rate, (iii) counterpart funds, (iv) compliance with financing covenants, (v) compliance with procurement, and (vi) quality and timeliness of audits.

<sup>71</sup> The aggregate fiduciary score, being a mean of a mean, in this case turned out to be higher than individual correlations of component fiduciary aspects and implementation results. Notwithstanding the likely overstated strength of the correlation, it demonstrates the positive overall correlation between fiduciary compliance and implementation performance.

188. In a broader context, a correlation analysis was also conducted on the mean rating for government performance as a partner (which includes fiduciary aspects) with the mean rating for project efficiency (which includes financial management). The correlations between these two IOE evaluation criteria are fairly strong, with a correlation coefficient of 0.71 across all evaluated IFAD projects,<sup>72</sup> ranging from as high as 0.81 in the West and Central Africa Division (WCA) region to a more moderate 0.56 in the ESA region (as shown in table 15). These findings confirm results similar to those reported in the corporate-level evaluation on “IFAD’s institutional efficiency and efficiency of IFAD-funded operations,”<sup>73</sup> illustrating that government performance as a partner has a bearing on project efficiency.

Table 15

**Correlation analysis: Aggregate fiduciary score across the five IFAD regions and by year of completion**

<i>Correlation coefficient: Efficiency ratings and Government performance</i>	
<b>By IFAD region</b>	
WCA	0.81
LAC	0.71
NEN	0.67
APR	0.61
ESA	0.56
<b>By year of completion</b>	
2009-2011	0.75
2010-2012	0.82
2011-2013	0.70
2012-2014	0.64
2013-2015	0.59
<b>2009-2015</b>	<b>0.71</b>

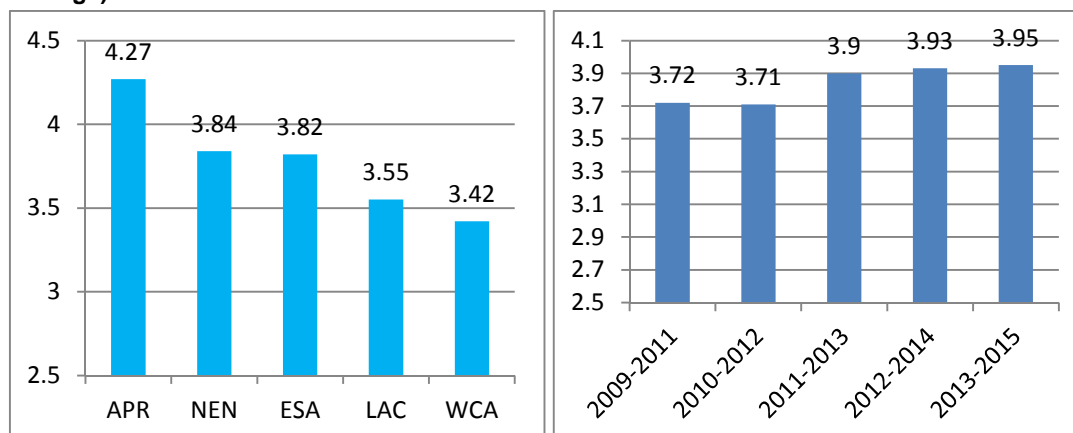
Source: IOE ratings database (projects completed 2009-2015).

189. Weak government performance as a partner, including in financial management and fiduciary compliance, remains a concern. While there has been a discernible improvement in government performance ratings from 3.72 in the 2009-2011 cohort to 3.95 in the 2013-2015 cohort, regional differences remain – ranging from as high as a 4.3 mean rating for APR to a low of 3.4 mean rating for WCA (see chart 18).

<sup>72</sup> 118 projects evaluated between 2009 and 2015 (PCR/PPE data series).

<sup>73</sup> July 2013, p. 108.

Chart 18  
**Comparative analysis: Government performance as a partner across the five IFAD regions; and Trend analysis: Government performance as a partner by year of completion (3-year rolling average)**



Source: IOE ratings database (projects completed 2009-2015)

190. In summary, performance in fiduciary aspects, with the exception of procurement, are moderately correlated with the evaluation criteria indicative of project performance and overall project achievement. The evaluation criteria “government performance as a partner” and “project efficiency” also include financial management aspects and are correlated with one another. Based on these findings, the next section identifies and examines factors contributing to financial management and fiduciary compliance by governments and IFAD.

#### Qualitative analysis

191. Five major lessons emerge from this analysis and structure the discussion, which draws on evaluative evidence from evaluation reports and portfolio reviews to identify drivers of and impediments to the successful management of fiduciary responsibilities.
- LESSON 1: Introducing measures that address identified weaknesses in institutional and project management capacity, ahead of implementation, reduces unnecessary exposure to fiduciary risk.
192. The starting point of reflection for Lesson 1 is an assessment of how IFAD’s fiduciary risks associated with its loans are perceived and managed. This risk assessment ahead of implementation follows precautionary principles, which are coherent with the guidelines on the “Supervision and implementation support of projects and programmes funded from IFAD loans and grants.”
193. IFAD projects are exposed to multiple risks such as: country or sector governance issues (including corruption); complex, unclear or ineffective rules, regulations and legal structures; weak institutions and capacities; and other variables that weigh on project implementation and undermine financial management and fiduciary compliance. Project design itself may add to the risks, if it is not adapted to prevailing conditions (for example, complex implementation arrangements). Inherent risks are more present in fragile contexts, where solutions are more difficult to implement. WCA, with the highest number of countries in fragile situations, is particularly affected by this problem, as projects consistently perform worse than their peers in other regions despite higher than average portfolio management costs.<sup>74</sup> One such example is PRODER I in the Republic of Congo, which was rated, by the PCR and the PCR V alike, and in terms of overall project achievement and performance of partners, clearly in the unsatisfactory range. This

<sup>74</sup> Operating costs, which average some 15 per cent of the programme budget, may be as high as 25 per cent in regions with a large proportion of fragile states such as WCA.

case infers that the precautionary principles of identifying weaknesses ahead of implementation were not part of project design.<sup>75</sup> Still, high-risk projects also exist in more stable countries.

194. On a more general level, and going beyond institutional and project management capacity, country policy changes during implementation also can increase fiduciary risks. One such example is the curtailing of financial autonomy of local governments by central government in projects designed to build on local government capacities to co-finance project activities.<sup>76</sup> The reshuffling of ministries during project implementation also contributes to higher fiduciary risks – which are not foreseeable at design – as the recent Nicaragua CSPE suggests.<sup>77</sup>
195. The design and selection of project management arrangements needs to reflect these risks. Financial management assessments (FMAs) are critical in identifying inherent risks<sup>78</sup> as part of the overall project fiduciary risk (PFR) assessment process (introduced in 2012), which occurs initially during project design and is then reviewed at least annually throughout the life of the project. FMAs gauge whether financial management systems and processes<sup>79</sup> of the implementing entity are adequate for managing, controlling and reporting project finances, and propose measures to address any specific financial management weaknesses so as to guard projects against the risks present in the environment, including the project's financial management supervision approach (scope and frequency). They provide a crucial input into the design of every project by establishing whether IFAD can have confidence that the implementing agency has sufficient capacity to effectively manage and control project financial resources. In general, the higher the inherent risk, the greater the importance of appropriate financial management arrangements to contain the risks to the project.<sup>80</sup> In the context of IFAD's risk-based management framework, risk assessments are now updated on a periodic (annual) basis.
196. Fiduciary safeguards are integral to the project financing agreement establishing the fiduciary relationship between IFAD and the Borrower. As such, no withdrawal, except for start-up costs, can be made from the loan and/or grant accounts until the first AWPB has received a no-objection from the Fund and IFAD has determined that all other conditions of disbursement (if applicable) have been fulfilled. Those conditions include: the establishment of the PMU; putting in place the accounting systems, financial management procedures, and internal control systems; and the opening of the designated account and project account(s).<sup>81</sup>
197. Project management structures, encompassing oversight by the steering committee, ministry senior management and the PMU, are essential organizational elements of an enabling implementation environment.<sup>82</sup> The unplanned absence of a steering committee in The Marine and Agricultural Resources Support Programme in Mauritius, for example, deprived the project of adequate guidance and

<sup>75</sup> IFAD. République du Congo. *Projet de Développement Rural dans les Départements des Plateaux, de la Cuvette et de la Cuvette Ouest (PRODER I)*, PCR/V, Rome, 2013.

<sup>76</sup> IFAD. Republic of Uganda, *Country Programme Evaluation*, Rome, April 2013.

<sup>77</sup> IFAD, República de Nicaragua. *Evaluación de la Estrategia y Programa en el País*, 2017.

<sup>78</sup> A financial management assessment and fiduciary summary at the country level inform the project-level FMA. They draw on review of the relevant documentation available on: governance; Transparency International's most-recent Corruption Perceptions Index scores; findings of any recent donor-funded financial management diagnostic reviews; and any recent reports from donors and development partners (e.g. Public Expenditure and Financial Accountability assessments or similar). Supplemented by data on each ongoing IFAD country portfolio and the financial management risk ratings assigned to it.

<sup>79</sup> FMA will cover the following key financial management elements: (i) Organization and staffing; (ii) Budgeting (systems for annual budget preparation and monitoring of execution); (iii) Funds flow and disbursement arrangements; (iv) Internal controls; (v) Accounting systems, policies and procedures (including information technology systems); (vi) Reporting and monitoring; (vii) Project audit; and (viii) External audit.

<sup>80</sup> IFAD Financial Management and Administration Manual 2016, p. 26.

<sup>81</sup> *Ibid.*, p. 18.

<sup>82</sup> ESA Portfolio Review, 2014, p.19.

coherence, with repercussions on fiduciary compliance, as audits did not meet the required standards, and the planning and budgeting of the project were weak and not properly aligned with the Government's programme-based budgeting. The lack of a dedicated PMU also impaired project implementation.

198. Due to the significant fiduciary risks to which projects are exposed, PMUs and Project Implementation Units remain the modality of choice for a vast majority of projects.<sup>83</sup> Depending on the circumstances, different types of units are used, ranging from a single PMU for all projects fully integrated into the existing government organizational structure and systems, to stand-alone units using their own systems.<sup>84</sup> The topic is further discussed in the 2014 ARRI Learning Theme on Project Management.
199. The Single Project Implementation Unit (SPIU) for IFAD operations in Rwanda is a good example of the former and also showcases good fiduciary management. The Rwanda SPIU helped, inter alia,<sup>85</sup> the Support Project for the Strategic Plan for the Transformation of Agriculture to deliver on all fiduciary aspects: disbursement was 100 per cent on target; agreed counterpart funds were released in a timely manner; loan covenants and financial agreements were fully respected; procurement rules were followed; and audits of good quality were ensured in a timely manner. The management arrangement was instrumental in establishing consistent practices across all projects for financial matters, procurement and audits, and performed well in the face of the particular risks of more complex projects. The continuity in project management arrangements fostered efficiency in project implementation, reduced transaction costs, minimized start-up delays, and enhanced learning.
200. At the opposite end of the spectrum are dedicated "ring-fenced" PMUs specifically for the project, outside the government or ministry organizational structure, with their own discrete financial management systems, staffed by external specialists and mainly non-governmental staff. These played a useful role in particularly risky country contexts marked by weak government institutions, and notably in countries in fragile situations. In WCA, with its large number of countries in fragile situations, this type of project management set-up remains the standard. The units are frequently attached to the ministry of agriculture or a related institution which ensures general oversight and participates in setting up the unit, including recruitment of staff. Autonomous financial management removed from often lengthy and cumbersome ministry procedures enables the units to react more flexibly in difficult operating environments. Yet despite targeted efforts to provide a more favourable set-up for managing projects, these special units were far from immune to the general weaknesses of the institutional environment.<sup>86</sup>
201. As the quality of the project team and its management are key to financial management and project success, capacity development and institutional strengthening are a primary means of mitigating fiduciary risks. Financing agreements therefore should include adequate provisions to ensure that a sufficient

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<sup>83</sup> PMUs provide oversight and facilitate project implementation. PMUs may coordinate and, in some projects, implement specific components. However, IFAD-funded projects are primarily implemented by district- and field-level extension personnel, MFIs, NGOs and client farmers. Frequently, there is no direct administrative or contractual relationship between the PMU and implementers; thus the importance of proactive engagement by ministry senior management with counterparts in other institutions to forward the project's agenda both within steering committees and bilaterally through regular contact.

<sup>84</sup> Most implementing agencies rely on PMUs that are embedded in sector ministries, with varying use of country public financial management systems and with most project financial staff being seconded by the government.

<sup>85</sup> Other projects supported by SPIU include the Kirehe Community-based Watershed Management Project and the Project for Rural Income through Exports.

<sup>86</sup> IFAD. République démocratique du Congo, Évaluation de la stratégie et du programme de pays, Rome, 2016.

number of staff will be involved in project activities on a full-time basis.<sup>87</sup> The selection and retention of competent staff are critical for safeguarding the project against avoidable implementation risks.<sup>88</sup> IFAD therefore assists projects in the recruitment process (TOR preparation and CV review); moreover, competitive pay and contractual terms are used to attract and keep the right project management staff. However, while special contractual arrangements provide short-term relief in terms of fiduciary risks (higher-quality teams and reduced turnover), they create a risk of micro-management by IFAD, and their contribution to sustainable national structures and solutions is limited at best, as further discussed below.<sup>89</sup>

LESSON 2: Managing fiduciary responsibilities through national systems and regulations may entail a trade-off between short-term risks and longer-term sustainability.

202. IFAD projects use national public financial management systems,<sup>90</sup> where feasible. As government systems regularly struggle to meet IFAD's fiduciary requirements (e.g. integrated workplan and budget, financial reporting and procurement), project implementation is bound to increase fiduciary risks.<sup>91</sup> Measures to mitigate these risks usually involve capacity building focused on the immediate project financial management environment. Yet, to the extent that more comprehensive national capacity building is beyond IFAD's remit, project-specific measures shielding financial management from the risks inherent in the existing systems are necessary. Often reinforced by additional IFAD implementation support, they contain fiduciary risks in the short term, but they also undermine the longer-term sustainability of project capacities.
203. There is an obvious trade-off between sustainability and rapid implementation progress: Country systems, in particular, for budgeting and procurement, are frequently responsible for implementation delays. Yet, limited de facto implementation capacity within government agencies fails to be reflected in realistic disbursement and results targets.<sup>92</sup> There are also examples that exhibit significant performance gaps within the same line ministry and the same mode of implementation. The recent Nicaragua CSPE<sup>93</sup> assigns ratings of satisfactory (5) and unsatisfactory (2) to the efficiency of two distinct projects, both implemented by the Ministry of Family, Associative and Cooperative Economy. These ratings significantly reflect the respective performances of financial and administrative management against the disbursement and results targets of these projects. Even though both project implementation units operated under the same authority, the project with the satisfactory efficiency rating was a straightforward value-chain promotion project in areas of good geographic accessibility. The other project had an overly complicated and ambiguous management framework, with the aim to bring indigenous communities into the mainstream economy.<sup>94</sup> Thus, specific project features can override the simple distinction of whether country systems are used or not.

<sup>87</sup> The IFAD approach is to set up General Conditions at a general and high level of legal considerations with all additional details addressed in other documents such as the Project Design Report, Project Implementation Manual, and Letter to the Borrower.

<sup>88</sup> Retaining, whenever possible, experienced and performing staff from previous projects, involving them in design for greater ownership and easier start-up, and systematic and periodic capacity building / financial management training at start-up and throughout implementation. (WCA Portfolio Review, 2015).

<sup>89</sup> The purpose of this assistance is for providing 'No Objection' as IFAD is not directly involved in the recruitment process.

<sup>90</sup> Including single treasury accounts, budgets, integrated financial accounting systems, internal audit institutions, and administrative procedures for authorization of expenditures or SAIs.

<sup>91</sup> IFAD Project Status Reports.

<sup>92</sup> ESA Portfolio Review, 2015.

<sup>93</sup> IFAD, IOE. República de Nicaragua, Evaluación de la Estrategia y Programa País. March 2017.

<sup>94</sup> Notably, this complexity supported the development of an incipient institutional framework (i.e., the Indigenous Territorial Governments).



204. Similarly, stand-alone Project Management/ Implementation Units are the implementation arrangement used in many IFAD projects to get projects implemented on time, with minimal political interference and at expected levels of quality.<sup>95</sup> However, they are less appropriate for creating sustainable institutional capacities in countries. Since they generally cease to exist after project closure, they can only be expected to make negligible contributions to nurturing the institutional memory of the lead implementing agency. The creation and the subsequent dismantling of stand-alone Project Management/ Implementation Units entails considerable transactions costs, without leaving behind institutional assets. As such, these costs are only insufficiently captured by ex-post efficiency indicators, e.g. proportion of project management cost versus total project cost. In the long run, the continued absence of sustainable human and institutional assets relevant for financial management and fiduciary responsibilities in concerned lead ministries may exceed the directly measurable inefficiencies in the project themselves.
205. Ultimately, sustainability of project benefits can only be assured by national implementation capacities; this entails gradually building skills and fiduciary capacity to recognize, report and address problems. At the same time, projects whose implementation arrangements are fully mainstreamed within government institutions are often among the weakest performers (Botswana, Eritrea, Malawi, Mozambique and Tanzania).<sup>96</sup> However, there are exceptions, such as the IFAD Programme Support Cell (CAPFIDA) established by the Malagasy Ministry of Agriculture in 2006. According to the Madagascar CPE,<sup>97</sup> CAPFIDA was created as a “hybrid” solution before an IFAD country presence office was opened in 2012. The CPE assessed portfolio efficiency as moderately satisfactory (4) and explicitly attributed this rating to CAPFIDA. CAPFIDA played a major role in the organization and implementation of supervision missions. Even after the opening of the IFAD office, CAPFIDA continued to operate as a coordinating unit for IFAD operations within the Ministry of Agriculture. As such, CAPFIDA can be regarded as an entity enhancing the ownership of the line ministry.
206. The weaker the national administration capacity, the greater the reliance will be on dedicated systems for IFAD project implementation. While the need to better anchor projects and project teams within their national systems is an important goal to pursue, doing so will most likely remain a major challenge where the institutional capacity of most technical line ministries, particularly agriculture, is very weak. Nonetheless, although limited, the use of national financial management systems is making progress. For example, IFAD-funded projects in Ghana and Sierra Leone were, for the first time, audited by supreme audit institutions. Further related capacity-building initiatives should make it possible to rely even more on in-country supreme audit institutions.<sup>98</sup>
207. Reliance on country financial management and procurement system poses a dilemma for all IFIs as they need to reconcile country ownership and leadership in programme design and implementation with weaknesses in country fiduciary compliance and their own fiduciary requirements. Their loan operations therefore routinely integrate efforts to reinforce country financial management capacities. Despite the risks involved, other IFIs make far greater use than IFAD of government departments and agencies as implementing agencies for their projects according to the CLE on Supervision. This facilitates the continuation of project functions when the project ends, whereas IFAD’s stronger reliance on PMUs tends to weaken sustainability since their financing beyond the project is not assured. For

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<sup>95</sup> ESA Portfolio Review, 2014.

<sup>96</sup> ESA Portfolio Review, 2015.

<sup>97</sup> FIDA, Bureau Indépendant de l'Évaluation. République de Madagascar, Évaluation du Programme de Pays. October 2013.

<sup>98</sup> WCA Portfolio Reviews, 2014 and 2015.

ADB-supported projects, ad-hoc financial management systems should be the last resort, to be adopted only when existing systems are found completely unreliable and unacceptable. The World Bank even considers the risks of proposed fiduciary arrangements on the achievement of greater use of country systems and strengthening capacity.

208. Hence, the longer-term risk of strong fiduciary controls for sustainability and the accrued risk in relying on national capacities for fiduciary compliance need to be carefully weighed. Risk mitigation measures need to be checked for their compatibility with enhanced country ownership through better-quality exit and phasing-out strategies, as well as by mainstreaming newly-created institutions within government programmes.<sup>99</sup> Apart from the previously mentioned SPIU in Rwanda, the Guangxi Administration Centre of Foreign Funded Projects for Agriculture provides another example from which to draw lessons regarding reliance on national systems in project management. The Guangxi Administration Centre of Foreign Funded Projects for Agriculture in China was a permanent feature of the Ministry of Agriculture, which overtook the function of the Project Management Office of the West-Guangxi Poverty Alleviation Project when it was planned and implemented. Moreover, country programme management offices in all the project-supported counties mirrored the project implementation set-up at regional level.<sup>100</sup>

LESSON 3: Effective fiduciary monitoring enhances financial management controls and fiduciary compliance, but does not eliminate fiduciary risks.

209. In spite of the care taken during project design to contain inherent risks through relevant management arrangements and contractual safeguards, significant risks continue to weigh on project implementation. Inadequate assessment of the implementing institutions is, next to overambitious designs, seen as one of the main causes of non-performing projects.<sup>101</sup> Institutional provisions put in place regularly fail to perform as expected and hence inherent risks become control risks.
210. Weak management remains one of the core challenges to fiduciary compliance. It is frequently linked to the failure to secure adequate staffing arrangements in terms of skills and numbers, combined with turnover of key positions. Insufficient management capacity translates into ineffective and often unrealistic planning, procurement delays, disrupted flow of funds, inadequate follow-up on project activities, and ultimately sub-optimal returns on investment. Insufficient financial controls frequently cause implementation delays and at times lead to project failure.<sup>102</sup>
211. A case in point is the Sivas-Erzincan Development Project in Turkey, where inadequate staffing at regional level constituted a significant handicap to project implementation. Ignoring IFAD's calls to improve staff salaries, the project failed to attract high-calibre staff to work in the remote and disadvantaged project area provinces. Operating with fewer staff than envisaged, the project failed to deliver on its potential. In Ethiopia, the Agricultural Marketing Improvement Programme was confronted with almost complete staff turnover that left the project in disarray. Indeed, the 2016 Ethiopia CSPE noted that high levels of staff turnover in PMUs was a generic issue affecting IFAD projects (as well as projects of most other donors) and an impediment to implementation performance.

<sup>99</sup> ESA Portfolio Review, 2014.

<sup>100</sup> IFAD, People's Republic of China. West Guanxi Poverty Alleviation Project, Project Completion Report. September 2010.

<sup>101</sup> NEN Portfolio Review, 2015.

<sup>102</sup> Weaknesses in client capacity for fiduciary aspects, as well as complex accounting and procurement procedures, added to IFAD administrative costs and contributed to delays in project implementation. Timely release of counterpart funds was also a problem in some cases. (CLE Efficiency, 2013, p. 56.)

212. To keep fiduciary risks in check, project-level monitoring of financial management needs to focus particularly on the following risk control areas: (i) disbursement / withdrawals; (ii) workplan and budget; (iii) audits for internal management and contractual compliance; and (iv) procurement. Their fiduciary importance is discussed in the paragraphs that follow.
213. Disbursement/withdrawals. Disbursement in accordance with work planning ensures that projects have adequate liquidity to implement their activities. In turn, low disbursement rates constitute a fiduciary risk in that funds are not used efficiently. Indeed, disbursement delays commonly foreshadow project extensions that add to the management and supervision costs of a project; moreover, they are disruptive to IFAD's cash flow management and capital replenishment. Disbursement delays may also signal underlying weaknesses with regard to other fiduciary aspects of a project, notably unrealistic planning, slow procurement, or problems related to the funds-flow mechanism.
214. Disbursement performance is therefore regularly monitored by projects and receives special scrutiny in loan withdrawals (withdrawal application process). Proactive management becomes necessary when disbursement lags put projects at risk (potential or actual problem projects). Disbursement delays at project start-up are very common; they often reflect "lack of readiness at approval and weaknesses in implementation and fiduciary capacity on the client side" and are a cause of "slippages in project implementation schedules, increase in overhead costs and significant cancellations of loan amounts."<sup>103</sup> A recent in-depth study on IFAD's disbursement performance (2017) documents generally mediocre disbursement performance, especially at start-up, with disbursement readiness (i.e. the average time from approval to effectiveness/first disbursement/second disbursement) in the order of 17.6 months. With regards to disbursement effectiveness, the study found that IFAD's overall disbursement rate at financial closure amounts to 84.4 per cent<sup>104</sup> and that projects are generally slow in disbursing funds, reaching 33 per cent at the project mid-term and not more than 71 per cent at the original completion date. The study pointed to factors under IFAD's control that could reduce disbursement delays, which include reliance on CPOs in IFAD country offices, more experienced CPMs with reasonable workloads, and maintaining CPM continuity during the start-up phase.<sup>105</sup>
215. In practice, disbursement delays were caused by a variety of conditions, often specific to a project. One recurrent problem appeared to be "administrative and procedural challenges that PMUs faced in carrying out their fiduciary responsibilities at project inception,"<sup>106</sup> including long and often problematic recruitment processes. At times, political interference provoked a slowdown, as was the case in the "Programme d'appui au développement des filières agricoles" in Congo and the "Projet de lutte contre la pauvreté dans l'Aftout sud et le Karakoro Phase II" in Mauritania. In the "Programme de Promotion des Opportunités Economiques et Sociales" in Cabo Verde, delays were due to difficulties in complying with labour legislation for the establishment of staff contracts. In the "Programme for Rural Outreach of Financial Innovations and Technologies" in Kenya, the "Rural Financial Intermediation Programme" in Lesotho and the "Marketing Infrastructure, Value Addition and Rural Finance Support Programme" in Tanzania, difficulties

<sup>103</sup> CLE Efficiency 2013, p.113.

<sup>104</sup> Highest to lowest disbursement rates by region: NEN (90.8 per cent); APR (88.4 per cent); LAC (85 per cent); ESA (81.5 per cent); and WCA (79.7 per cent).

<sup>105</sup> The study also found that female CPMs tend to have quicker-disbursing projects than male CPMs, with statistically positive effect during the phase from approval to entry into force and from first to second disbursement. Notably, at the end of 2015, only 25 per cent of CPMs in IFAD were female.

<sup>106</sup> CSPE Mozambique, 2016.

- establishing flow of funds mechanisms delayed project effectiveness. Projects in countries in fragile situations were particularly prone to disbursement delays.<sup>107</sup>
216. Work planning and budget. Disbursement delays often arise from unrealistic project planning and budgeting. Lack of coherence between the AWPB, the principal instrument for project planning, and actual implementation is very common. In many instances, AWPBs are overly ambitious and take little account of previous experience and the absorptive capacity of the various entities involved in implementation. Weak planning capacity, limited availability of qualified service providers and lengthy government procurement systems tend to result in long implementation delays.<sup>108</sup> Management costs are frequently higher than anticipated due to unforeseen or underestimated costs, the difficulty to attract and retain competent staff and service providers in remote areas, and the need to recruit extra staff. The difficulties are often exacerbated in fragile situations.
217. An illustration of shortfalls in the planning systems is the PRAPE project in Congo, where underestimation of unit costs of infrastructure resulted in significant cost overruns, failure to deliver, and delivery of poor quality structures. Similarly, in the “Programme National de Développement des Racines et des Tubercules” in Cameroon and the “Projet de Réhabilitation Rurale et de Développement Communautaire” in Guinea Bissau, PMU operating costs led to cost overruns for project management, which disrupted project implementation. A positive example of the effective use of planning systems can be found in the “Projet d’appui aux filières agricoles” in Senegal. The project executed 100 per cent of its AWPB due to effective participatory processes that involved all project staff, and regular reviews of progress against key indicators.<sup>109</sup>
218. Weaknesses in the use of the AWPB, marked by inadequate analytical programming and budgeting of activities,<sup>110</sup> lead to reduced efficiency in the use of funds and therefore diminish fiduciary compliance as budgets are underutilized or approvals of AWPB are delayed relative to the liquidity requirements for project implementation. Inadequate planning capacity and lack of a management-for-results culture are largely responsible for unsatisfactory planning practices. All too often, the AWPB is seen primarily as an IFAD reporting requirement rather than an essential tool for project planning and monitoring.
219. Audit and internal controls. Internal and external project audits are critical in implementation-stage monitoring of the quality of financial management and hence for controlling fiduciary risks. Audits routinely identified issues with the financial systems and internal controls and provided recommendations on corrective actions concerning: (i) accounting and procedures - unreliable accounting systems and procedures and incomplete and/or erroneous recording of transactions, overpayments, insufficient maintenance of audit trails, or difficulties/delays in preparing withdrawal applications; (ii) reporting and monitoring - inadequate understanding of IFAD reporting requirements, leading to unacceptable financial statements, and irregular interim reporting resulting in sub-optimal monitoring of financial performance; and (iii) compliance with financing covenants - the late

<sup>107</sup> This is supported by the IFAD disbursement study, which found that country-level factors affect both disbursement readiness and effectiveness, in particular countries in fragile situations. A fragile MIC with constrained fiscal space and concurrent elections has a high likelihood of having delayed first and second disbursements, whereas a non-fragile LIC with a stable local currency and frequent cycle of elections and natural disasters (e.g., droughts) tends to have higher disbursement rates.

<sup>108</sup> WCA Portfolio Review, 2013.

<sup>109</sup> WCA Portfolio Reviews, 2014 and 2015.

<sup>110</sup> Better monitoring of implementation progress and more flexible updating of work plans and budgets, both with respect to the timing of activities and their costing, would improve the coherence between the AWPB and actual project execution. (WCA, 2015)

submission of the AWPB, slow preparation and update of the Project Implementation Manual and infrequent steering committee meetings.<sup>111</sup>

220. The past few years have seen noticeable improvements in the quality and timely execution of audits. Compliance with IFAD auditing standards has improved across programme regions.<sup>112</sup> Evaluation reports appear to corroborate this trend as audit issues were mentioned only infrequently. Still, the quality of audit reports remained highly dependent on existing in-country audit capacities, private auditors and supreme auditing institutions.<sup>113</sup> Likewise, internal project audits, which are mandatory, were not performed on a systematic basis, and not always given due attention. In general, the effectiveness of audit in controlling fiduciary risks was boosted when the internal audit function was properly integrated with a project's operating structure. The Rwanda SPIU is an example of the proper use of internal project audits for strengthening project financial management (Kirehe Community-based Watershed Management Project and Project for Rural Income through Exports in Rwanda); audit performance in Senegal and The Gambia was also commended.
221. Procurement. Procurement in IFAD loan projects is commonly governed by the rules and regulations of the borrowing country and implemented through national systems, with national implementing agencies responsible for ensuring that procurement action meets the fiduciary standards specified in the loan agreement and IFAD's procurement guidelines. This is far from straightforward despite IFAD's involvement in the process via mandatory 'no objections' for procurement plans and the review of the pre-qualification of bidders and the procurement process. This involvement calls attention to the need for specialized knowledge in procurement management for IFAD's supervision.
222. Procurement issues loom large in projects experiencing disbursement problems. For instance, in the ESA 2014 portfolio review, 70 per cent of the problem projects were affected by procurement-related constraints and delays, including: inefficient institutional arrangements; lack of clarity in terms of accountability; weak capacity that hinders effective communication and coordination among key players in the procurement process; irregular tender committee meetings; ineligible expenditures due to non-adherence to procurement rules; lack of capacity by the local government authorities to implement comprehensive national regulations combined with the lack of incentives to follow procedures; and lack of experience and capacity within the implementing agency.
223. Efficiency of procurement processes was undermined by: inadequate bid solicitation and document preparation; inconsistencies in applying the procurement methods; unacceptable conduct of evaluations; inadequate filing systems/poor record-keeping; non-compliance with prior review procedures; and weak contract management. Slow government processes responding to heavy national procedural requirements mean that planning becomes essential for the project's success.<sup>114</sup> However, procurement planning and monitoring are often weak, as the preparation and updating of procurement plans and their linkage to AWPBs are neglected.<sup>115</sup> The result is delayed delivery of goods and services not meeting technical specifications and thus, ineffective and inefficient use of project funds.

<sup>111</sup> ESA Portfolio Review, 2015 and APR Portfolio Review 2015.

<sup>112</sup> Almost 9 in 10 auditors now state that they follow either the International Standards on Auditing (LAC, 2013) or the International Standards of Supreme Audit Institutions (11 per cent) and almost all provide the three audit opinions that IFAD requests (Financial Statements, Statement of Expenditures and Designated Account). (ESA, 2015.)

<sup>113</sup> WCA Portfolio Review, 2014 and ESA Portfolio Review, 2015.

<sup>114</sup> ESA Portfolio Review, 2015.

<sup>115</sup> Eighty per cent of sampled procurement plans (eight countries and 13 projects) are not updated regularly; information is therefore often inadequate and cannot be relied upon. (ESA 2015; WCA, 2015, 2014 and before.)

224. A few countries stand out for their procurement performance. In the ESA region, the Rwanda country programme continues to be the best performer in terms of procurement. Well-structured public procurement reforms with integrated capacity building over the past decade, and the results-oriented mentality within government, are responsible for this good performance. In the LAC region, El Salvador has a particularly good record in procurement. It can be attributed in part to special procurement arrangements supported by UNDP.<sup>116</sup> The above factors, plus the examples cited in paragraph 46 may be drivers to consider devising the multi-donor-sponsored creation of permanent project management units in key ministries relevant for IFAD. Done with a medium-term perspective, such an institutional investment needs to be made with conditions related to staff quality and continuity, but also come with possible co-benefits for the countries and ministries in question, e.g. systematic capacity upgrading of permanent PIU staff. Such measures may fulfil the promise to substantially improve the financial management of projects and reduce related fiduciary risk.

**Box 13**

**Fiduciary responsibility. When all goes well ...**

The Microfinance for Marginal and Small Farmers Project in Bangladesh performed well on all fiduciary aspects. The loan became effective in a record 6.9 months after IFAD Board approval, upon fulfilling the accompanying effectiveness conditions, notably the prompt recruitment of project personnel. Being able to rely on the well-established project management capacity of the not-for-profit Palli Karma-Sahayak Foundation proved to be a major strength. As the implementing agency for project, the Foundation carried out all fiduciary and administrative aspects of project management, including the management of all project-related accounts, the preparation and signing of withdrawal applications, and procurement in accordance with IFAD procurement guidelines. The Ministry of Finance had no direct implementation role, which prevented potential bureaucratic delays. Rather, it limited itself to effective facilitation of the project, including the review and approval of annual workplans and budgets, and organizing and chairing coordination and wrap-up meetings of supervision missions.

Supervision of the project was also unproblematic. The presence of local experts in supervision missions was valued as it allowed further consultations on technical matters. Continuity of IFAD experts on design and supervision missions advising project implementation was considered to be instrumental, as was the participation of the country programme manager (or field presence officer). The project was able to maintain its project management performance throughout implementation and excelled at the extremely low cost of 2 per cent of the total project cost for the project management component.

Source: Project Performance Assessment, February 2014.

225. Procurement is a major item on the IFI fiduciary agenda. All other IFIs have recently<sup>117</sup> initiated broad-based reforms to modernize their procurement frameworks with a view to speeding up complex and inflexible procurement processes and aligning procurement with “value-for-money” risk management and anti-corruption efforts. A more dynamic risk-based procurement framework able to adapt to changing circumstances involved: enhanced ex-ante assessment of procurement risks at country, sector and agency levels in return for – conditions permitting<sup>118</sup> – a more hands-off approach to procurement operations. For low-risk procurement, the review of contracts after they have been awarded would establish ex-post accountability and hence maintain the necessary fiduciary standards. A more discriminating and flexible application of procurement guidelines is set to further streamline processes and reduce cost. Measures include the use of advance contracting and retroactive financing, e-procurement systems, customized methods

<sup>116</sup> Project for Reconstruction and Rural Modernization and Rural Development and Modernization Project for the Eastern Region in El Salvador are among the positive outliers in terms of their procurement scores.

<sup>117</sup> AfDB, 2014; ADB, 2015; World Bank 2016.

<sup>118</sup> Award process would be more closely supervised only when risks are high.

and procedures for more complex procurement, and ex-post review of a sample of contracts.<sup>119</sup>

LESSON 4: Project supervision contributes to fiduciary compliance if and when it is backed by credible enforcement and matched by effective implementation support.

226. Project monitoring of fiduciary risks is complemented and reinforced through IFAD supervision. The purpose of this supervision is to: (i) oversee the functioning of project-level risk controls and thus to improve project compliance with loan fiduciary requirements; and (ii) enhance the capacity of projects to properly manage their activities in general, and finances in particular. To these ends, IFAD monitors possible performance shortfalls in the controls, and provides appropriate incentives for improved control performance. It also identifies impediments to project implementation with a view to directly mitigating the associated risks through necessary capacity and implementation support.
227. Supervision of fiduciary aspects. Supervision starts with the fiduciary risk assessment during the design stage of the project, but takes its full value during implementation by monitoring disbursement and flow of funds, compliance with loan covenants, administrative management and financial management aspects of implementation such as budgeting and accounting, treasury management, financial planning, internal controls, financial reporting and audit compliance. Supervision missions review and score six aspects of project fiduciary compliance to support IFAD's project and portfolio risk management.<sup>120</sup> IFAD's fiduciary supervision is centred on the quality of project controls of annual work planning and budgets, procurement and audits.<sup>121</sup> Through the withdrawal application process, disbursement authorization is conditioned on risk assessments and supervision results, thereby providing a key lever for enforcement of compliance with fiduciary responsibility.<sup>122</sup>
228. Unsatisfactory scores on the project controls prompted IFAD to assist projects by improving the control instruments and capacities and using persuasion and, as necessary, stronger enforcement measures to obtain compliance with fiduciary standards. With fiduciary scores guiding IFAD priority actions, fiduciary performance on the whole did improve over the review period, with the notable exception of procurement and work planning. The last-mentioned areas are therefore high on IFAD's fiduciary agenda.
229. In recent years, supervision of project financial management/fiduciary aspects has become more focused as financial management specialists are now systematically included in supervision missions. The shift of responsibility for loan administration and oversight of financial management from PMD to FMD, starting in 2012, has reinforced financial management expertise.<sup>123</sup> More frequent in-depth portfolio reviews, now quarterly rather than annually, allow closer monitoring of fiduciary risks. An enhanced quality screening for financial management and procurement consultants through a formal accreditation process was introduced in 2016.
230. Furthermore, the mainstreaming of the risk-based control framework is helping IFAD to better manage fiduciary risks across its portfolio, as more systematic

<sup>119</sup> Post-review sampling is expected to reduce the number of contract reviews by regional departments by 25 per cent and shorten the procurement process for many operations.

<sup>120</sup> Quality of financial management, acceptable disbursement rate, counterpart funds, compliance with loan covenants, compliance with procurement, and the quality and timeliness of audits.

<sup>121</sup> Audit results and recommendations are of special importance to supervision missions in identifying shortcomings in financial management. Supervision mission reports provide the status on the follow-up of audit recommendations. Also control through external (financial) audit is required once a year.

<sup>122</sup> No-objection clauses for annual work plans and budgets and procurement reviews, as well as audit TOR and auditor selection, ultimately rely on the incentive effect of the disbursement authorization process.

<sup>123</sup> Until now financial management consultants have been working for PMD, but budgets and oversight will be completely shifted to FMD by 2018, having started in LAC and WCA in December 2016.

assessment and profiling of country and project risks on entry set the tone for the rigour of supervision and ultimately the ease of disbursement.<sup>124</sup> Investment in the automation of the withdrawal application process is generating efficiencies in loan disbursement, notably shorter processing delays.<sup>125</sup>

231. For other IFIs, as with IFAD, supervision missions have traditionally played a central role in the fiduciary oversight, with usually at least one full supervision mission per year and more frequent missions for projects at early stages of implementation or “at risk”. Yet increasingly, fiduciary oversight functions are farmed out to specialists in country offices (World Bank, ADB) or regional resource centres (AfDB); in turn, smaller missions, carried out at various times throughout the year, focus on technical and institutional issues of project implementation.<sup>126</sup> In this model, less frequent full-scale supervision missions are sufficient (World Bank, ADB). AfDB is considering moving towards a model of continuous supervision. Due to its limited country office capacities, IFAD continues to rely principally on regular supervision missions which include primarily regional financial management consultants or financial officers based in headquarters.<sup>127</sup> Even so, IFAD country offices and regional hubs have also started taking up fiduciary supervision functions, particularly when the CPM is based there.
232. Enforcement. Supervision report findings and recommendations were not always sufficient for projects to adopt the necessary measures to overcome shortcomings with regards to fiduciary controls, and additional compliance measures became necessary. In the interest of project continuity, sanctions stipulated by the financing agreement and General Conditions were only used as the last recourse. Most of the time, lower-level measures would succeed in redressing fiduciary controls. Thus, IFAD and the borrower would identify a time-bound path to resolving a problem with, e.g. improvements to the accounting system or refunding ineligible expenditures, becoming a disbursement condition. But stronger formal sanctions are required at times. In any event, sanctioning measures need to be properly tailored to the fiduciary incident to help resolve fiduciary problems.<sup>128</sup>
233. Project-specific suspensions, possibly restricted to a specific component or to selected categories of expenditure, or even suspension of an entire country were possible when major fiduciary breaches occurred. In Sierra Leone, for example, an organizational audit carried out by the national auditor confirmed misappropriation of project resources. Project suspension pending refund of ineligible expenditures, revision of the Project Implementation Manual and payment of counterpart funds prompted the Government to comply with almost all requirements so that the suspension could be lifted, as reported the 2015 WCA regional portfolio review. Regularly, though, the simple threat of suspension can be effective. When legal suspension notices were sent to the Agricultural Marketing Improvement Programme in Ethiopia and the Rural Diversification Programme in Mauritius warning them of the possible suspension of disbursements due to non-receipt of audit reports within the due period, the audit reports were sent. Therefore, the notices did not have to be enforced.<sup>129</sup>

<sup>124</sup>Withdrawal applications in a low-risk environment would be implemented with a view to smoothly supporting the flow of funds (with simplified disbursement and higher thresholds). Risk indicators would allow IFAD to keep risks in check. In general, “a higher level of controls should be applied to areas and processes with relatively higher risk, while lower-risk areas may be managed adequately through the periodic conduct of ex-post controls on a sample basis.” (Risk-based controls in accounting, payroll and payments processes – A conceptual framework, p. 3.)

<sup>125</sup>Flexcube (FXC) since 2013, WA Tracking System (WATS), online e-WA since 2016. WA processing time declined from a high of 36 days to reach 18 days by the end of 2015, reaching the IFAD9 target of less than 18 days.

<sup>126</sup>The World Bank and ADB, for instance, now have 70 per cent of supervision missions led by staff in the field, whereas the majority at IFAD are led by staff from headquarters, especially with regards to financial management.

<sup>127</sup> There is increasing emphasis to use the supervision report to focus on key issues and risks that are important going forward.

<sup>128</sup> FAM and Regional Portfolio reviews.

<sup>129</sup> ESA Portfolio Review, 2010.



LESSON 5: Implementation support diminishes fiduciary control risks, but is limited by high transaction costs.

234. Implementation support measures boost fiduciary control as they take on ongoing weaknesses in project financial management. Following up on problems identified in the course of project supervision, IFAD provided advisory support to resolve specific problems and training to develop local capacities. By and large, its measures, spanning the whole range of fiduciary concerns, have helped improve fiduciary performance of project. Such measures include workplan and budget preparation and execution, technical issues, the monitoring and evaluation (M&E) system, reporting tools, the financial management system, procurement and other financial issues.<sup>130</sup> Pro-active management of potential fiduciary issues, including through better use of MTRs,<sup>131</sup> contributed to the effectiveness of measures. Projects starting up or “at risk” usually required more intensive implementation support through more frequent and enhanced supervision and implementation support missions.<sup>132</sup> Sustained capacity-building and training efforts were often needed, particularly in countries in fragile situations and with weak institutions.<sup>133</sup>
235. Yet the de facto high cost of supervision missions has limited their use. Therefore IFAD initiated a series of measures to improve the efficiency and effectiveness of supervision and implementation support missions. For instance, IFAD was able to achieve economies of scale by using missions tasked with covering the whole country programme to also include a thorough supervision of one project and follow-up of any other ongoing projects.<sup>134</sup> Better cross-regional knowledge-sharing and exchanges of experiences helped IFAD not only to reduce costs, but also to promote organizational learning, innovation and sharing of good practices on specific thematic areas and management issues.<sup>135</sup> IFAD also streamlined its use of expert resources by drawing on IFAD staff and experienced project staff to support projects in critical areas, such as financial management, procurement and monitoring and evaluation. Development of staff competencies was reported to be instrumental in improving the quality of support.
236. Organizational efforts to enhance the quality and effectiveness of IFAD’s supervision and implementation support included: increasing the use of decentralized IFAD country offices and regional hubs (Hanoi and Nairobi) with financial administration specialists from FMD and the Field Support Unit, for closer and more continuous implementation support; partnerships with other in-country institutions; and country-level policy engagement with governments. Country offices have been helpful in supporting the timely resolution of implementation issues through their closer monitoring of project progress and interaction with stakeholders and government counterparts. This is, for instance, confirmed in the Uganda CPE,<sup>136</sup> inferring that the Field Presence Pilot Programme (launched in 2003) has provided useful insights for introducing direct supervision and implementation across the Uganda portfolio in recent years, as well as establishing and consolidating a country presence in Kampala. Yet the division of labour and communications between headquarter and ICOs still needs fine-tuning, and the small capacity of the ICO, at times with only one CPO, clearly limits the

<sup>130</sup> WCA Portfolio Review, 2013.

<sup>131</sup> NEN Portfolio Review, 2015.

<sup>132</sup> NEN Portfolio Review, 2015 and WCA Portfolio Review 2013.

<sup>133</sup> WCA Portfolio Review, 2015.

<sup>134</sup> Between 2012 and 2016, the number of IFAD projects declined by 15 per cent and the number of supervision missions reduced by 22 per cent.

<sup>135</sup> Peer review processes have become an effective tool for enhancing quality of supervision and reporting. For example, in NEN, all supervision and MTR reports are systematically reviewed by a group of peers, the direct supervision support team, CFS and an external reviewer. In WCA exchange visits between good performers and those needing improvement are organized and experienced “retired” project managers are being called upon to coach newcomers. (WCA 2015)

<sup>136</sup> IFAD, IOE. Republic of Uganda, Country Programme Evaluation, Rome, April 2013.

potential.<sup>137</sup> The combined measures brought about further improvements to the quality of financial management and fiduciary supervision and implementation support.

**Box 14**

**Fiduciary responsibility. A more challenging environment ...**

The Roots and Tubers Market-Driven Development Programme in Cameroon attests to the challenges of ensuring fiduciary compliance. Even though weak management capacities were a known risk to project implementation in the country, the project was not effective in containing the risk. Related training efforts proved to be insufficient. Overambitious design in a challenging governance environment enhanced implementation risks. Unsuitable institutional arrangements and difficulties with the project management unit linked to staff selection and cohesion contributed to weak project administration and financial management performance, as the project encountered significant delays in project start-up, annual work plans, procurement, contract management and payments.

An audit review flagged some of these problems and alerted IFAD to the need for more intense supervision and support. A six-month action plan with targeted technical support and training, including the recruitment of local service providers for capacity building, helped improve financial execution during the last two years of the project. After formal notification by IFAD, the Government undertook the necessary corrective measures regarding procurement, accounting and internal control. The opening of an IFAD country office also had a positive effect on governance and implementation results in IFAD-supported projects, including the project in question. Still, some fiduciary compliance issues, especially in regard to counterpart financing, remained unresolved. Contract delays and higher implementation costs ultimately led to lower rates of return for the project.

Source: Project Completion Report Validation, June 2015.

## C. Synthesis of lessons

237. The lessons emerging from this study are testimony to the challenges of fiduciary risk management. Squaring IFAD's loan fiduciary responsibility towards its contributors with project implementation by borrowing country institutions that have limited management capacities, while sharing responsibility for development results, is by no means an easy task. Fiduciary compliance requires institutional and procedural responses that are carefully tailored to the highly diverse conditions and dynamics of countries. Sustainability of project results, in turn, calls for national institutions to drive these solutions, with IFAD standing by to assist in implementation. Thus, a guiding principle that emerges for IFAD is that:
- Successful management of fiduciary responsibilities needs rigour rather than rigidity in preparation, design, supervision, enforcement and backstopping of projects.
238. Ultimately, the only way to address fiduciary risk is to help build institutional capacity: only a medium-to long-term time horizon appears realistic in meaningfully reducing risk levels. Inasmuch as IFAD, with its relatively modest resources, cannot take on broader national capacity building, its fiduciary risk focus needs to be on achieving the proper balance between short-term compliance with fiduciary responsibilities and the broader prospects for development goals and sustainability. As part of this more holistic approach, risk tolerance based on prospective development benefits is necessary, and short-term fiduciary risk management cannot be designed to straitjacket implementation, but rather to avail projects with the required liquidity for smooth implementation.
239. Still, risk has to be carefully managed. While IFAD's own fiduciary duties call for rigour in adhering to established fiduciary principles and standards, excessive and

<sup>137</sup> WCA Portfolio Review, 2015.

potentially disruptive rigidity in the management of fiduciary compliance at the project level can be avoided if risks are properly anticipated; hence, the focus on regular risk assessments throughout the project cycle. However, to be able to deal with risks in a preventive manner, it is essential to have risk surveillance that is more continuous than that afforded by the current annual risk reviews, which tend to identify risks once they have already materialized. Complementing the present system of pro-active management of projects that are potentially at risk and actual problem projects, ongoing risk monitoring would allow IFAD to more closely assess the evolution of these risks, the effectiveness of the mitigation measures being implemented, and the possible need for changes in the course of action. It would have to be based on a coherent set of experience-based, early-warning indicators/signals. The current system of fiduciary indicators is ill-suited to this task, but continues to be a useful, if perfectible,<sup>138</sup> measure of overall fiduciary performance.

240. Lastly, the systematic risk-based management approach, adopted by IFAD and other IFIs, allows for more efficient fiduciary management as it aligns risk control and mitigation structures to levels of assessed risks. Instead of applying a standardized set of fiduciary procedures across all countries and projects, a risk-differentiated approach with respect to financial management arrangements, audits, field supervision and disbursement methods makes it possible for IFAD to direct more of its management attention and resources to those fiduciary circumstances that need it most.<sup>139</sup>

## IV. Conclusions and recommendations

### A. Conclusions

241. After careful analysis of independent evaluations, the 2017 ARRI provides the following conclusions, taking into account the cross-cutting issues and lessons from the previous chapters.
242. The performance of IFAD operations shows improvement from 2009; however, performance is beginning to plateau. Between IFAD8 and IFAD9, there has been a statistically significant improvement in the means of selected criteria, such as relevance, innovation and scaling up, gender equality and women's empowerment, and IFAD performance as a partner. Performance of other evaluation criteria, such as effectiveness, efficiency, project performance, impact, sustainability, natural resource management, government performance as a partner and overall project achievement, followed a "plateau" pattern in the recent period of 2013-2015. Overall, evaluation ratings remain in the moderately satisfactory (4) zone.
243. Sustainability and efficiency continue to require IFAD's attention and remain the lowest performing criteria, the latter with a slightly declining path in the recent years. The 2016 evaluations cite a number of factors that inhibit operational efficiency including: high project management costs, high staff turnover, as well as start-up and implementation delays. While performance in sustainability shows improvement, the 2016 evaluations highlight recurrent issues, such as fragile results at completion, limited beneficiary ownership, and absence of a clear exit strategy defining the roles and responsibilities of other concerned players in post-project activities.

<sup>138</sup>Fiduciary scores should not be based on an arithmetic average, but rather reflect weights relative to possible impact on implementation. There is a need to make scores more consistent and comparable across the Organization, to reduce the degree of subjectivity and align with the operational risk assessment for portfolio management.

<sup>139</sup>The corporate-level evaluation on IFAD's engagement in fragile and conflict-affected states and situations (2015, p. 75) posited, "More flexibility in compliance with fiduciary requirements - Additional budget to work in fragile contexts (e.g. additional costs of transportation, higher consultant fees, need for much closer supervision/higher number of supervision missions, etc.)."

244. Based on IOE ratings, the majority of the criteria are currently performing below the RMF targets established for IFAD9 and IFAD10. Four criteria (effectiveness, efficiency, sustainability of benefits, and ENRM) are 10 to 20 percentage points below the 2018 targets, indicating the need for greater efforts in these areas. Three criteria (government performance as a partner, rural poverty impact and gender and women's empowerment) are five percentage points or less away. Innovation and scaling up has exceeded the target by one per cent. Adaptation to climate change has exceeded its conservative target. However, few observations are available for this criterion so far. While the above targets will not be measured through IOE ratings and IFAD10 is still on-going, this calls to the attention of Management the need for further improvement to reach these targets by 2018.
245. Good performance on the ground is linked to well-defined targeting strategies. IFAD projects that perform well are highly relevant to the socio-economic context, beneficiaries' requirements and institutional priorities. Well-defined targeting strategies ensure the coherence of the project's relevance, particularly to beneficiaries, from the project design to the achievement of the objectives. The main issues raised by evaluations relate to gaps in identification of the diverse socio-economic groups and the distinct needs and demands expressed by each. Similarly, adjustments made during project implementation often do not fully capture the differentiated needs among the most vulnerable groups, youth and women in particular.
246. Promoting gender equality and women's empowerment (GEWE) is critical to meeting the Agenda 2030 challenge of improving food and nutrition security and eradicating rural poverty. Among the SDGs, GEWE serves as both a goal (SDG5) and a means to achieving the SDGs to end hunger and poverty. The IFAD Strategic Framework (2015-2025) includes GEWE as a principle of engagement and envisions scaling up its current gender mainstreaming practices to achieve transformative gender impacts that contribute to achieving the SDGs. According to IOE evaluations, GEWE remains among the better performing indicators. However, there is space for moving beyond. The ESR on GEWE provides insights on how IFAD can stimulate more transformative impacts. The more effective practices break gender roles and stereotypes, enhance representation and voice in local governance, and provide functional training. Yet transformation also requires changes in cultural norms and practices, beyond individual capabilities, as well as systemic changes, for example in laws, policies and government capacities, where major gaps still exist.
247. The need to improve M&E data is widely recognized at IFAD. In the areas of ENRM, adaptation to climate change, food security and agricultural productivity, the absence of disaggregated data is a specific concern. Management has taken steps towards strengthening its M&E systems in 2016, rooted in the IFAD Development Effectiveness Framework, including revising the Results Impact Measurement System (RIMS). Future evaluations will assess the outcome of these initiatives. The evaluations reviewed by this ARRI highlight the need for more disaggregated data in two areas. One of these relates to the criteria of ENRM and adaptation to climate change. During the IFAD9 period these were merged, despite the difference between two, and this resulted in a predominance of evidence on the former and limited evidence on the latter. The separation of the two under IFAD10 represents a positive step forward, if matched by improvement in the availability of data. The other area corresponds to the criterion of food security and agricultural productivity. Evidence is available predominantly on agricultural productivity, but limited regarding food security, particularly nutrition. Importantly, better food production and productivity may not lead automatically to better nutrition: many other factors, such as actual food intake, food quality (including micronutrients) and health conditions affect nutritional status.

248. The 2017 ARRI learning theme recognizes the challenge of ensuring governmental agencies' fiduciary responsibility. Government performance is the primary driver with regards to financial management, procurement, audits and ensuring coherence between implementation and planning. IFAD has a critical role in assessing and mitigating risks, providing supervision and implementation support.
249. Reliance on national systems and the uneven capacities of government institutions, particularly in procurement, is an issue for IFAD loan projects that contributes to slow implementation progress, affecting project performance. Given the diverse country contexts in which IFAD operates, addressing this situation requires tailored procedural approaches to financial compliance, driven by national institutions with IFAD's implementation support. This would allow IFAD to maintain rigor in managing its fiduciary responsibility without constraining smooth implementation.
250. With the exception of knowledge management, evaluations have found limited progress in non-lending activities in recent years. Non-lending activities - KM, partnership-building and country-level policy engagement – are mutually reinforcing in complementing IFAD's investment projects and leveraging the impact of IFAD-financed operations on the ground. KM has experienced an improving trend, although it is now reaching a plateau. Partnership and country-level policy engagement show signs of a decreasing trend. The following factors are highlighted as key elements for non-lending activities; conversely, their absence is associated with low performance: (i) building a strong knowledge management platform within country programmes; (ii) embedding non-lending activities in existing country programme processes (e.g., project supervision, periodic country programme reviews, rural sector performance assessment); (iii) developing a strategy that defines how knowledge management contributes to partnership building, and, in turn, how knowledge management and partnerships lead to effective policy engagement; (iv) providing support to CPMs through internal IFAD resources such as the Policy and Technical Advisory Division, the Strategy and Knowledge Department and the Office of Partnership and Resource Mobilization.
251. In sum, while significant improvements over the IFAD8- IFAD9 periods are noted, the recent flat performance is a call for action if IFAD is to fully meet IFAD10 targets. In addition to the need to address longstanding performance bottlenecks such as efficiency and sustainability of benefits, there is also room for improvement to go beyond moderately satisfactory in areas of strength, including relevance, GEWE and innovation and scaling up. Improvement in the three cross-cutting areas – targeting, GEWE and in the non-lending activities – can serve as a catalyst of better performance on the ground in country programmes and to substantially enhance rural poverty impacts. Unlocking their full potential will require concerted efforts by Management. The 2017 ARRI offers the following recommendations to address the most urgent challenges.

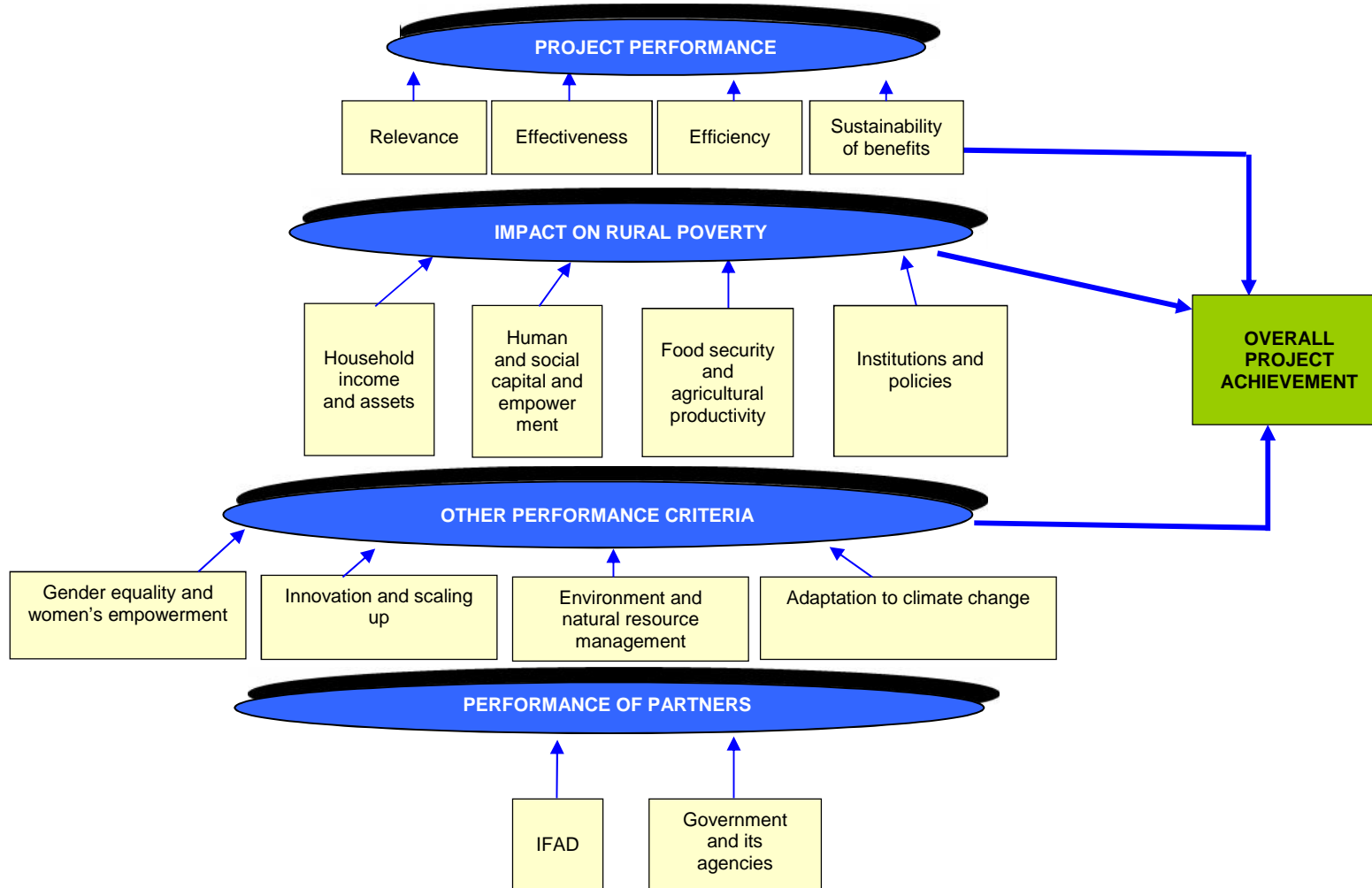
## B. Recommendations

252. The Board is invited to adopt the following recommendations.
253. Recommendation 1. Ensure that consolidation of IFAD9 achievements does not result in stagnation in IFAD10 and beyond. The ambitious IFAD10 targets require that IFAD operations build on strengths and address longstanding performance bottlenecks to maximize sustainable results. Making this leap requires a change in IFAD's modus operandi, including a new approach to programme design that allows IFAD operations to efficiently deliver relevant and sustainable results for targeted beneficiaries. This entails a holistic approach that improves the articulation between the COSOP and the project pipeline, and reduces the gap between project design and implementation through the greater involvement of government afforded by a more decentralized IFAD. To initiate this paradigm shift, Management can set satisfactory or better targets for IFAD11 in areas of

- strength such as relevance, GEWE and innovation and scaling up to lift performance above the current plateau.
254. Recommendation 2. Adopt transformative approaches that address the root causes of gender inequality and discrimination if IFAD to contribute substantially to meeting the SDG goal of leaving 'no one left behind'. Moving towards gender transformation requires IFAD to go beyond participatory processes which are very important, but not sufficient. IFAD-supported interventions also need to address longer-term changes in cultural practices, as well as in laws and policies. For this, projects require a specific theory of change as well as indicators to monitor them throughout the project cycle.
  255. Recommendation 3. Systematize the three non-lending activities – KM, partnership and policy engagement - to unlock their potential to scale up country programme results. Non-lending activities need to be recognized as a key ingredient in achieving IFAD's mandate. Objectives for non-lending activities must be formulated more selectively, and with clear internal linkages between the activities. Non-lending activities must be integrated in country programmes and related processes (such as supervision, country programme review and rural sector performance assessment). Technical and advisory support must be provided to CPMs by relevant IFAD divisions, including those outside PMD.
  256. Recommendation 4. Improve data granularity for selected strategic criteria in order to better monitor performance and enhance intervention approaches. Given the heightened focus on mainstreaming adaptation to climate change in IFAD10, supported by its separation from ERNM, there is a need to collect more-tailored evidence to demonstrate achievements. Technological advancements, including in geo-spatial information and remote sensing, may provide cost-efficient opportunities for improved data quality. Central to IFAD's mandate, food security requires special attention to ensure that agricultural productivity leads to improved food security for IFAD's target groups. This requires including metrics of food security in the formulation of country strategies and project design and in their monitoring.
  257. Recommendation 5. Extend greater differentiation in financial management and fiduciary requirements to procurement, while supporting long-term national capacity improvement.
    - a. In the short to medium-term, IFAD must further differentiate fiduciary requirements based on the country context and risk profile. This requires an enhanced ex-ante assessment of procurement risks at country, sector, and agency levels, in return for a better tailored approach to fiduciary requirements, notably for procurement. IFAD should continue to provide enhanced supervision and implementation support during project start-up and for projects deemed 'at risk' or in countries in fragile situations. This can be fostered by strengthening capacity in IFAD country offices and sub-regional hubs.
    - b. In the long-term, the goal is to contribute to strengthening financial management and procurement capacities of implementing agencies, possibly with the support of IFAD grants. Depending on the country context, and in collaboration with other partners, IFAD may support establishing permanent PMUs responsible for all externally-funded interventions in a specific sector or sub-sector.
  258. 2018 ARRI learning theme. The Board is invited to adopt the recommendation to consider targeting as the single learning theme in the 2018 ARRI. Good performance on the ground is inter alia linked to well-defined targeting strategies. While selected evaluations have identified good cases of targeting, there is still an issue of lack of clarity and analysis of the target group in project design as well as

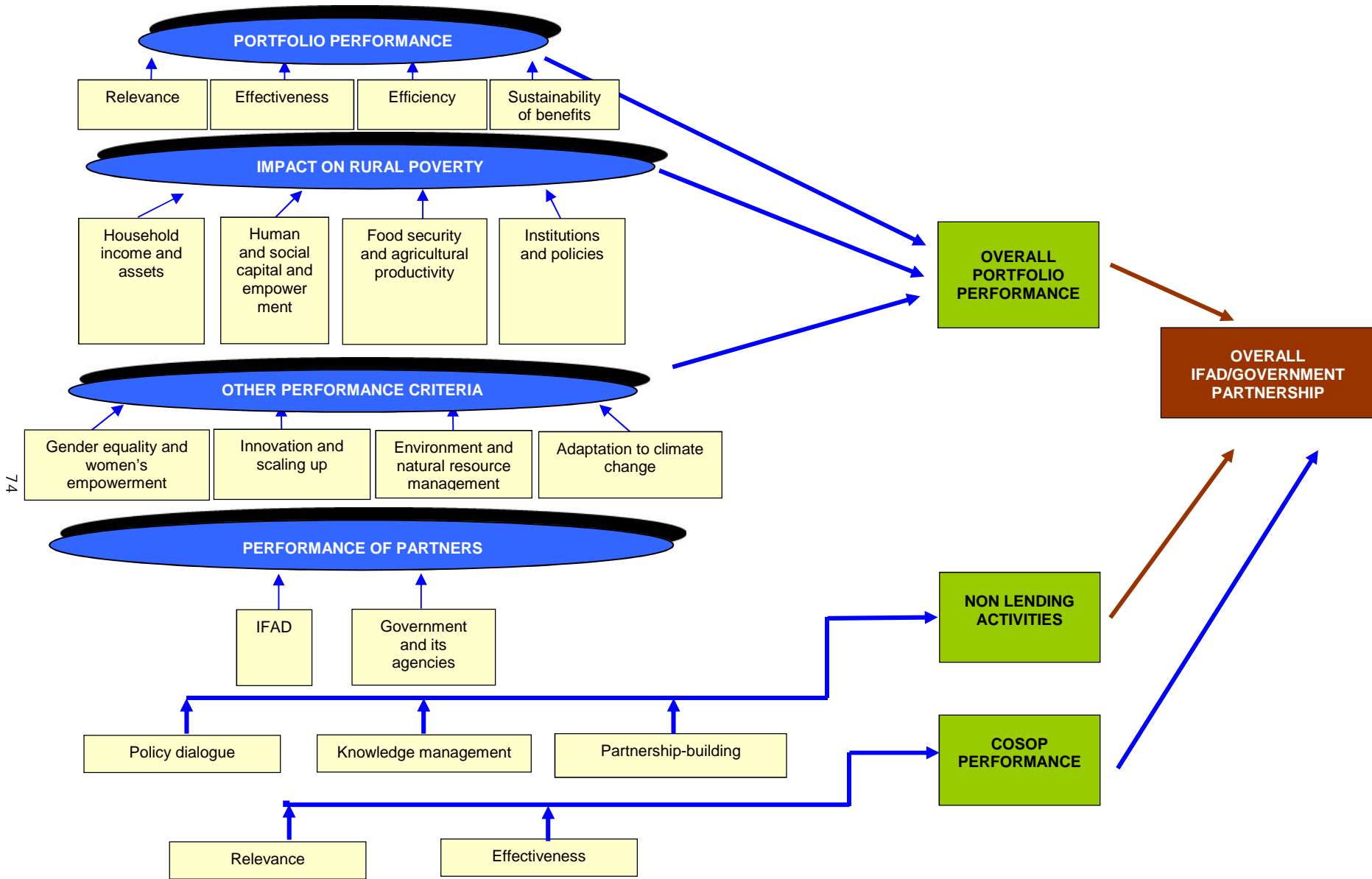
at the strategic (COSOP) level. Evaluations conducted in 2016 corroborated past findings on the incomplete differentiation of target groups at the design stage and in performance monitoring during implementation.

# Project evaluation methodology





# Country strategy and programme evaluation methodology



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## Definition of the evaluation criteria used by IOE

Criteria	Definition
<b>Rural poverty impact</b>	<p>Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions.</p> <p><i>Four impact domains</i></p> <ul style="list-style-type: none"> <li>Household income and net assets: Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value. The analysis must include an assessment of trends in equality over time.</li> <li>Human and social capital and empowerment: Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grass-roots organizations and institutions, the poor's individual and collective capacity, and in particular, the extent to which specific groups such as youth are included or excluded from the development process.</li> <li>Food security and agricultural productivity: Changes in food security relate to availability, stability, affordability and access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields; nutrition relates to the nutritional value of food and child malnutrition.</li> <li>Institutions and policies: The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor.</li> </ul>
<b>Project performance</b>	Project performance is an average of the ratings for relevance, effectiveness, efficiency and sustainability of benefits.
Relevance	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design and coherence in achieving its objectives. An assessment should also be made of whether objectives and design address inequality, for example, by assessing the relevance of targeting strategies adopted.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results.
Sustainability of benefits	The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.
<b>Other performance criteria</b>	
Gender equality and women's empowerment	The extent to which IFAD interventions have contributed to better gender equality and women's empowerment, for example, in terms of women's access to and ownership of assets, resources and services; participation in decision making; work load balance and impact on women's incomes, nutrition and livelihoods.
Innovation and scaling up	The extent to which IFAD development interventions have: (i) introduced innovative approaches to rural poverty reduction; and (ii) the extent to which IFAD development interventions have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and others agencies.
Environment and natural resources management	The extent to which IFAD development interventions contribute to resilient livelihoods and ecosystems. The focus is on the use and management of the natural environment, including natural resources defined as raw materials used for socio-economic and cultural purposes, and ecosystems and biodiversity - with the goods and services they provide.
Adaptation to climate change	The contribution of the project to reducing the negative impacts of climate change through dedicated adaptation or risk reduction measures.

<b>Overall project achievement</b>	This provides an overarching assessment of the intervention, drawing upon the analysis and ratings for rural poverty impact, relevance, effectiveness, efficiency, sustainability of benefits, gender equality and women's empowerment, innovation, scaling up, as well as environment and natural resources management, and adaptation to climate change.
<b>Performance of partners</b>	
<ul style="list-style-type: none"> <li>• IFAD</li> <li>• Government</li> </ul>	This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. The performance of each partner will be assessed on an individual basis with a view to the partner's expected role and responsibility in the project life cycle.

\* These definitions build on the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) Glossary of Key Terms in Evaluation and Results-Based Management; the Methodological Framework for Project Evaluation agreed with the Evaluation Committee in September 2003; the first edition of the Evaluation Manual discussed with the Evaluation Committee in December 2008; and further discussions with the Evaluation Committee in November 2010 on IOE's evaluation criteria and key questions.

## Part 1 - 2017 ARRI methodology and analyses

1. Methodology. The project evaluations informing the 2017 ARRI were performed in 2016 and thus follow the provisions of the second edition of the Evaluation Manual published in December 2015. This is the first year that this new methodology is reflected in the ARRI. However, the evaluation criteria and definitions included in the revised harmonization agreement<sup>140</sup> between Management and IOE, applied in evaluations conducted in 2017, will be fully reflected in the 2018 ARRI.
2. With the introduction of the 2015 evaluation manual, each project is assessed and rated across nine evaluation criteria: relevance, effectiveness, efficiency, sustainability of benefits, rural poverty impact<sup>141</sup>, gender equality and women's empowerment, innovation and scaling up, environment and natural resource management as well as adaptation to climate change; the latter two criteria were introduced in the second edition as two new stand-alone criteria.
3. IOE also has two composite evaluation criteria: project performance and overall project achievement. Project performance is an average of the ratings of four individual evaluation criteria (relevance, effectiveness, efficiency and sustainability - newly included), whereas overall project achievement is based on (but not an average of) all nine criteria now applied by IOE. Finally, each project is also evaluated for IFAD and government performance as partners, in line with the practice of other international financial institutions. The definitions for each evaluation criteria are found in annex II.
4. Ratings scale and data series. In line with the Good Practice Standard of the Evaluation Cooperation Group of the Multilateral Development Banks for Public Sector Evaluations, IOE uses a six-point rating scale to assess performance in each evaluation criterion. The rating scale is summarized in table 1.

Table 1  
IOE rating system

Score	Assessment	Category
6	Highly satisfactory	
5	Satisfactory	Satisfactory
4	Moderately satisfactory	
3	Moderately unsatisfactory	
2	Unsatisfactory	Unsatisfactory
1	Highly unsatisfactory	

Source: IFAD Evaluation Manual, 2015

5. The ratings, which are the foundation of performance reporting in IOE evaluations, are thereafter used in the analysis of the ARRI for reporting on IFAD's aggregate operational performance. Therefore, in each independent evaluation, IOE pays maximum attention to ensuring that the ratings assigned are based on evidence and follow a standard methodology and process. Moreover, comprehensive internal and external peer reviews are organized in finalizing the assessments and ratings of each evaluation, also as a means to enhance objectivity and minimize inter-evaluator variability.
6. As in the last couple of ARRIs, the analysis is based on two data series: (i) all evaluation data and (ii) PCR/V/PPE data only. The 2017 ARRI primarily presents analysis based on "PCR/V/PPE data" series<sup>142</sup> which contains only ratings from PCR/Vs, PPEs and impact

<sup>140</sup> [Agreement on the Harmonization of IFAD's Independent Evaluation and Self-Evaluations Methods and Systems Part I: Evaluation Criteria](https://webapps.ifad.org/members/eb/120/docs/EB-2017-120-INF-2.pdf); <https://webapps.ifad.org/members/eb/120/docs/EB-2017-120-INF-2.pdf>

<sup>141</sup> As per the new methodology, Environment and natural resources management as well as adaptation to climate change are no longer included among the impact domains contributing to Rural Poverty Impact. the four remaining impact domains (Household income and net assets; Human and social capital and empowerment; Food security and agricultural productivity; Institutions and policies) are no longer rated.

<sup>142</sup> Introduced in the 2013 ARRI.

evaluations of completed projects. As IOE conducts PCRVs for all completed projects since 2011, covering the entire portfolio at exit, there are no selection biases in the projects chosen for evaluation. The PCRV/PPE data series currently includes ratings from 157 evaluations out of the total 295 evaluations<sup>143</sup> analysed in the 2017 ARRI. As the PCRVs, PPEs and IE evaluations conducted in 2016 include projects that completed between 2011 and 2015, both data series stop in 2015 in the last cohort<sup>144</sup>.

7. The “all evaluation data” series consists of ratings from all evaluations conducted by IOE since 2002. In addition to PCRV/PPE data it also includes CSPEs, and therefore contains evaluated projects that were not selected randomly and followed other criteria.<sup>145</sup> In the 2017 ARRI, the “all evaluation data” series is used to triangulate findings and for the analysis benchmarking IFAD performance with other IFIs, as the sample sizes provided by “PCRV/PPE data” series are currently too small for this exercise. Finally, the ratings discussed in the CSPE section (portfolio performance, non-lending activities and COSOPs) come from a separate database of CSPEs undertaken by IOE between 2006 and 2016.<sup>146</sup> The analysis on all three data series has been carried out based on the year of project completion<sup>147</sup>, in line with most other IFIs and previous editions of the ARRI.
8. Tables and Charts showing the moving averages of performance based on the “all evaluation data” series are available in Annex V and IV respectively, as they overall support the trends of the “PCRV/PPE data” series and therefore do not need to be mentioned in comparison with the “PCRV/PPE data” series. As in the past, the 2017 ARRI analysed independent evaluation ratings grouped by IFAD replenishment periods, starting with the IFAD5 replenishment period (2001-2003). The results of the analysis by replenishment periods are used in this chapter in the section dedicated to analyse performance by replenishment period and included in annex IV.
9. The qualitative analysis is based on the 35 project evaluations done in 2016 (PCRVs, PPEs, impact evaluations and CSPE projects) as well as Evaluation Syntheses and a Corporate-level evaluation. For the complete overview of consulted evaluations of 2016, please see Annex VIII.
10. Analysis of ratings. As per past practice, the ARRI uses three-year moving averages to smoothen short-term fluctuations and highlight long-term trends.<sup>148</sup> While the moving averages is particularly applicable to the “all data” series as it includes projects that were not randomly selected, it also enlarges the sample of ratings for the PCRV/PPE data set.
11. The main trends in performance are explained through an analysis of the percentages of projects that are rated as moderately satisfactory or better. However, as requested by the Evaluation Committee, the proportion of ratings for each evaluation criteria falling within the full range of the six-point rating scale (i.e. from highly unsatisfactory to highly satisfactory) used by IOE are shown in Annex VI.
12. Before proceeding with the detailed analysis on the performance of IFAD’s operations, the ARRI provides an overview of the results from 2007 to 2015. This includes the results of the distribution analysis of available ratings in the PCRV/PPE data series in the period. Further comparison is done between the IFAD8 and IFAD9 periods by conducting a t-

<sup>143</sup> Sample size of the all evaluation data series,

<sup>144</sup> The all evaluation data series also stops in 2015 due to comparability with the PCRV/PPE data series and due to the small sample size of CSPE projects completing in 2016.

<sup>145</sup> For example, in the past it was mandatory for IOE to undertake an interim (project) evaluation before Management could proceed with the design of a second phase of the same operation.

<sup>146</sup> CSPEs are included in this database based on year of evaluation.

<sup>147</sup> Reporting by year of project completion is preferred to year of approval as this includes all the inputs and changes to the project, not just project design and appraisal. It is also preferred over presentation by year of evaluation results where there is a wide range of project approval dates, and sometimes very old projects are included. Presentation by year of project completion provides a more homogenous cohort.

<sup>148</sup> Three-year moving averages were first used in the 2009 ARRI, before IOE started undertaking PCRVs/PPEs. A three-year moving average allows for the assessment of trends in performance over time, and also overcomes any biases that may result from the sample of projects evaluated, which are not chosen on a random basis. Three-year moving averages are calculated by adding evaluation results from three consecutive years and dividing the sum by three.

tests<sup>149</sup> to test the significance of the difference between their evaluation criteria means. Finally, these analyses are complemented by a block analysis which provides a summary of the mean, and SDs by evaluation criteria and correlation analyses of PCR/PPE ratings to test for interrelationships among evaluation criteria.

13. The block analysis conducted on the PCR/PPE dataset in the period 2007-2015 presents in table 3 the nine evaluation criteria ranked by mean. In fact, the median values show that project performance is moderately satisfactory in all evaluation criteria. However, drawing conclusions using only the median values could be misleading as for some criteria the median rating is moderately satisfactory, but a large number of projects are actually moderately unsatisfactory or worse (as shown in Annex VI). This is the case for efficiency and sustainability.
14. Therefore, for a more nuanced understanding of performance, it is important to look at the mean together with the Standard Deviation (SD). Analysis of the means reveals that the best performing criteria in the period 2007-2015, besides relevance, are IFAD performance, gender equality, innovation and scaling up and rural poverty impact This is positive given the mandate of IFAD to reduce poverty for women and men in rural areas. The weakest performing areas based on the means from 2007-2015 are operational efficiency, sustainability of benefits and adaptation to climate change. However, the performance of adaptation to climate change is based on a very small sample and is therefore only indicative.

Table 2

**Ranking of averages and data dispersion per criteria – PCR/PPE data, 2007-2015**

<i>Criteria</i>		<i>Standard deviation</i>	<i>Median</i>	
Relevance	4.32	0.71	4	Best Performance
IFAD performance	4.22	0.72	4	
Gender equality and women's empowerment	4.21	0.84	4	
Innovation and Scaling-up	4.18	0.90	4	
Rural Poverty Impact	4.09	0.77	4	
Overall project achievement	3.98	0.75	4	Weaker Performance
Effectiveness	3.97	0.87	4	
Project Performance	3.95	0.76	4	
Environment and natural resources management	3.89	0.75	4	
Government performance	3.83	0.88	4	
Sustainability	3.67	0.78	4	
Efficiency	3.62	0.97	4	
Adaptation to climate change	3.59	0.93	4	

Source: IOE evaluation database, March 2017.

<sup>149</sup> In order to determine whether there is a significant difference in the means of the evaluation criteria ratings between 2010-2012 (IFAD8) and 2013-2015 (IFAD9) periods, a two sample t-test is used. These two period have been selected due to the sample size in each period, the consistency of the dataset and the number of missing values assuring the representativeness of the periods under review to provide reliable results.

## Part 2 - Two sample t-test on PCRV/PPEs data (independent data with unequal variances)

1. This section presents an overview of the statistical significance using a t-test procedure. Such procedure is useful for interpreting comparison results from two sets of data. The purpose of this study is to compare the means of the evaluation criteria between IFAD 9 and IFAD 8 data through the analysis of their statistical significance.
2. Results show that the average differences between IFAD 8 and IFAD 9 are positive and statistically significant for five evaluation indicators and suggest an improvement in the overall project performance<sup>150</sup> (Table 3).

### Interpreting the Non significance level results

3. Slight positive variances between IFAD 8 and IFAD 9 have been found, although they are not statistically significant.
4. The observed standard deviation comes in at 0.87 and 0.74 in IFAD 8 and IFAD 9 respectively. The mean score of the overall achievement in IFAD 9 (4.04) appears to be greater than the mean score of IFAD 8 (3.93). However, this difference<sup>151</sup> is not statistically significant.
5. It is worth noting that considering the nonsignificant difference, the sampling error may likely be too large as the sample size for these criteria remains small and therefore leading to a nonsignificant test.

Table 3

#### Comparison of projects ratings of IFAD 9 vs IFAD 8 for significant criteria

<i>Evaluation criteria</i>	<i>Difference between IFAD 9 and IFAD 8 averages</i>	<i>P-value</i>
Relevance	+ .21	.05**
Innovation & scaling up	+ .30	.03**
Project performance	+ .21	.08***
Gender equality & women empowerment	+ .66	.001*
IFAD performance	+ .23	.04**

Source: IOE ratings database 2017, STATA

\*, \*\* and \*\*\* respectively indicate significance at 1%, 5% and 10% level.

Table 4

#### Comparison of projects ratings of IFAD 9 vs IFAD 8 for non-significant criteria

<i>Evaluation criteria</i>	<i>Difference between IFAD 9 and IFAD 8 averages</i>	<i>P-value</i>
Efficiency	+ .16	.30
Effectiveness	+ .21	.13
Sustainability	-0.02	.89
Gov. performance	+ .21	.14
Rural & poverty impact	- .04	.76
Overall project achievement	+ .10	.41

Source: IOE ratings database 2017, STATA

\*, \*\* and \*\*\* respectively indicate significance at 1%, 5% and 10% level.

<sup>150</sup> Relevance, Innovation and scaling up, Project performance, Gender equality and women empowerment and IFAD performance.

<sup>151</sup> Two means may have a little difference, that difference is clearly mathematically different from zero, but statistically it is equal to zero.

### Part 3 - Test for correlation between evaluation criteria

1. The most commonly followed approach to evaluating project performance is an analysis of the various evaluation criteria through their ratings scale. This approach involves an examination of ratings for individual criteria in order to understand performance of projects (either the project is performing well or not). However, this method may reveal only part of the picture. It may be then useful to take into account ratings of other criteria which could be closely associated and could therefore guide in understanding the underlying explanation on the performance of projects. For instance, close association between ratings for effectiveness and sustainability could help understand to what extent project objectives have been reached and how results from the project are likely to continue beyond the phase of IFAD's funding support.
2. In order to avoid multicollinearity issues among some evaluation criteria, project performance and the overall project achievement criteria have been removed from the analysis. In fact, these variables represent two composite evaluation criteria: while the former is based on the ratings of four individual criteria (namely relevance, effectiveness, efficiency and sustainability), the latter is based on all eight criteria<sup>152</sup> applied by IOE.
3. The correlation analysis is based on IOE ratings<sup>153</sup> data available for projects completed between 2007 and 2015. For a better understanding of the underlying associations between the various evaluation criteria, the Spearman's rank correlation test<sup>154</sup> is used to undertake correlations. The correlation results are also tested for statistical significance at the 5 per cent significance level. The results are presented in a matrix form and show the degree of association i.e. the correlation coefficient between the various criteria.
4. For the sake of simplicity, the different correlation coefficient values could be interpreted<sup>155</sup> in the following way:
  - \* for values between 0.9 and 1, the correlation is very strong.
  - \* for values between 0.7 and 0.89, correlation is strong.
  - \* for values between 0.5 and 0.69, correlation is moderate.
  - \* for values between 0.3 and 0.4.9, correlation is moderate to low.
  - \* for values between 0.16 and 0.29, correlation is weak to low.
  - \* for values below 0.16, correlation is too low to be meaningful.
5. The graph below shows the scatterplots of all the variables with one another. It is important to ensure that there are no perfectly correlated variables (which would need removing) before looking for significant correlations and possibly clusters of them.
6. The results are presented in the table below. Thus, for instance, results show that:
  - A moderate to strong correlation exists between most criteria (0.60 to 0.71). Importantly, for these criteria, the results are all significant at the 5 per cent significance level.
  - The strongest correlation was observed between Government performance and effectiveness (0.71).
  - On the other hand, for indicators such as Rural Poverty Impact and Gender, the correlation with most variables was moderately low, although these results were significant at 5% level.

<sup>152</sup> See ARRI 2017, p. for description of all evaluation criteria.

<sup>153</sup> See IOE Evaluation manual, chap.2, p18, 2<sup>nd</sup> edition.

<sup>154</sup> The Spearman correlation test provides reliable results for ordinal variables which usually present non-linear relationship among them.

<sup>155</sup> There is no set rule in the interpretation of the correlation coefficient.



Table 5  
**Spearman's correlation coefficients**<sup>156</sup>

	<i>Relevance</i>	<i>Effectiveness</i>	<i>Efficiency</i>	<i>Sustainability</i>	<i>Rural Pov.</i>	<i>Innov.</i>	<i>Gender</i>	<i>Gov.</i>	<i>IFAD perf</i>
					<i>Imp</i>	<i>Scal</i>		<i>perf</i>	
Relevance	1.00								
Effectiveness	0.61*	1.00							
Efficiency	0.36*	0.59*	1.00						
Sustainability	0.47*	0.67*	0.44*	1.00					
Rural Pov. Imp	0.40*	0.42*	0.35*	0.47*	1.00				
Innov. Scal.	0.54*	0.66*	0.51*	0.52*	0.32*	1.00			
Gender	0.28*	0.44*	0.28*	0.30*	0.02	0.32*	1.00		
Gov. perf	0.47*	0.71*	0.68*	0.53*	0.38*	0.58*	0.44*	1.00	
IFAD perf	0.49*	0.61*	0.45*	0.54*	0.32*	0.42*	0.39*	0.62*	1.00

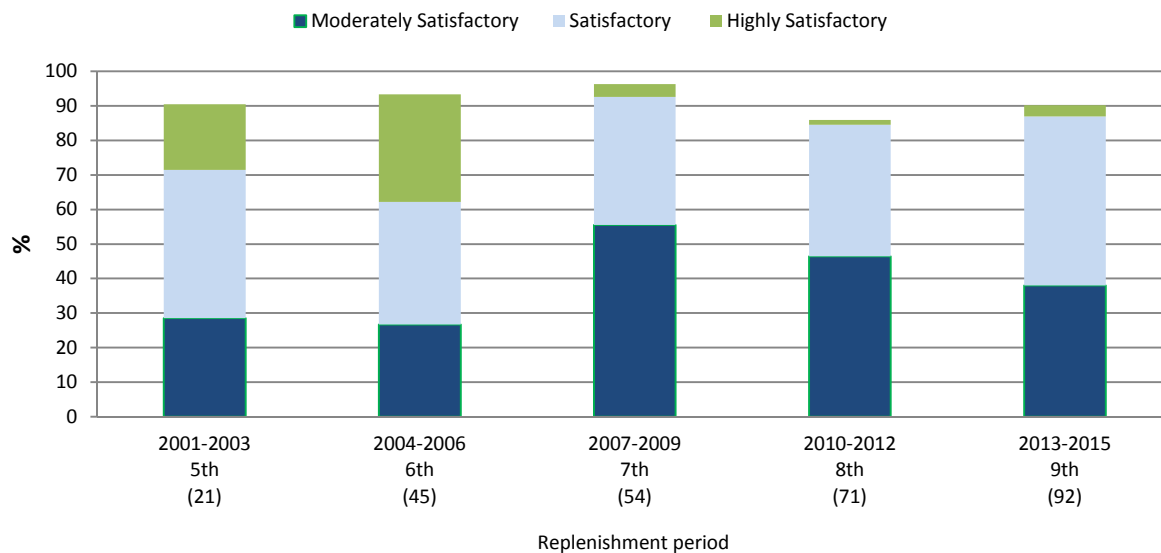
Source: IOE evaluation database, STATA, March 2017.

<sup>156</sup> \* means the correlation coefficient is statistically significant at 5% level.

## Project performance trends 2000-2015

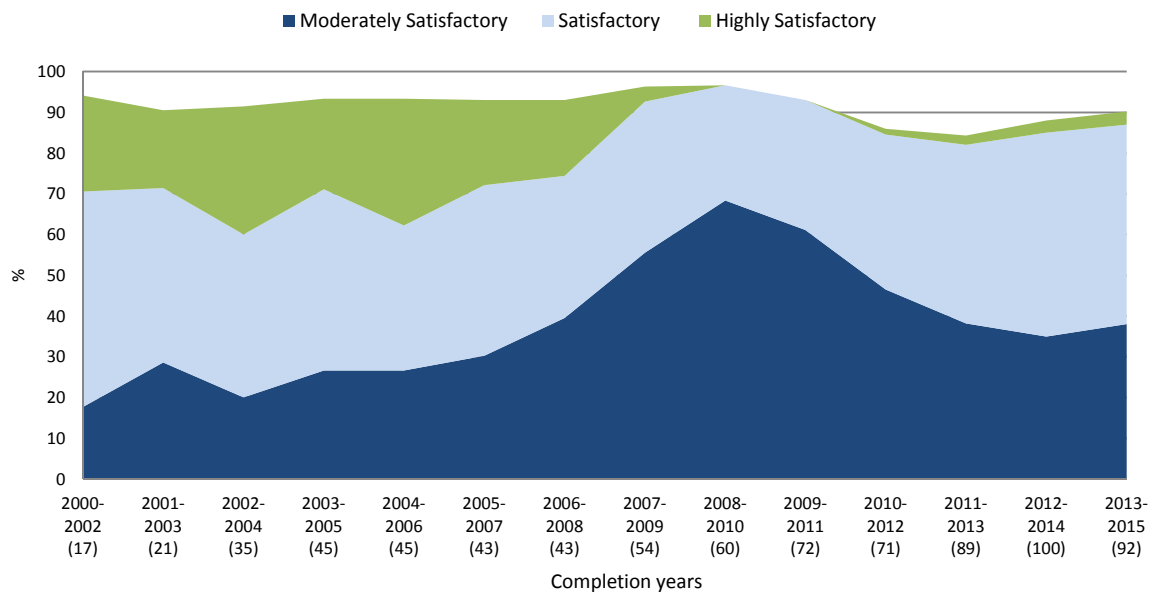
### Relevance

#### All evaluation data series by year of completion - by replenishment period



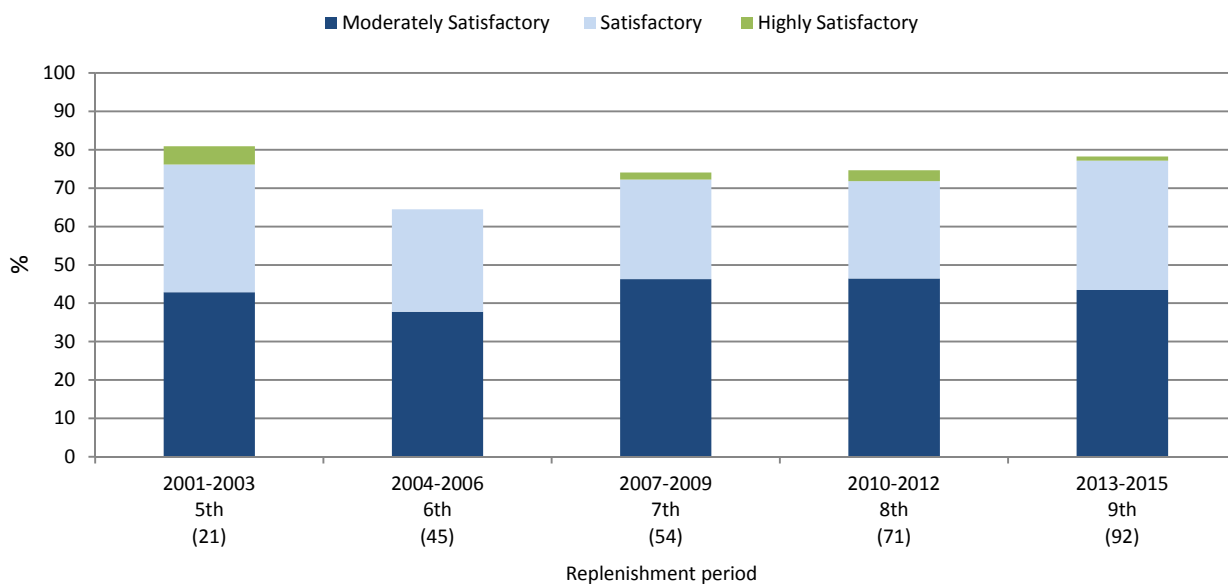
### Relevance

#### All evaluation data series by year of completion – 3-year moving averages



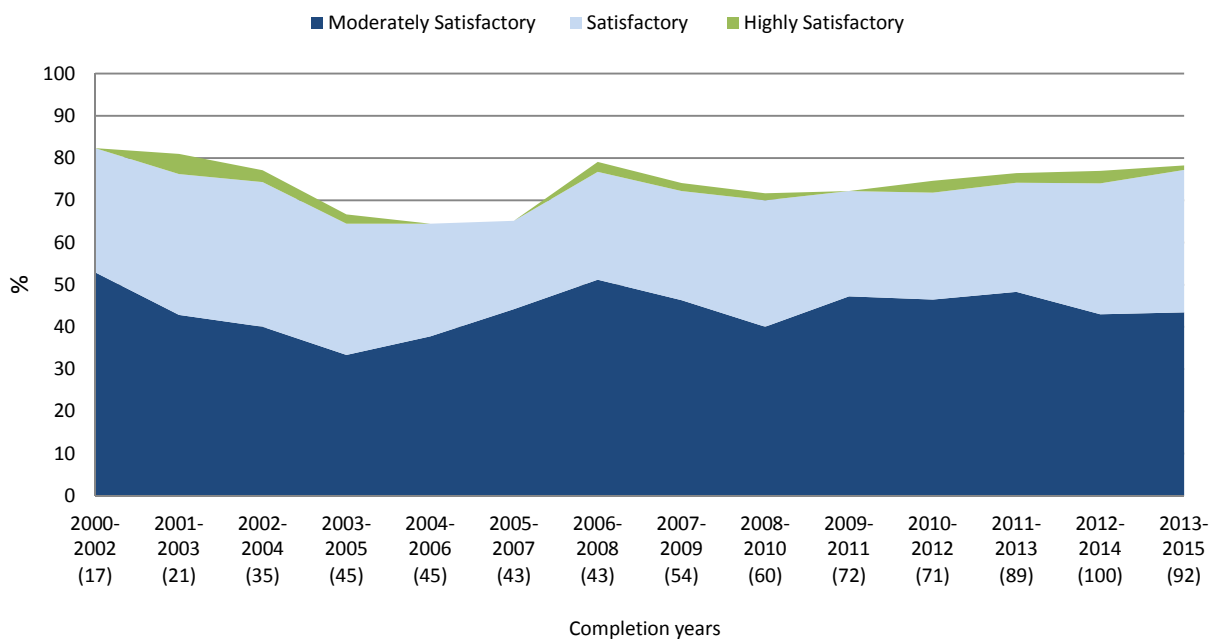
**Effectiveness**

**All evaluation data series by year of completion - by replenishment period**



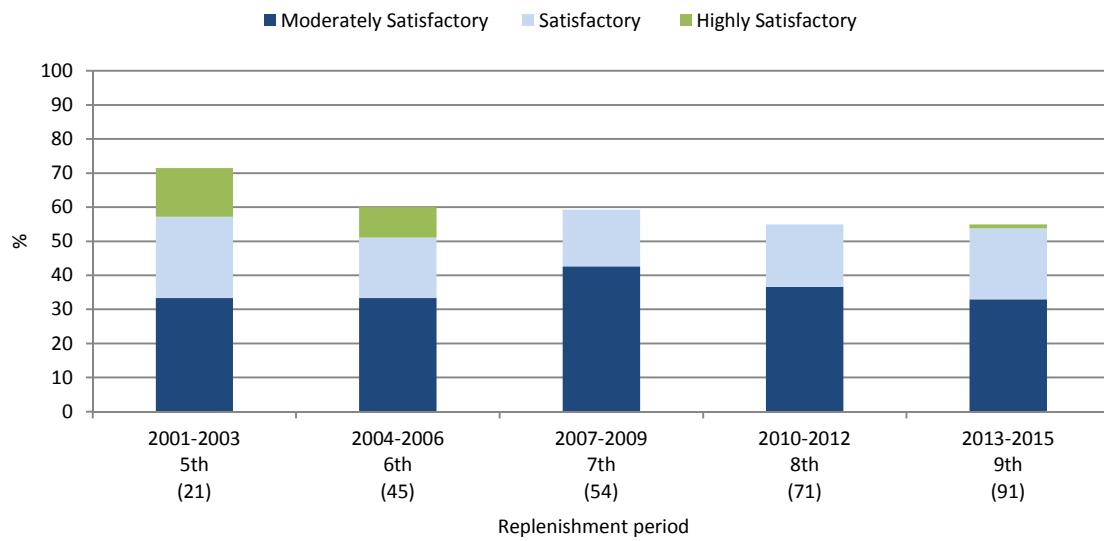
**Effectiveness**

**All evaluation data series by year of completion – 3-year moving averages**



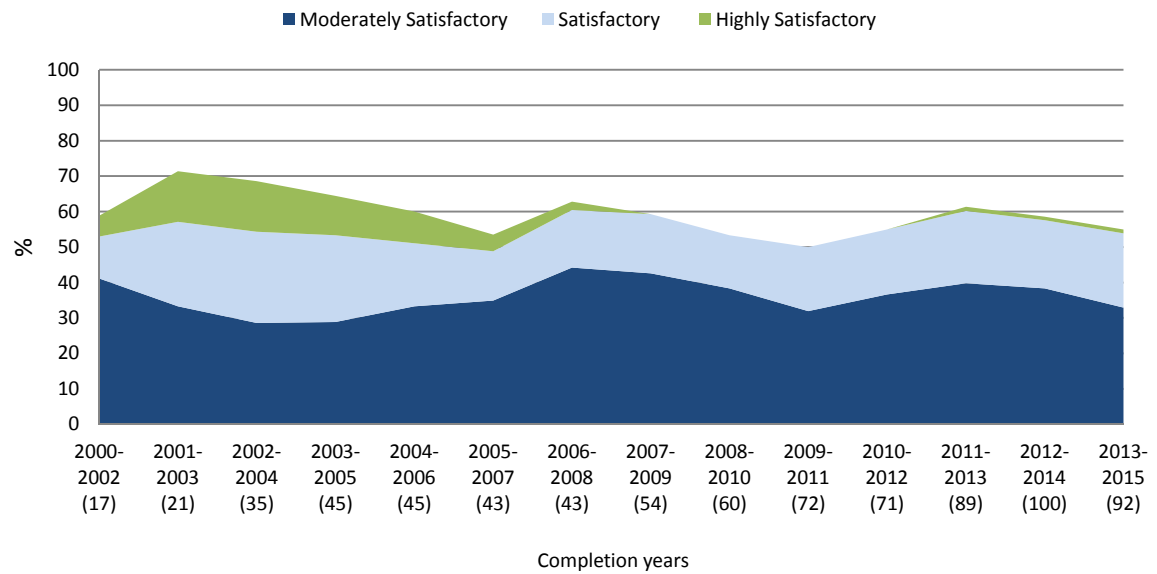
**Efficiency**

**All evaluation data series by year of completion - by replenishment period**



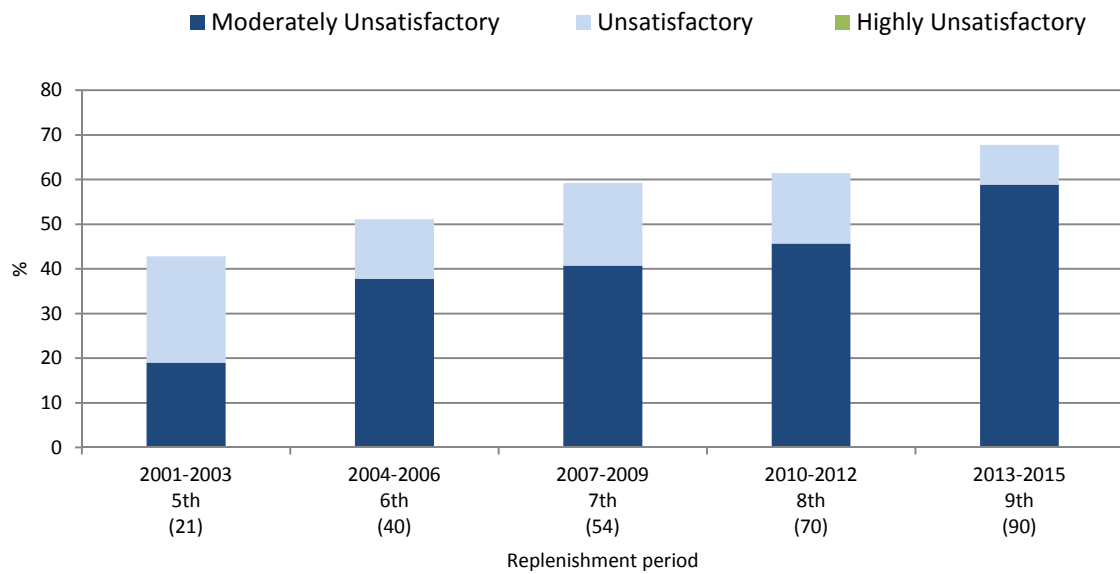
**Efficiency**

**All evaluation data series by year of completion – 3-year moving averages**



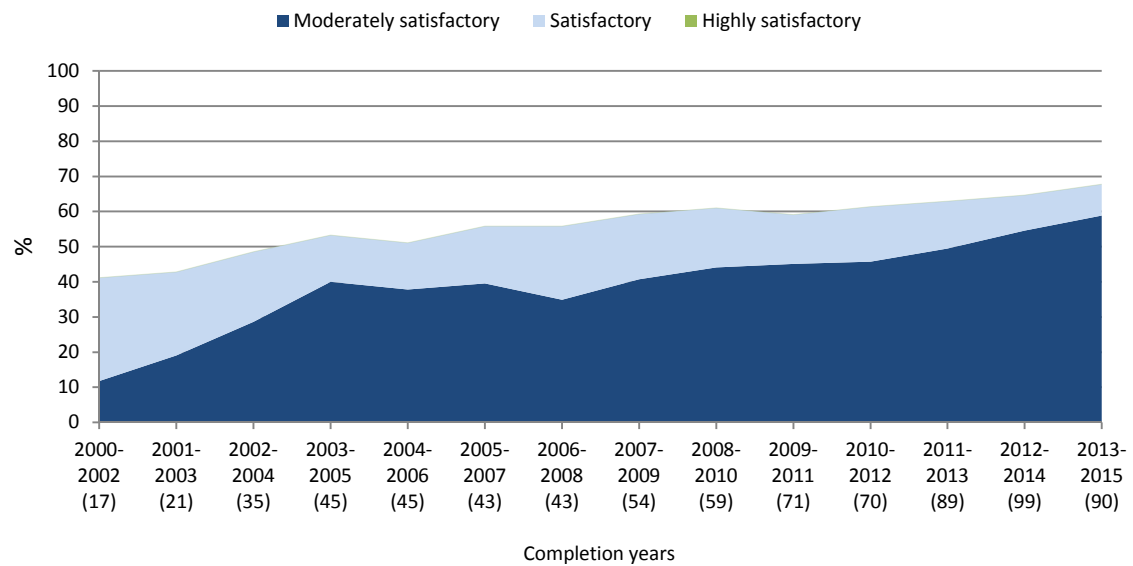
**Sustainability**

**All evaluation data series by year of completion - by replenishment period**

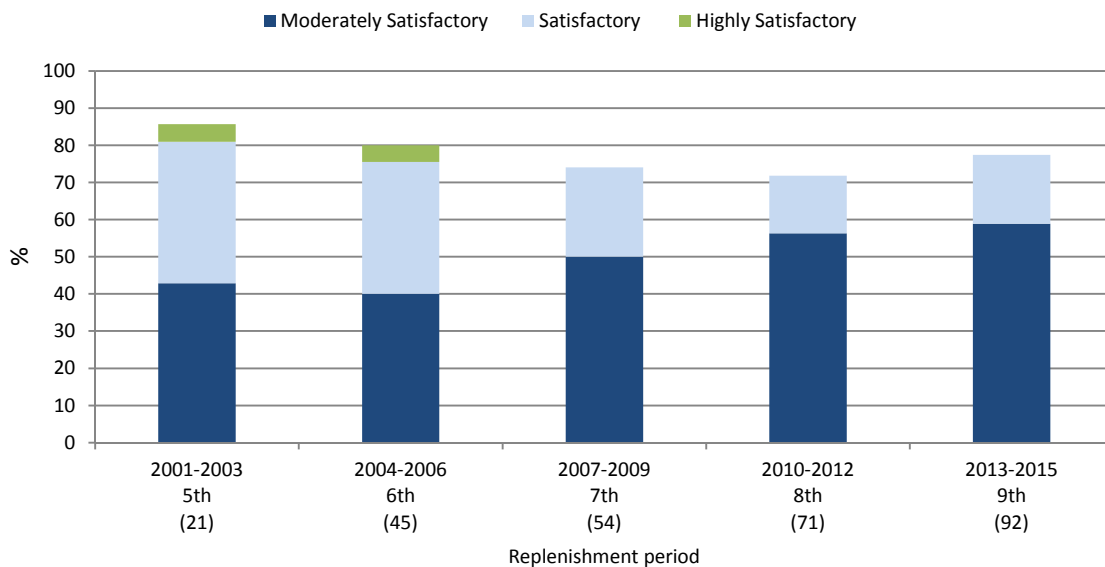


**Sustainability**

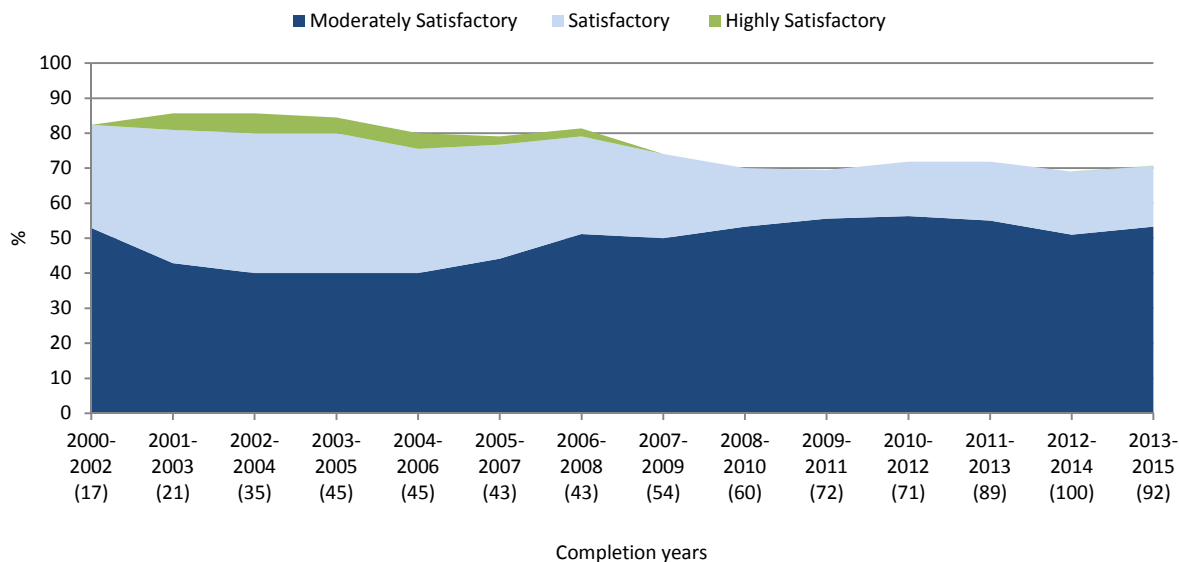
**All evaluation data series by year of completion – 3-year moving averages**



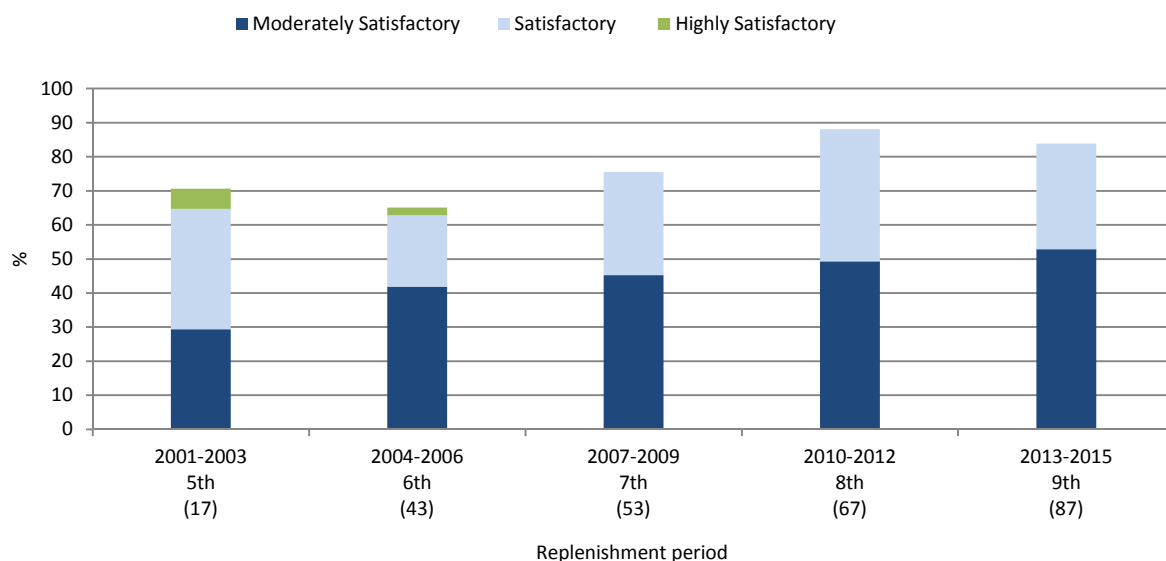
**Project performance**  
**All evaluation data series by year of completion - by replenishment period**



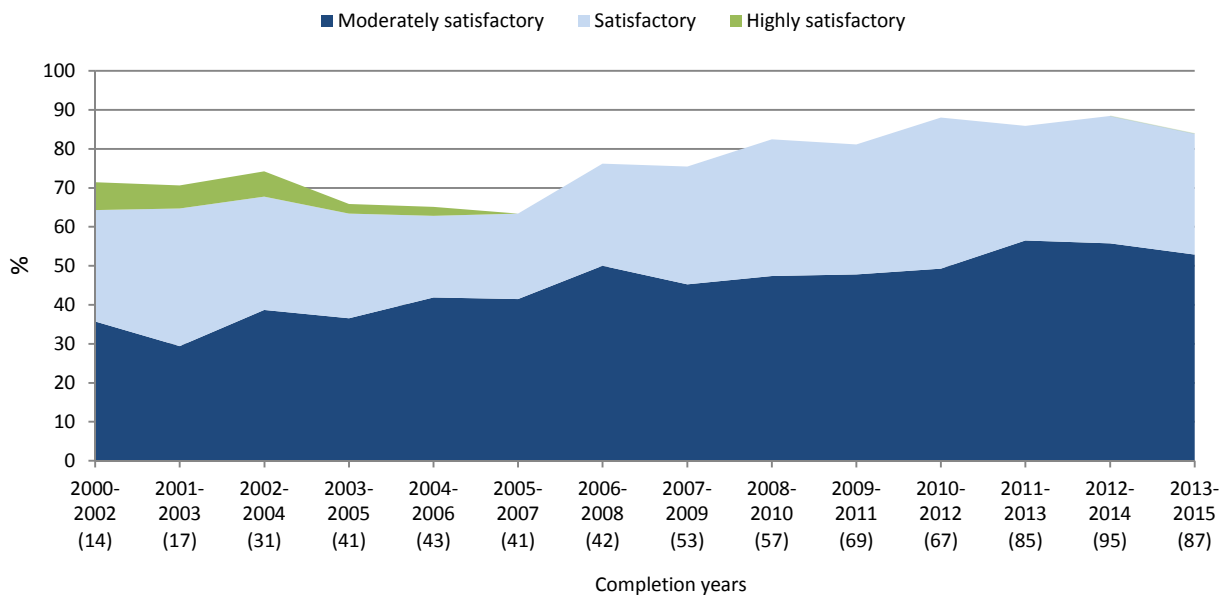
**Project performance**  
**All evaluation data series by year of completion – 3-year moving averages**



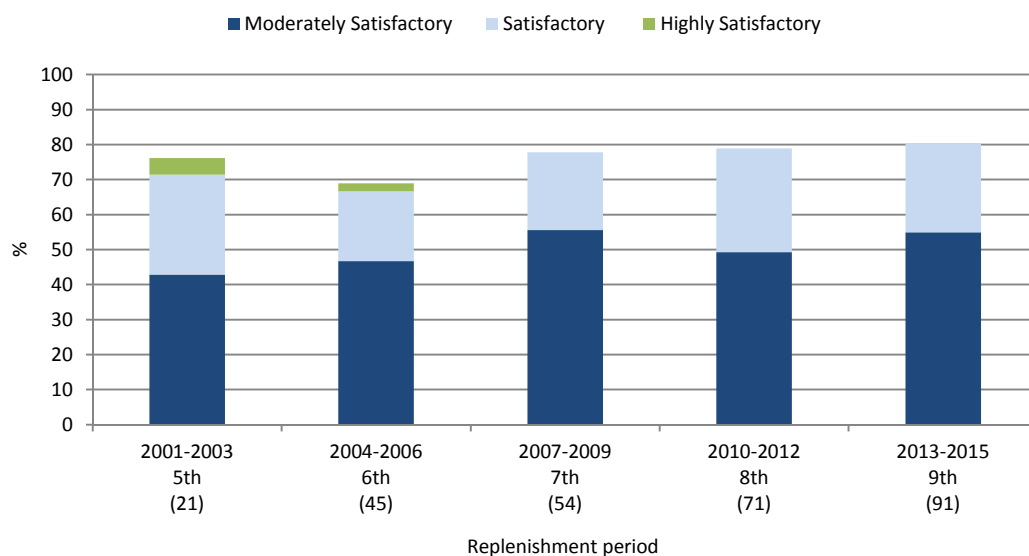
**Rural poverty impact**  
**All evaluation data series by year of completion - by replenishment period**



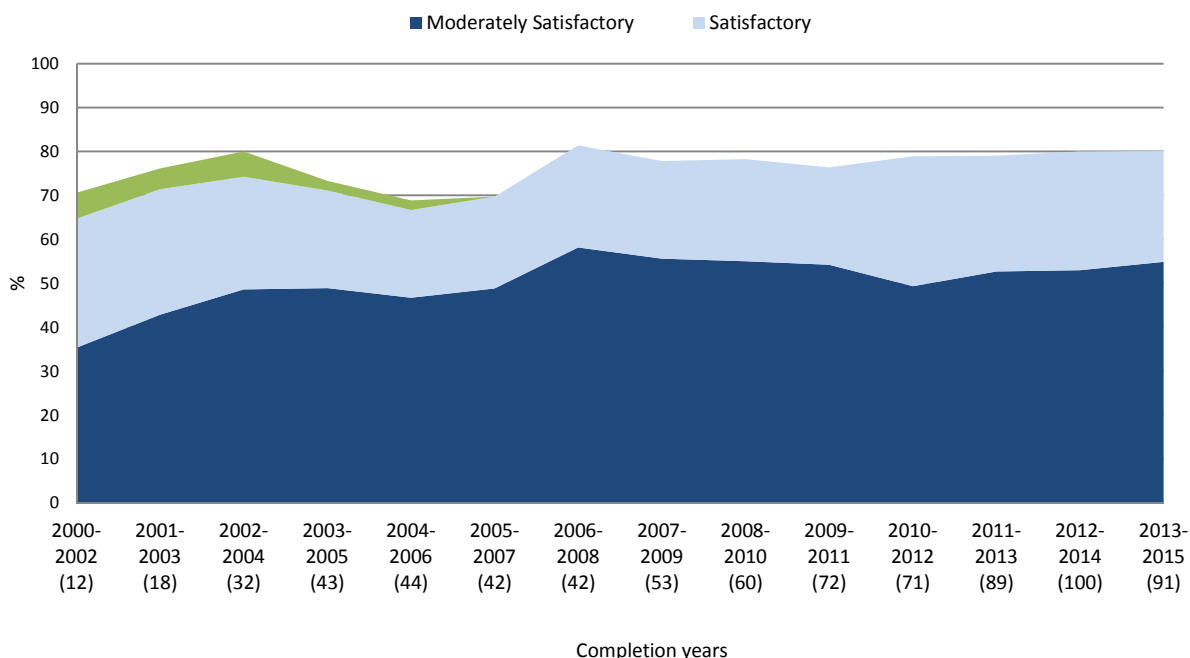
**Rural poverty impact**  
**All evaluation data series by year of completion - 3-year moving averages**



**Overall project achievement**  
**All evaluation data series by year of completion - by replenishment period**

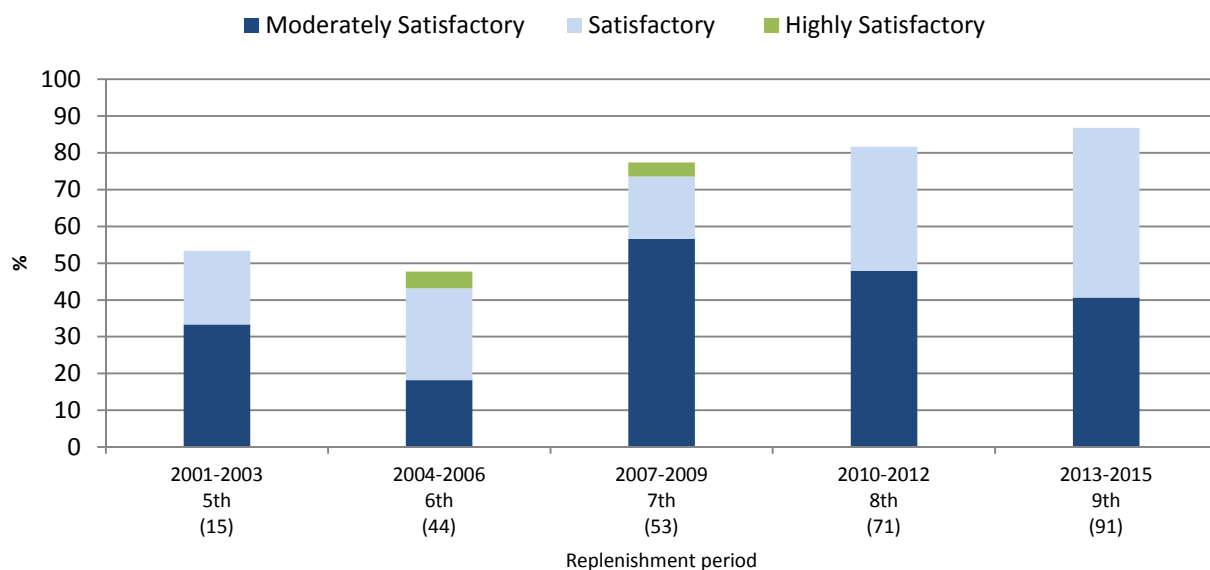


**Overall project achievement**  
**All evaluation data series by year of completion – 3-year moving averages**

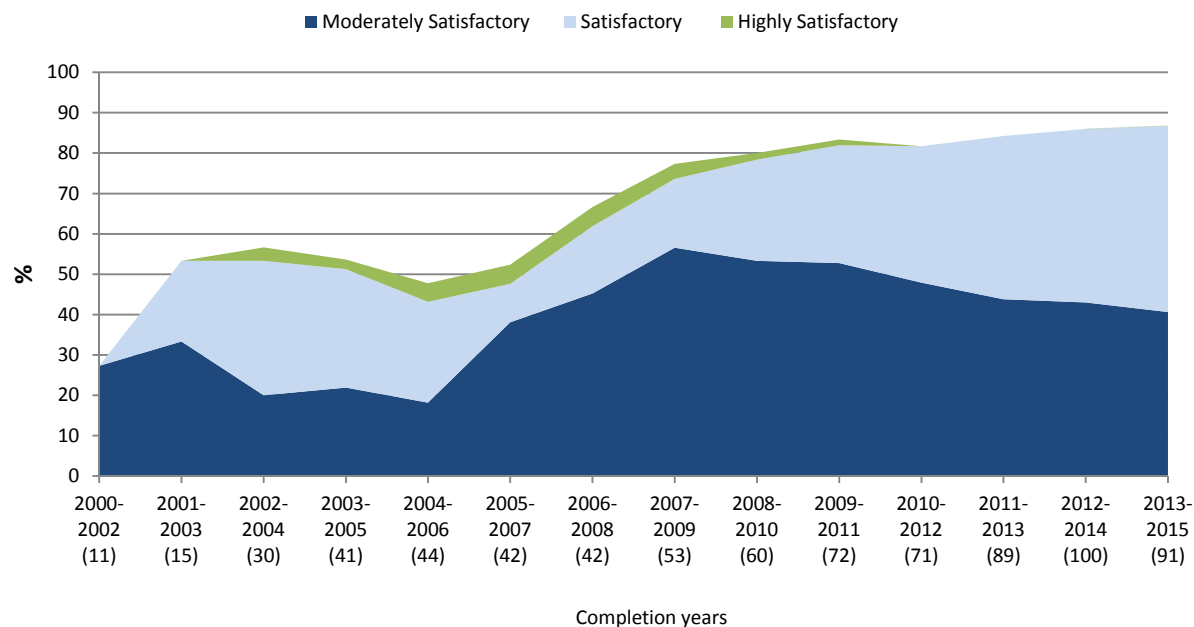




**IFAD performance as partner**  
**All evaluation data series by year of completion – by replenishment period**



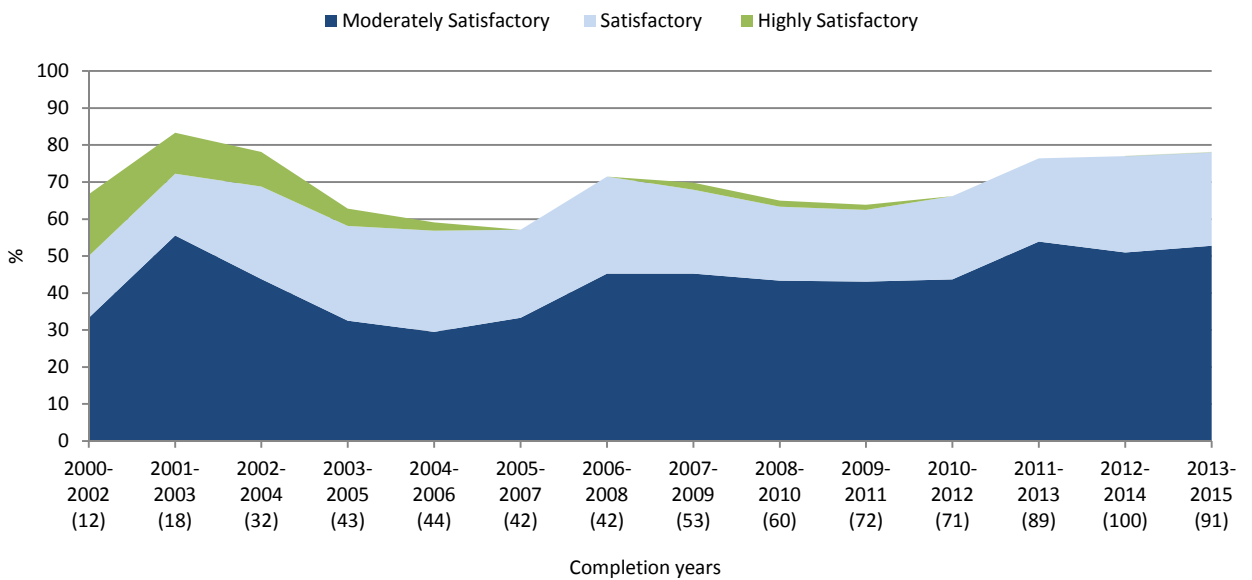
**IFAD performance as partner**  
**All evaluation data series by year of completion – 3-year moving averages**



**Government performance as a partner**  
**All evaluation data series by year of completion – by replenishment period**



**Government performance as a partner**  
**All evaluation data series by year of completion – 3-year moving averages**



## Project performance ratings 2000-2015

### Relevance

#### PCR/VPE data series by year of completion – 3-year moving averages

Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	1.6	2.4	3.7	2.9
Satisfactory	28.0	24.4	30.0	34.4	43.9	50.0	49.3
Moderately satisfactory	68.0	70.7	61.7	49.2	39.0	34.1	37.7
Moderately unsatisfactory	4.0	4.9	6.7	13.1	13.4	12.2	10.1
Unsatisfactory	0.0	0.0	1.7	1.6	1.2	0.0	0.0
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.2	4.2	4.2	4.2	4.3	4.5	4.4
Standard deviation	0.5	0.5	0.6	0.7	0.8	0.8	0.7
1st Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3rd Quartile	5.0	4.0	5.0	5.0	5.0	5.0	5.0

### Relevance

#### All evaluation data by year of completion – 3-year moving averages

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	23.5	19.0	31.4	22.2	31.1	20.9	18.6	3.7	0.0	0.0	1.4	2.2	3.0	3.3
Satisfactory	52.9	42.9	40.0	44.4	35.6	41.9	34.9	37.0	28.3	31.9	38.0	43.8	50.0	48.9
Moderately satisfactory	17.6	28.6	20.0	26.7	26.7	30.2	39.5	55.6	68.3	61.1	46.5	38.2	35.0	38.0
Moderately unsatisfactory	5.9	9.5	8.6	6.7	6.7	7.0	7.0	3.7	3.3	5.6	12.7	14.6	12.0	9.8
Unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	1.4	1.1	0.0	0.0
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.9	4.7	4.9	4.8	4.9	4.8	4.7	4.4	4.3	4.2	4.3	4.4	4.4	4.5
Standard deviation	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.6	0.5	0.6	0.7	0.8	0.7	0.7
1 <sup>st</sup> Quartile	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	6.0	5.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

## Relevance

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	19.0	31.1	3.7	1.4	3.3
Satisfactory	42.9	35.6	37.0	38.0	48.9
Moderately satisfactory	28.6	26.7	55.6	46.5	38.0
Moderately unsatisfactory	9.5	6.7	3.7	12.7	9.8
Unsatisfactory	0.0	0.0	0.0	1.4	0.0
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.7	4.9	4.4	4.3	4.5
Standard deviation	0.9	0.9	0.6	0.7	0.7
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	3.0
3 <sup>rd</sup> Quartile	5.0	6.0	5.0	5.0	4.0

## Effectiveness

**PCR/VPE data series by year of completion – 3-year moving averages**

Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	24.0	24.4	21.7	23.0	26.8	32.9	36.2
Moderately satisfactory	56.0	48.8	51.7	50.8	50.0	43.9	39.1
Moderately unsatisfactory	12.0	17.1	15.0	16.4	18.3	20.7	21.7
Unsatisfactory	8.0	9.8	11.7	9.8	4.9	2.4	2.9
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.0	3.9	3.8	3.9	4.0	4.1	4.1
Standard deviation	0.8	0.9	0.9	0.9	0.8	0.8	0.8
1 <sup>st</sup> Quartile	4.0	3.0	3.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	5.0	5.0	5.0

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## Effectiveness

**All evaluation data by year of completion – 3-year moving averages**

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	4.8	2.9	2.2	0.0	0.0	2.3	1.9	1.7	0.0	2.8	2.2	3.0	3.3
Satisfactory	29.4	33.3	34.3	31.1	26.7	20.9	25.6	25.9	30.0	25.0	25.4	25.8	50.0	1.1
Moderately satisfactory	52.9	42.9	40.0	33.3	37.8	44.2	51.2	46.3	40.0	47.2	46.5	48.3	35.0	33.7
Moderately unsatisfactory	11.8	14.3	17.1	28.9	26.7	25.6	9.3	18.5	20.0	18.1	15.5	20.2	12.0	43.5
Unsatisfactory	5.9	4.8	5.7	4.4	8.9	9.3	11.6	7.4	8.3	9.7	9.9	3.4	0.0	19.6
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	0.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.1	4.2	4.1	4.0	3.8	3.8	4.0	4.0	4.0	3.9	4.0	4.0	4.1	4.1
Standard deviation	0.8	0.9	0.9	0.9	0.9	0.9	1.0	0.9	0.9	0.9	1.0	0.8	0.8	0.8
1 <sup>st</sup> Quartile	4.0	4.0	4.0	3.0	3.0	3.0	4.0	3.3	3.0	3.0	3.5	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.3	5.0	5.0	5.0	5.0

## Effectiveness

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	4.8	0.0	1.9	2.8	1.1
Satisfactory	33.3	26.7	25.9	25.4	33.7
Moderately satisfactory	42.9	37.8	46.3	46.5	43.5
Moderately unsatisfactory	14.3	26.7	18.5	15.5	19.6
Unsatisfactory	4.8	8.9	7.4	9.9	2.2
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.2	3.8	4.0	4.0	4.1
Standard deviation	0.9	0.9	0.9	1.0	0.8
1 <sup>st</sup> Quartile	4.0	3.0	3.3	3.5	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0

## Efficiency

**PCR/V/PPE data series by year of completion – 3-year moving averages**

Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	1.2	1.2	1.5
Satisfactory	16.0	14.6	18.3	14.8	17.3	17.3	20.6
Moderately satisfactory	48.0	34.1	30.0	37.7	43.2	43.2	35.3
Moderately unsatisfactory	24.0	36.6	36.7	32.8	25.9	27.2	30.9
Unsatisfactory	12.0	14.6	13.3	11.5	9.9	9.9	11.8
Highly unsatisfactory	0.0	0.0	1.7	3.3	2.5	1.2	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.7	3.5	3.5	3.5	3.7	3.7	3.7
Standard deviation	0.9	0.9	1.0	1.0	1.0	1.0	1.0
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	3.0	3.0	3.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0

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## Efficiency

**All evaluation data by year of completion – 3-year moving averages**

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	5.9	14.3	14.3	11.1	8.9	4.7	2.3	0.0	0.0	0.0	0.0	1.1	1.0	1.1
Satisfactory	11.8	23.8	25.7	24.4	17.8	14.0	16.3	16.7	15.0	18.1	18.3	20.5	19.2	20.9
Moderately satisfactory	41.2	33.3	28.6	28.9	33.3	34.9	44.2	42.6	38.3	31.9	36.6	39.8	38.4	33.0
Moderately unsatisfactory	29.4	14.3	17.1	26.7	28.9	34.9	23.3	27.8	33.3	36.1	32.4	27.3	32.3	36.3
Unsatisfactory	0.0	4.8	8.6	6.7	6.7	7.0	9.3	11.1	13.3	12.5	9.9	9.1	8.1	8.8
Highly unsatisfactory	11.8	9.5	5.7	2.2	4.4	4.7	4.7	1.9	0.0	1.4	2.8	2.3	1.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	0.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.1	4.0	4.0	4.0	3.8	3.6	3.7	3.6	3.6	3.5	3.6	3.7	3.7	3.7
Standard deviation	0.8	1.4	1.4	1.2	1.2	1.1	1.1	1.0	0.9	1.0	1.0	1.0	0.9	0.9
1 <sup>st</sup> Quartile	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0

Efficiency

**All evaluation data by year of completion - by replenishment period**

Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	14.3	8.9	0.0	0.0	1.1
Satisfactory	23.8	17.8	16.7	18.3	20.9
Moderately satisfactory	33.3	33.3	42.6	36.6	33.0
Moderately unsatisfactory	14.3	28.9	27.8	32.4	36.3
Unsatisfactory	4.8	6.7	11.1	9.9	8.8
Highly unsatisfactory	9.5	4.4	1.9	2.8	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.0	3.8	3.6	3.6	3.7
Standard deviation	1.4	1.2	1.0	1.0	0.9
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	3.0
3 <sup>rd</sup> Quartile	5.0	5.0	4.0	4.0	4.0



## Sustainability

**PCR/PPE data series by year of completion – 3-year moving averages**

Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	20.0	17.5	13.6	11.7	11.0	8.5	8.7
Moderately satisfactory	40.0	45.0	42.4	46.7	51.2	56.1	56.5
Moderately unsatisfactory	28.0	30.0	37.3	35.0	34.1	30.5	31.9
Unsatisfactory	12.0	5.0	5.1	5.0	3.7	4.9	2.9
Highly unsatisfactory	0.0	2.5	1.7	1.7	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.7	3.7	3.6	3.6	3.7	3.7	3.7
Standard deviation	0.9	0.9	0.8	0.8	0.7	0.7	0.7
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	3.0	3.0	3.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0

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## Sustainability

**All evaluation data by year of completion – 3-year moving averages**

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	29.4	23.8	20.0	13.3	13.3	16.3	20.9	18.5	16.9	14.1	15.7	13.5	10.1	8.9
Moderately satisfactory	11.8	19.0	28.6	40.0	37.8	39.5	34.9	40.7	44.1	45.1	45.7	49.4	54.5	58.9
Moderately unsatisfactory	35.3	38.1	31.4	26.7	26.7	25.6	32.6	31.5	33.9	35.2	32.9	33.7	29.3	27.8
Unsatisfactory	17.6	14.3	17.1	17.8	20.0	18.6	11.6	9.3	3.4	4.2	4.3	3.4	6.1	4.4
Highly unsatisfactory	5.9	4.8	2.9	2.2	2.2	0.0	0.0	0.0	1.7	1.4	1.4	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	73.3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	0.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.4	3.4	3.5	3.4	3.4	3.5	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Standard deviation	1.2	1.1	1.1	1.0	1.0	1.0	0.9	0.9	0.8	0.8	0.8	0.7	0.7	0.7
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
3 <sup>rd</sup> Quartile	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0

## Sustainability

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	0.0	0.0	0.0	0.0	0.0
Satisfactory	23.8	13.3	18.5	15.7	8.9
Moderately satisfactory	19.0	37.8	40.7	45.7	58.9
Moderately unsatisfactory	38.1	26.7	31.5	32.9	27.8
Unsatisfactory	14.3	20.0	9.3	4.3	4.4
Highly unsatisfactory	4.8	2.2	0.0	1.4	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	3.4	3.4	3.7	3.7	3.7
Standard deviation	1.1	1.0	0.9	0.8	0.7
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	3.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.0

Project performance  
**PCR/VPE data series by year of completion – 3-year moving averages**  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	20.0	14.6	13.3	11.5	14.6	14.6	13.0
Moderately satisfactory	56.0	53.7	55.0	57.4	57.3	53.7	53.6
Moderately unsatisfactory	20.0	26.8	25.0	21.3	22.0	25.6	27.5
Unsatisfactory	4.0	4.9	6.7	9.8	6.1	6.1	5.8
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.9	3.8	3.8	3.8	4.0	4.1	4.1
Standard deviation	0.7	0.7	0.8	0.8	0.8	0.7	0.7
1 <sup>st</sup> Quartile	4.0	3.7	3.0	3.3	3.6	3.6	3.5
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.6	4.6	4.7

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Project performance  
**All evaluation data by year of completion – 3-year moving averages**  
 Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	4.8	5.7	4.4	4.4	2.3	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	29.4	38.1	40.0	40.0	35.6	32.6	27.9	24.1	16.7	13.9	15.5	16.9	18.0	17.4
Moderately satisfactory	52.9	42.9	40.0	40.0	40.0	44.2	51.2	50.0	53.3	55.6	56.3	55.1	51.0	53.3
Moderately unsatisfactory	11.8	9.5	14.3	15.6	20.0	14.0	11.6	20.4	26.7	25.0	19.7	22.5	26.0	25.0
Unsatisfactory	5.9	4.8	0.0	0.0	0.0	7.0	7.0	5.6	3.3	5.6	8.5	5.6	5.0	4.3
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.1	4.3	4.4	4.3	4.3	4.1	4.1	4.0	3.9	3.8	3.9	4.0	4.1	4.1
Standard deviation	0.8	0.9	0.8	0.8	0.8	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.7	0.7
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.8	3.7	3.0	3.7	3.5	3.7	3.7
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.2	4.0	4.0	4.3	4.6	4.7	4.7

## Project performance

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	4.8	4.4	0.0	0.0	0.0
Satisfactory	38.1	35.6	24.1	15.5	17.4
Moderately satisfactory	42.9	40.0	50.0	56.3	53.3
Moderately unsatisfactory	9.5	20.0	20.4	19.7	25.0
Unsatisfactory	4.8	0.0	5.6	8.5	4.3
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.3	4.3	4.0	3.9	4.1
Standard deviation	0.9	0.8	0.8	0.8	0.7
1 <sup>st</sup> Quartile	4.0	4.0	3.8	3.7	3.7
3 <sup>rd</sup> Quartile	5.0	5.0	4.2	4.3	4.7

Rural poverty impact  
**PCR/PPE data series by year of completion – 3-year moving averages**  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	24.0	31.6	31.6	35.1	28.2	32.1	28.8
Moderately satisfactory	56.0	52.6	49.1	50.9	57.7	56.4	56.1
Moderately unsatisfactory	16.0	10.5	12.3	8.8	10.3	9.0	10.6
Unsatisfactory	4.0	5.3	7.0	5.3	3.8	2.6	4.5
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.0	4.1	4.1	4.2	4.1	4.2	4.1
Standard deviation	0.7	0.8	0.8	0.8	0.7	0.7	0.8
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	5.0	5.0	5.0	5.0	5.0	5.0

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Rural poverty impact  
**All evaluation data by year of completion – 3-year moving averages**  
 Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	7.1	5.9	6.5	2.4	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	28.6	35.3	29.0	26.8	20.9	22.0	26.2	30.2	35.1	33.3	38.8	29.4	32.6	31.0
Moderately satisfactory	35.7	29.4	38.7	36.6	41.9	41.5	50.0	45.3	47.4	47.8	49.3	56.5	55.8	52.9
Moderately unsatisfactory	21.4	23.5	22.6	29.3	27.9	31.7	21.4	22.6	14.0	13.0	7.5	10.6	9.5	12.6
Unsatisfactory	7.1	5.9	3.2	4.9	7.0	4.9	2.4	1.9	3.5	5.8	4.5	3.5	2.1	3.4
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.1	4.1	4.1	3.9	3.8	3.8	4.0	4.0	4.1	4.1	4.2	4.1	4.2	4.1
Standard deviation	1.0	1.0	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7
1 <sup>st</sup> Quartile	3.3	3.0	3.5	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	4.0	4.0	4.9	5.0	5.0	5.0	5.0	5.0	5.0	5.0

## Rural poverty impact

### All evaluation data by year of completion – by replenishment period

Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	5.9	2.3	0.0	0.0	0.0
Satisfactory	35.3	20.9	30.2	38.8	31.0
Moderately satisfactory	29.4	41.9	45.3	49.3	52.9
Moderately unsatisfactory	23.5	27.9	22.6	7.5	12.6
Unsatisfactory	5.9	7.0	1.9	4.5	3.4
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.1	3.8	4.0	4.2	4.1
Standard deviation	1.0	0.9	0.8	0.8	0.7
1 <sup>st</sup> Quartile	3.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	4.0	5.0	5.0	5.0

Environment and Natural Resources management  
PCR/V/PPE data series by year of completion – 3-year moving averages

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	2.2	1.6	3.2	1.9
Satisfactory	15.0	16.7	12.8	10.9	9.5	15.9	16.7
Moderately satisfactory	60.0	63.3	55.3	52.2	57.1	58.7	63.0
Moderately unsatisfactory	20.0	16.7	25.5	30.4	27.0	20.6	16.7
Unsatisfactory	5.0	3.3	6.4	4.3	4.8	1.6	1.9
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.9	3.9	3.7	3.8	3.8	4.0	4.0
Standard deviation	0.7	0.7	0.8	0.8	0.8	0.8	0.7
1 <sup>st</sup> Quartile	3.8	4.0	3.0	3.0	3.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0

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Environment and Natural Resources management  
All evaluation data by year of completion – 3-year moving averages

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	5.6	3.3	2.7	0.0	0.0	3.0	2.4	2.3	0.0	1.9	1.5	2.6	1.4
Satisfactory	33.3	33.3	23.3	21.6	17.6	25.0	21.2	21.4	18.6	13.0	14.8	11.8	18.4	15.5
Moderately satisfactory	25.0	33.3	30.0	29.7	20.6	15.6	24.2	40.5	55.8	57.4	51.9	55.9	53.9	60.6
Moderately unsatisfactory	16.7	16.7	23.3	21.6	35.3	40.6	42.4	28.6	20.9	24.1	25.9	25.0	22.4	21.1
Unsatisfactory	16.7	5.6	13.3	16.2	14.7	12.5	6.1	7.1	2.3	5.6	5.6	5.9	2.6	1.4
Highly unsatisfactory	8.3	5.6	6.7	8.1	11.8	6.3	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.6	4.0	3.6	3.5	3.2	3.4	3.7	3.8	4.0	3.8	3.8	3.8	4.0	3.9
Standard deviation	1.3	1.2	1.3	1.3	1.2	1.2	1.1	0.9	0.8	0.7	0.8	0.8	0.8	0.7
1 <sup>st</sup> Quartile	2.8	3.2	3.0	3.0	2.3	3.0	3.0	3.0	4.0	3.0	3.0	3.0	3.8	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	4.8	4.0	4.0	4.3	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0

## Environment and Natural Resources management

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	5.6	0.0	2.4	1.9	1.4
Satisfactory	33.3	17.6	21.4	14.8	15.5
Moderately satisfactory	33.3	20.6	40.5	51.9	60.6
Moderately unsatisfactory	16.7	35.3	28.6	25.9	21.1
Unsatisfactory	5.6	14.7	7.1	5.6	1.4
Highly unsatisfactory	5.6	11.8	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.0	3.2	3.8	3.8	3.9
Standard deviation	1.2	1.2	0.9	0.8	0.7
1 <sup>st</sup> Quartile	3.3	2.3	3.0	3.0	4.0
3 <sup>rd</sup> Quartile	5.0	4.0	4.0	4.0	4.0



Adaptation to climate change  
**PCR/PPE data series by year of completion – 3-year moving averages**  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	2.2	1.7	1.6	0.0
Satisfactory	15.0	16.7	13.0	11.1	10.0	11.5	13.2
Moderately satisfactory	60.0	63.3	54.3	48.9	55.0	65.6	67.9
Moderately unsatisfactory	20.0	16.7	26.1	31.1	23.3	13.1	7.5
Unsatisfactory	5.0	3.3	6.5	6.7	10.0	8.2	11.3
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.9	3.9	3.7	3.7	3.7	3.9	3.8
Standard deviation	0.7	0.7	0.8	0.8	0.8	0.8	0.8
1 <sup>st</sup> Quartile	3.8	4.0	3.0	3.0	3.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0

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Adaptation to climate change  
**All evaluation data by year of completion – 3-year moving averages**  
 Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	5.6	3.3	2.7	0.0	0.0	3.0	2.4	2.4	0.0	1.9	1.5	1.4	0.0
Satisfactory	33.3	33.3	23.3	21.6	17.6	25.0	21.2	21.4	19.0	13.5	15.4	12.3	14.9	12.9
Moderately satisfactory	25.0	33.3	30.0	29.7	20.6	15.6	24.2	40.5	54.8	55.8	48.1	53.8	59.5	64.3
Moderately unsatisfactory	16.7	16.7	23.3	21.6	35.3	40.6	42.4	28.6	21.4	25.0	26.9	21.5	16.2	14.3
Unsatisfactory	16.7	5.6	13.3	16.2	14.7	12.5	6.1	7.1	2.4	5.8	7.7	10.8	8.1	8.6
Highly unsatisfactory	8.3	5.6	6.7	8.1	11.8	6.3	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.6	4.0	3.6	3.5	3.2	3.4	3.7	3.8	4.0	3.8	3.8	3.7	3.9	3.8
Standard deviation	4.2	4.9	4.5	4.4	4.1	4.3	4.6	4.8	4.9	4.7	0.9	0.9	0.8	0.8
1 <sup>st</sup> Quartile	4.1	4.8	4.5	4.3	4.0	4.2	4.6	4.7	4.8	4.6	3.0	3.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.2	5.0	4.5	4.4	4.1	4.4	4.7	4.8	4.9	4.7	4.0	4.0	4.0	4.0

## Adaptation to climate change

### All evaluation data by year of completion - by replenishment period

Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	5.6	0.0	2.4	1.9	0.0
Satisfactory	33.3	17.6	21.4	15.4	12.9
Moderately satisfactory	33.3	20.6	40.5	48.1	64.3
Moderately unsatisfactory	16.7	35.3	28.6	26.9	14.3
Unsatisfactory	5.6	14.7	7.1	7.7	8.6
Highly unsatisfactory	5.6	11.8	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.0	3.2	3.8	3.8	3.8
Standard deviation	1.2	1.2	0.9	4.7	0.8
1 <sup>st</sup> Quartile	3.3	2.3	3.0	4.6	4.0
3 <sup>rd</sup> Quartile	5.0	4.0	4.0	4.7	4.0

Innovation and scaling-up  
**PCR/VPE data series by year of completion – 3-year moving averages**  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	4.0	4.9	3.3	3.3	2.4	3.7	2.9
Satisfactory	28.0	29.3	30.0	34.4	37.8	37.8	37.7
Moderately satisfactory	40.0	39.0	40.0	37.7	43.9	48.8	50.7
Moderately unsatisfactory	24.0	17.1	18.3	16.4	13.4	8.5	8.7
Unsatisfactory	4.0	7.3	6.7	6.6	1.2	0.0	0.0
Highly unsatisfactory	0.0	2.4	1.7	1.6	1.2	1.2	0.0
	100	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.0	4.0	4.0	4.1	4.2	4.3	4.3
Standard deviation	0.9	1.1	1.0	1.0	0.8	0.8	0.7
1 <sup>st</sup> Quartile	3.0	3.0	3.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	5.0	5.0

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Innovation and scaling-up  
**All evaluation data by year of completion – 3-year moving averages**  
 Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9	3.3	2.8	2.8	2.2	3.0	3.3
Satisfactory	46.2	36.8	37.5	31.7	26.2	26.2	34.9	31.5	30.0	29.2	33.8	36.0	34.0	33.7
Moderately satisfactory	30.8	31.6	28.1	29.3	35.7	40.5	44.2	44.4	43.3	43.1	39.4	43.8	49.0	46.7
Moderately unsatisfactory	7.7	15.8	21.9	29.3	31.0	28.6	18.6	18.5	16.7	18.1	16.9	15.7	12.0	15.2
Unsatisfactory	15.4	15.8	12.5	9.8	7.1	4.8	2.3	3.7	5.0	5.6	4.2	2.2	2.0	1.1
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	1.4	2.8	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.1	3.9	3.9	3.8	3.8	3.9	4.1	4.1	4.1	4.0	4.1	4.2	4.2	4.2
Standard deviation	1.1	1.1	1.0	1.0	0.9	0.9	0.8	0.8	1.0	1.0	1.0	0.8	0.8	0.8
1 <sup>st</sup> Quartile	4.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	3.8	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	4.8	4.8	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

## Innovation and scaling-up

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	0.0	0.0	1.9	2.8	3.3
Satisfactory	36.8	26.2	31.5	33.8	33.7
Moderately satisfactory	31.6	35.7	44.4	39.4	46.7
Moderately unsatisfactory	15.8	31.0	18.5	16.9	15.2
Unsatisfactory	15.8	7.1	3.7	4.2	1.1
Highly unsatisfactory	0.0	0.0	0.0	2.8	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	3.9	3.8	4.1	4.1	4.2
Standard deviation	1.1	0.9	0.8	1.0	0.8
1 <sup>st</sup> Quartile	3.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	4.8	5.0	5.0	5.0

Gender equality and women's empowerment  
**PCR/PPE data series by year of completion – 3-year moving averages**  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	8.3	5.0	3.3	1.6	3.8	5.1	4.6
Satisfactory	29.2	25.0	28.3	36.1	41.3	34.6	33.8
Moderately satisfactory	50.0	47.5	46.7	41.0	38.8	44.9	46.2
Moderately unsatisfactory	8.3	17.5	18.3	19.7	13.8	12.8	13.8
Unsatisfactory	4.2	5.0	3.3	1.6	2.5	2.6	1.5
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.3	4.1	4.1	4.2	4.3	4.3	4.3
Standard deviation	0.9	0.9	0.9	0.8	0.8	0.8	0.8
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	5.0	5.0

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Gender equality and women's empowerment  
**All evaluation data by year of completion – 3-year moving averages**  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	7.4	4.8	3.2	1.5	3.4	4.2	3.4
Satisfactory	29.6	28.6	31.7	38.8	40.2	32.3	33.0
Moderately satisfactory	51.9	45.2	44.4	38.8	40.2	47.9	48.9
Moderately unsatisfactory	7.4	16.7	17.5	17.9	14.9	14.6	13.6
Unsatisfactory	3.7	4.8	3.2	3.0	1.1	1.0	1.1
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.3	4.1	4.1	4.2	4.3	4.2	4.2
Standard deviation	0.9	0.9	0.9	0.8	0.8	0.8	0.8
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	5.0	5.0

## Gender equality and women's empowerment

### All evaluation data by year of completion - by replenishment period

#### Percentage of projects

	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	7.4	1.5	3.4
Satisfactory	29.6	38.8	33.0
Moderately satisfactory	51.9	38.8	48.9
Moderately unsatisfactory	7.4	17.9	13.6
Unsatisfactory	3.7	3.0	1.1
Highly unsatisfactory	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.3	4.2	4.2
Standard deviation	0.9	0.8	0.8
1 <sup>st</sup> Quartile	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0

## Overall project achievement

**PCR/V/PPE data series by year of completion – 3-year moving averages**

Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	20.0	22.0	21.7	26.2	25.6	26.8	26.1
Moderately satisfactory	60.0	56.1	55.0	50.8	53.7	54.9	55.1
Moderately unsatisfactory	12.0	12.2	13.3	13.1	17.1	15.9	15.9
Unsatisfactory	8.0	9.8	10.0	9.8	3.7	2.4	2.9
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.9	3.9	3.9	3.9	4.0	4.1	4.0
Standard deviation	0.8	0.8	0.9	0.9	0.8	0.7	0.7
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	5.0	4.8	5.0	5.0

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## Overall project achievement

**All evaluation data by year of completion – 3-year moving averages**

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	5.9	4.8	5.7	2.2	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Satisfactory	29.4	28.6	25.7	22.2	20.0	20.9	23.3	22.2	23.3	22.2	29.6	27.0	27.0	25.3
Moderately satisfactory	35.3	42.9	48.6	48.9	46.7	48.8	58.1	55.6	55.0	54.2	49.3	51.7	53.0	54.9
Moderately unsatisfactory	23.5	19.0	17.1	24.4	28.9	27.9	16.3	18.5	15.0	15.3	12.7	18.0	18.0	17.6
Unsatisfactory	5.9	4.8	2.9	2.2	2.2	2.3	2.3	3.7	6.7	8.3	8.5	3.4	2.0	2.2
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.1	4.1	4.1	4.0	3.9	3.9	4.0	4.0	4.0	3.9	4.0	4.1	4.1	4.0
Standard deviation	1.0	0.9	0.9	0.8	0.8	0.8	0.7	0.7	0.8	0.8	0.9	0.8	0.7	0.7
1 <sup>st</sup> Quartile	3.0	4.0	4.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	4.5

## Overall project achievement

### All evaluation data by year of completion – by replenishment period

Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	4.8	2.2	0.0	0.0	0.0
Satisfactory	28.6	20.0	22.2	29.6	25.3
Moderately satisfactory	42.9	46.7	55.6	49.3	54.9
Moderately unsatisfactory	19.0	28.9	18.5	12.7	17.6
Unsatisfactory	4.8	2.2	3.7	8.5	2.2
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.1	3.9	4.0	4.0	4.0
Standard deviation	0.9	0.8	0.7	0.9	0.7
1 <sup>st</sup> Quartile	4.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	4.0	4.0	5.0	4.5



IFAD performance as a partner  
 PCR/PPPE data series by year of completion – 3-year moving averages  
 Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	4.0	2.4	1.7	0.0	0.0	0.0	0.0
Satisfactory	24.0	24.4	28.3	29.5	37.8	41.5	46.4
Moderately satisfactory	60.0	53.7	51.7	52.5	46.3	45.1	42.0
Moderately unsatisfactory	12.0	19.5	16.7	16.4	14.6	13.4	11.6
Unsatisfactory	0.0	0.0	1.7	1.6	1.2	0.0	0.0
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.2	4.1	4.1	4.1	4.2	4.3	4.3
Standard deviation	0.7	0.7	0.8	0.7	0.7	0.7	0.7
1 <sup>st</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	5.0	5.0	5.0	5.0	5.0	5.0

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IFAD performance as a partner  
 All evaluation data by year of completion – 3-year moving averages  
 Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	0.0	0.0	3.3	2.4	4.5	4.8	4.8	3.8	1.7	1.4	0.0	0.0	0.0	0.0
Satisfactory	0.0	20.0	33.3	29.3	25.0	9.5	16.7	17.0	25.0	29.2	33.8	40.4	43.0	46.2
Moderately satisfactory	27.3	33.3	20.0	22.0	18.2	38.1	45.2	56.6	53.3	52.8	47.9	43.8	43.0	40.7
Moderately unsatisfactory	72.7	46.7	40.0	43.9	50.0	45.2	31.0	18.9	18.3	13.9	16.9	14.6	14.0	13.2
Unsatisfactory	0.0	0.0	3.3	2.4	2.3	2.4	2.4	3.8	1.7	2.8	1.4	1.1	0.0	0.0
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.3	3.7	3.9	3.9	3.8	3.7	3.9	4.0	4.1	4.1	4.1	4.2	4.3	4.3
Standard deviation	0.4	0.8	1.0	1.0	1.0	0.9	0.9	0.8	0.7	0.8	0.7	0.7	0.7	0.7
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	3.5	4.0	5.0	5.0	5.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0

## I FAD performance as a partner

### All evaluation data by year of completion - by replenishment period

Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	0.0	4.5	3.8	0.0	0.0
Satisfactory	20.0	25.0	17.0	33.8	46.2
Moderately satisfactory	33.3	18.2	56.6	47.9	40.7
Moderately unsatisfactory	46.7	50.0	18.9	16.9	13.2
Unsatisfactory	0.0	2.3	3.8	1.4	0.0
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	3.7	3.8	4.0	4.1	4.3
Standard deviation	0.8	1.0	0.8	0.7	0.7
1 <sup>st</sup> Quartile	3.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	5.0	4.0	5.0	5.0

## Government performance as a partner

**PCR/PPE data series by year of completion – 3-year moving averages**

Percentage of projects

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	4.0	2.4	1.7	0.0	0.0	0.0	0.0
Satisfactory	20.0	17.1	18.3	18.0	19.5	23.2	23.2
Moderately satisfactory	48.0	41.5	40.0	44.3	56.1	54.9	53.6
Moderately unsatisfactory	16.0	26.8	28.3	26.2	15.9	15.9	17.4
Unsatisfactory	12.0	12.2	11.7	11.5	8.5	6.1	5.8
Highly unsatisfactory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	3.9	3.7	3.7	3.7	3.9	4.0	3.9
Standard deviation	1.0	1.0	1.0	0.9	0.8	0.8	0.8
1 <sup>st</sup> Quartile	3.0	3.0	3.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	4.0	4.0	4.0	4.0	4.0	4.0	4.0

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## Government performance as a partner

**All evaluation data by year of completion – 3-year moving averages**

Percentage of projects

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Highly satisfactory	16.7	11.1	9.4	4.7	2.3	0.0	0.0	1.9	1.7	1.4	0.0	0.0	0.0	0.0
Satisfactory	16.7	16.7	25.0	25.6	27.3	23.8	26.2	22.6	20.0	19.4	22.5	22.5	26.0	25.3
Moderately satisfactory	33.3	55.6	43.8	32.6	29.5	33.3	45.2	45.3	43.3	43.1	43.7	53.9	51.0	52.7
Moderately unsatisfactory	33.3	16.7	15.6	30.2	34.1	35.7	23.8	20.8	25.0	25.0	23.9	15.7	18.0	17.6
Unsatisfactory	0.0	0.0	3.1	4.7	4.5	7.1	4.8	9.4	10.0	11.1	9.9	7.9	5.0	4.4
Highly unsatisfactory	0.0	0.0	3.1	2.3	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
Average rating	4.2	4.2	4.1	3.9	3.8	3.7	3.9	3.9	3.8	3.8	3.8	3.9	4.0	4.0
Standard deviation	1.1	0.9	1.1	1.1	1.0	0.9	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8
1 <sup>st</sup> Quartile	3.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0
3 <sup>rd</sup> Quartile	5.0	4.8	5.0	5.0	5.0	4.0	4.8	4.0	4.0	4.0	4.0	4.0	5.0	4.5

## Government performance as a partner

**All evaluation data by year of completion – by replenishment period**

## Percentage of projects

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Highly satisfactory	11.1	2.3	1.9	0.0	0.0
Satisfactory	16.7	27.3	22.6	22.5	25.3
Moderately satisfactory	55.6	29.5	45.3	43.7	52.7
Moderately unsatisfactory	16.7	34.1	20.8	23.9	17.6
Unsatisfactory	0.0	4.5	9.4	9.9	4.4
Highly unsatisfactory	0.0	2.3	0.0	0.0	0.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

	2001-2003 (5th)	2004-2006 (6th)	2007-2009 (7th)	2010-2012 (8th)	2013-2015 (9th)
Average rating	4.2	3.8	3.9	3.8	4.0
Standard deviation	0.9	1.0	0.9	0.9	0.8
1 <sup>st</sup> Quartile	4.0	3.0	3.0	3.0	4.0
3 <sup>rd</sup> Quartile	4.8	5.0	4.0	4.0	4.5

## Number of projects per each rating in the PCRV/PPE series

### Absolute number of projects per each rating in PCRV/PPE series

<i>Evaluation Criteria</i>	<=6	<=5	<=4	<=3	<=2	<=1	<i>Total</i>
Relevance	3	63	74	16	1	0	157
Effectiveness	0	46	72	28	11	0	157
Efficiency	1	28	59	48	18	2	156
Sustainability	0	19	77	51	8	1	156
Project performance	0	22	86	38	11	0	157
Rural poverty impact	0	45	81	17	7	0	150
Innovation and scaling up	5	55	68	23	4	2	157
Gender equality and women's empowerment	6	51	68	23	4	0	152
Environment and natural resources management	2	18	70	28	4	0	122
Adaptation to climate change	1	16	70	23	10	0	120
IFAD performance	1	57	75	23	1	0	157
Government performance	1	33	76	33	14	0	157
Overall project achievement	0	40	83	23	10	0	156

### Per cent of projects per each rating in PCRV/PPE series

<i>Evaluation Criteria</i>	<=6	<=5	<=4	<=3	<=2	<=1	<i>TOTAL</i>
Relevance	1.9	40.1	47.1	10.2	0.6	0.0	100
Effectiveness	0.0	29.3	45.9	17.8	7.0	0.0	100
Efficiency	0.6	17.9	37.8	30.8	11.5	1.3	100
Sustainability	0.0	12.2	49.4	32.7	5.1	0.6	100
Project performance	0.0	14.0	54.8	24.2	7.0	0.0	100
Rural poverty impact	0.0	30.0	54.0	11.3	4.7	0.0	100
Innovation and scaling up	3.2	35.0	43.3	14.6	2.5	1.3	100
Gender equality and women's empowerment	3.9	33.6	44.7	15.1	2.6	0.0	100
Environment and natural resources management	1.6	14.8	57.4	23.0	3.3	0.0	100
Adaptation to climate change	0.8	13.3	58.3	19.2	8.3	0.0	100
IFAD performance	0.6	36.3	47.8	14.6	0.6	0.0	100
Government performance	0.6	21.0	48.4	21.0	8.9	0.0	100
Overall project achievement	0.0	25.6	53.2	14.7	6.4	0.0	100

## Comparison of IOE's PPE ratings and PMD's PCR ratings for all evaluation criteria in projects completing in 2007-2015 (N=48)

Criteria	<i>Disconnect</i>				
	Mean ratings		of mean rating	Mode ratings	
	IOE	PMD		IOE	PMD
1. Relevance	4.25	4.92	-0.67	4	5
2. Effectiveness	4.25	4.54	-0.29	4	5
3. Efficiency	3.96	4.27	-0.31	4	4
4. Sustainability	3.90	4.17	-0.27	4	4
5. Project performance	4.16	4.57	-0.41	4	5
6. Rural poverty impact	4.33	4.46	-0.13	4	5
7. Innovation and scaling-up	4.33	4.72	-0.39	4	5
8. Gender equality and women's empowerment	4.46	4.63	-0.17	4	5
9. Environment and natural resources	3.78	4.09	-0.31	4	4
10. Overall project achievement	4.25	4.54	-0.29	4	5
11. IFAD performance	4.29	4.54	-0.25	4	5
12. Government performance	4.10	4.33	-0.23	4	5

Source: IOE evaluation rating database and PMD project completion report rating database

## Evaluations included in the 2017 ARRI

Type	Country/region	Title	Executive Board approval date	Project completion date	IFAD loan <sup>a</sup> (US\$ million)	Total project costs <sup>a</sup> (US\$ million)
<b>Corporate-level evaluations</b>	All	CLE on IFAD's Decentralization Experience				
<b>Evaluation synthesis reports</b>	All	Smallholder Access to Markets				
	All	Gender Equality and Women's Empowerment				
	All	IFAD's support to scaling up of results				
<b>Country strategy &amp; programme evaluations</b>	Democratic Republic of the Congo	Agricultural Rehabilitation Programme in Orientale Province <sup>157</sup>	13/12/2005	31/10/2013	15.53	26
		Agricultural Revival Programme in Equateur Province <sup>158</sup>	21/04/2004	31/12/2012	14.8	22.6
	Mozambique	Sofala Bank Artisanal Fisheries Project <sup>159</sup>	12/09/2001	31/03/2011	18.0	30.58
	Nicaragua	Programme for the Economic Development of the Dry Region	10/04/2003	31/12/2010	14.0	25.0
		Inclusion of Small-Scale Producers in Value Chains and Market Access Project	12/09/2007	31/12/2015	3.9	21.7
	<b>Impact Evaluation</b>	Mozambique	Sofala Bank Artisanal Fisheries Project	12/09/2001	31/03/2011	18.0
<b>Project performance Evaluation</b>	Bangladesh	Finance for Enterprise Development and Employment Creation Project	12/09/2007	31/03/2014	35.0	57.8
	Democratic Republic of the Congo	Agricultural Rehabilitation Programme in Orientale Province	13/12/2005	31/10/2013	15.53	26

<sup>157</sup> Evaluated in both the CSPE and PPE<sup>158</sup> Evaluated in both the CSPE and PCRV<sup>159</sup> Evaluated both in the CSPE and IE

Type	Country/region	Title	Executive Board approval date	Project completion date	IFAD loan <sup>a</sup> (US\$ million)	Total project costs <sup>a</sup> (US\$ million)
	Egypt	West Noubaria Rural Development Project	23/04/2002	30/06/2014	18.48	54.75
Project completion report validations	Malawi	Rural Livelihoods Support Programme	12/09/2001	30/09/2013	13.47	19.64
	Nicaragua	Technical Assistance Fund Programme for the Departments of León, Chinandega and Managua	09/12/1999	30/06/2013	14.0	20.6
	Philippines	Rural Microenterprise Promotion Programme	19/04/2005	31/12/2013	21.2	27.5
	Argentina	Patagonia Rural Development Project	02/12/2004	31/03/2014	20.0	29
	Azerbaijan	Rural Development Project for the North West	13/12/2007	31/12/2014	17.2	32.3
	Bangladesh	National Agricultural Technologies Programme	13/12/2007	31/12/2014	19.55	84.75
		Sunamganji community-based resource management project	12/09/2001	31/03/2014	22.0	34.3
	Benin	Rural Dev. Support Programme	12/12/2005	31/03/2012	10.0	14.79
	Burkina Faso	Small-Scale Irrigation and Water Management Project	13/12/2007	31/12/2014	11.0	19.1
	Burundi	Livestock Sector Rehabilitation Support Project	18/04/2007	30/06/2014	13.98 (grant)	17.81
	Colombia	Rural Microenterprise Assets Programme: Capitalization, Technical Assistance and Investment Support	14/09/2006	31/12/2013	20.0	32.1
	Comoros	National Programme for Sustainable Human Development	18/04/2007	30/06/2014	4.654 (grant)	7.166
	Congo	Rural Development Project in the Departments of Niari, Bouenza and Lékoumou	20/04/2006	31/12/2013	8.4	20.8
	Djibouti	Programme for the Mobilisation of Surface Water and Sustainable Land Management	13/12/2007	31/12/2014	3.0 (grant)	11.64
DR Congo	Agricultural Revival Programme in Equateur Province	21/04/2004	31/12/2012	14.8	22.6	



Type	Country/region	Title	Executive Board approval date	Project completion date	IFAD loan <sup>a</sup> (US\$ million)	Total project costs <sup>a</sup> (US\$ million)
	Ecuador	Development of the Central Corridor Project	02/12/2004	30/06/2014	14.8	24.3
	India	Women's Empowerment and Livelihood Programme in Mid-Gangetic Plains	14/12/2006	31/01/2015	30.17	52.47
	Kenya	Smallholder Horticulture Marketing Programme	18 /04/2007	30/06/2015	23.43	26.59
	Mali	Northern Regions Investment and Rural Development Programme	19/04/2005	30/06/2014	14.6	33.6
		Kidal Integrated Rural Development Programme	14/12/2006	30/09/2014	11.34	22.83
	Mexico	Sustainable Development Project for Rural and Indigenous Communities of the Semi-Arid North West	08/09/2005	31/12/2013	25.0	32.9
	Niger	Emergency Food Security and Rural Development Programme	15/12/2010	31/03/2014	6.50	38.72
	Nepal	Leasehold Forestry and Livestock Programme	02/12/2004	31/12/2014	10.49	12.77
	Sao Tome et Principe	Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme	26/04/2001	31/03/2015	9.97	13.45
	Solomon Islands	Solomon Islands Rural Development Programme	15/12/2010	30/11/2013	4.0 (grant)	30.40
	Syria	North-eastern Region Rural Development Project	18/04/2007	31/03/2015	20.1	58.0
		Idleb Rural Development Project	11/12/2002	31/12/2014	17.5	46.1
	Tunisia	Integrated Agricultural Development Project in the Governorate of Siliana- Phase II	13/12/2005	31/12/2014	20.5	45.7
	Yemen	Rainfed Agriculture and Livestock Project	12/09/2007	30/09/2014	16.6	42.2

\* The most recent evaluations conducted for these projects were project performance assessments. Recently completed projects are included in-country strategy and programme evaluations in order to assess the full country portfolio.

## Objectives of country programmes and individual projects evaluated

The main objectives of the country strategies can be summarized below:

- (i) DR Congo. The 2003 COSOP, which was extended until 2011, had an overall objective to improve food security among poor rural communities by supporting the transition from emergency assistance to development and identified four specific objectives for IFAD operations in DR Congo:
  - a) Support the growth of agricultural production by providing inputs and promoting technologies designed to increase productivity ;
  - b) Improve marketing channels through investment in infrastructure, the provision of market information and improvement in commodity market organization;
  - c) Strengthen organizational capacities among small producer groups to help them achieve better market access and improve their living conditions; and
  - d) Increase the access of impoverished communities to health and nutrition services.

The 2012 COSOP focused on two objectives which continued to target agricultural production and marketing, and capacity-building for farmer organizations:

  - e) Improve smallholder access to effective production services, appropriate technologies and local markets; and
  - f) Professionalization of Peasant Organizations so that they become economic partners and key interlocutors in rural areas.
- (ii) Mozambique. The 2011 COSOP identified three objectives for IFAD operations in Mozambique:
  - a) The access of smallholders and artisanal fishers to production factors, technologies and resources is increased,
  - b) The access and participation of smallholders and artisanal fishers to markets that can bring them equitable shares of profit are increased,
  - c) The availability of and access to appropriate and sustainable financial services in rural areas are increased.
- (iii) Nicaragua. The 2012 COSOP identified three objectives for IFAD operations in Nicaragua:
  - a) Access is facilitated to assets, markets and income-generating activities, and job opportunities are increased. These will be achieved through affirmative actions that contribute to implementing inclusive strategies for the poor rural population in local and national socioeconomic development processes.
  - b) Labour productivity is increased through incentives that facilitate access to information, technology and technical and financial services.
  - c) Environmental, fiscal and institutional sustainability are improved.
- (iv) Philippines. The 2009 COSOP identified three objectives for IFAD operations in Philippines:
  - a) Upland poor households in the 20 poorest provinces – particularly those of indigenous peoples and agrarian reform beneficiaries – have improved access to land and water resources and gainfully use these sustainably,
  - b) Entrepreneurial poor in selected rural areas, particularly in the Visayas, and northern and western, southern and eastern, and central Mindanao, have

improved access to markets and rural financial services to improve the value chains of agribusiness systems benefiting poor farmers, livestock producers, fishers, marginalized groups, women and rural entrepreneurs,

- c) Selected marginalized and poor communities dependent on coastal resources in Bicol, eastern Visayas, northern Mindanao and the Autonomous Region for Muslim Mindanao have sustainable access to fisheries and other productive coastal resources, use sustainable management practices and diversify livelihood opportunities to meet their basic needs, in particular food.

## Objectives of projects and programmes

<i>Country and project/programme names</i>	<i>Objectives</i>
<b>Argentina</b> Patagonia Rural Development Project	The programme's development objective is reduction in the economic and environmental vulnerability of the rural poor in Patagonia by rural development asset-building with gender equity and sustainable use of natural resources, and pursuant to the Millennium Development Goals for Argentina
<b>Azerbaijan</b> Rural Development Project for the North West	The project's goal is to reduce income poverty, malnutrition and food insecurity in a sustainable manner by improving the livelihoods of the rural poor in the project area and preventing further impoverishment. The key development objectives are to: (i) rehabilitate the irrigation infrastructure and introduce participatory irrigation management to ensure a sustainable and effective irrigation management regime; (ii) ensure the delivery of advisory, technology transfer, financial and enterprise support services; and (iii) enhance the capability and self-reliance of communities to look after their own affairs and plan and implement their own development initiatives more effectively.
<b>Bangladesh</b> Finance for Enterprise Development and Employment Creation Project	The project goal is to stimulate pro-poor growth to increase employment opportunities and reduce poverty. The project objective is to expand existing microenterprises and establish new ones. The project will aim to build the capacity of both PKSF and its POs to efficiently manage a microenterprise development programme.
<b>Bangladesh</b> National Agricultural Technologies Programme	The project's overall objective is to support the Government's strategy to increase national agricultural productivity and farm income. Its specific objective is to improve the effectiveness of the national agricultural technology system in Bangladesh for the benefit of small and marginal farmers.
<b>Bangladesh</b> Sunamganji community-based resource management project	The main objectives of the project are to: (i) increase the assets and income of 135 000 households by developing self-managing grass-roots organizations to improve beneficiary access to primary resources, employment, self-employment and credit; and (ii) support the development of a viable national institution to replicate the project approach in other areas of Bangladesh. The project's objectives will be met through the financing of five components designed to assist the poor: (i) labour-intensive infrastructure development; (ii) fisheries development; (iii) crop and livestock production; (iv) credit; and (v) institutional support.
<b>Benin</b> Rural Dev. Support Programme	The programme's development Goal is to help reduce rural poverty sustainably by increasing household incomes and improving community-level organizations. Specifically, the programme aims to: 1) Earnings obtained directly and indirectly through group IGAs and Micro- Businesses (MBs) increased sustainably 2) Network of FSAs sustainably consolidated and expanded to provide financial services that respond to needs of the poor and women 3) Capacity of village-level organizations and actors (VDCs and IGA groups) sustainably strengthened and fully representative 4) Strengthen policy dialogue on rural development and forge strategic partnerships
<b>Burkina Faso</b> Small-Scale Irrigation and Water Management Project	The project's development objective is to contribute to rural poverty reduction and food security through improved access to, and management of, water resources for agricultural and pastoral use. Specific objectives are to: (i) strengthen target group capacities and facilitate their participation in project activities, including through access to irrigated land; (ii) assist target groups with investments to increase their access to irrigation water using technologies adapted to their technical skills and resource levels; (iii) intensify and diversify sustainable agricultural production under irrigation and in inland valley bottoms; and (iv) support marketing activities and enhance incomes, particularly of the most asset-poor households.

<i>Country and project/programme names</i>	<i>Objectives</i>
<b>Burundi</b> Livestock Sector Rehabilitation Support Project	The project aims to improve the livelihoods of the rural poor and restore their food security. It will: (i) raise livestock productivity while developing the downstream sector through increasing access to livestock processing technology, infrastructure and markets; (ii) facilitate the access of the poor and vulnerable to veterinary services and reinforce the sector in terms of sanitary risk management, prevention and protection; and (iii) strengthen the capacity of elected community committees responsible for local community development and introduce farmers' field school methodology to upgrade farmers' skills and promote participatory competitive research activities.
<b>Colombia</b> Rural Microenterprise Assets Programme: Capitalization, Technical Assistance and Investment Support	The programme's development objective is to increase the social, human, financial, physical and natural assets of small-scale entrepreneurs, especially women and young people, in rural poor areas of Colombia. The specific objective is to increase the rural poor's access – through their microenterprise initiatives – to financial resources, technical assistance, knowledge, information and governance structures (local, regional and national) essential to the development of their microenterprises and markets. This will open the way for the simultaneous engagement and participation in policy dialogue and formulation of public policies related to economic integration and its impact on the rural poor.
<b>Comoros</b> National Programme for Sustainable Human Development	The overall goal of the programme is to reduce poverty by promoting better natural resource management in order to raise agricultural production. This will in turn increase household income and food security. The specific objectives are to support: (i) farmer organizations and local governance, including village development associations, producer groups and private sector intermediary organizations; (ii) land rehabilitation and sustainable local land management, including environmental conservation and crop production, livestock development, and promotion of artisanal fisheries; and (iii) local initiatives in close partnership with migrants' associations.
<b>Congo</b> Rural Development Project in the Departments of Niari, Bouenza and Lékoumou	The project's development goal is to attain a sustained improvement in the social and economic conditions of artisanal fishing communities in the project area. To achieve this, the project will (a) empower and create capacity in fishing communities to take increased responsibility for local development initiatives, including implementing social infrastructure and service activities, and sustainably managing marine resources; (b) improve the access of artisanal fishers to the fish resources of the Sofala Bank, and promote their sustainable and commercially viable use; (c) improve the linkages of artisanal fishing communities to input and output markets; (d) increase the availability of savings facilities and small loans to artisanal fishers, increase business opportunities for traders with linkages to fishing centres, and improve services to fishers through access to finance by small-scale enterprises in the project area; and (e) improve the enabling environment for promoting and supporting artisanal fisheries development.
<b>DR Congo</b> Agricultural Rehabilitation Programme in Orientale Province	The programme's development goal will be to help improve food security, incomes, nutritional status and living standards of up to 55 000 households including the households of 25 000 farmers and 6 000 fishers in the Tshopo district and 24 000 households along the three axes. Its specific objectives will be to build up the capacity for self-development of rural communities and their organizations; facilitate access by local producers to markets and factors of production (inputs, technologies, knowledge); improve access by local populations to basic social services; and ensure that programme resources are effectively used.

<i>Country and project/programme names</i>	<i>Objectives</i>
<b>DR Congo</b> Agricultural Revival Programme in Equateur Province	The overall goal of the programme is to contribute to enhancing food security and improving the livelihoods of the rural poor. The programme's development objective is to restore and improve sustainable livelihoods for rural communities. Specifically, the programme aims to: (i) restore and improve agricultural productive assets, promote equitable and sustainable access by farmers to markets and raise agricultural income; (ii) restore and improve the productive assets of the fisheries sector, promote equitable and sustainable access of fishermen (and women) to markets, and raise their income; and (iii) restore and improve the access of rural communities to basic social services. A special focus will be placed on addressing the development constraints faced by the poorest rural categories, in particular widows, pygmies and other vulnerable groups.
<b>Djibouti</b> Programme for the Mobilisation of Surface Water and Sustainable Land Management	The programme's overall goal is to improve the living conditions of pastoral communities by promoting integrated management of natural resources. The two specific objectives are: (i) to implement a programme for the mobilization of surface water to improve access to water for the pastoral communities and their livestock and to increase agricultural production; and (ii) to strengthen organization and management capacity at the institutional, technical and community levels.
<b>Ecuador</b> Development of the Central Corridor Project	The objectives of FECD are to contribute to reaching targets set out in Ecuadorian development plans and those of CIDA's technical and financial cooperation programme in Ecuador. The institution was established to finance the local costs of projects and of activities identified by the secretariat of FECD.
<b>Egypt</b> West Noubaria Rural Development Project	The overall project goal is to enhance the livelihoods of the target population through increased and sustainable economic activity and greater social self-reliance. The overall goal will be achieved through: (a) attainment of social cohesion and a sense of community in the villages; (b) reliable and equitable access to the support services essential to economic and social well-being; (c) diversified and profitable farming based on more efficient water use; (d) establishment of self-sustaining arrangements for the provision of accessible and effective credit services; and (e) a diversified and strengthened local economy contributing to nationwide economic advancement.
<b>India</b> Women's Empowerment and Livelihood Programme in Mid-Gangetic Plains	The programme has three objectives: (i) building and/or strengthening community level institutions for social and economic empowerment; (ii) enabling the target group to access productive resources and social services; and (iii) building a sustainable livelihood base that is integrated with the wider economy.
<b>Kenya</b> Smallholder Horticulture Marketing Programme	The development goals are to (i) increase incomes and reduce poverty among poor rural households and the unemployed and underemployed in areas with medium-to high farming potential and where horticulture is an important source of livelihood; and (ii) improve the health and welfare of Kenyans by increasing the quality and quantity of horticultural produce consumed within the country. These goals will be pursued by seeking to (a) increase the output of – and the net margins per unit of land earned by – resource-poor smallholders from horticultural production for the domestic market; (b) increase employment in the production, processing and marketing of horticultural produce; and (c) reduce the cost to consumers and increase the quality of horticultural products consumed domestically.
<b>Malawi</b> Rural Microenterprise Promotion Programme	The overall objective of the programme is to improve the livelihoods and quality of life of the target population by improving access to resources and ensuring more efficient resource use by village households. The programme will achieve this objective by: (i) keeping the target population better informed and encouraging self-motivation; (ii) empowering the target group to organize its access to resources and improve production; (iii) ensuring responsiveness of service providers; (iv) reducing the hunger gap; and (v) improving the dietary and nutritional status of the target group.

<i>Country and project/programme names</i>	<i>Objectives</i>
<p><b>Mali</b> Northern Regions Investment and Rural Development Programme</p>	<p>The programme's goal is to reduce poverty and vulnerability among the rural people of North Mali by reconstructing the economic and social fabric that has been severely compromised by drought and conflict, and to contribute to policy dialogue on rural poverty reduction. The programme's specific objectives are to: (i) build the capacity of local government, particularly at the community level, to lead a participatory development process that will benefit the most vulnerable groups; (ii) strengthen grass-roots organizations' capacity to manage programme-financed investments in an efficient and sustainable manner; (iii) improve access to basic services; and (iv) contribute to the promotion of policies for rural poverty reduction.</p>
<p><b>Mali</b> Kidal Integrated Rural Development Programme</p>	<p>The programme's overall goal is to help reduce poverty and food insecurity in the Kidal Region. Its specific objectives are to (i) increase and diversify local residents' incomes by stabilizing returns from nomadic livestock husbandry and promoting agropastoral activities; and (ii) improve their living conditions, notably those of women, by facilitating access to basic socio-economic services and infrastructure.</p>
<p><b>Mexico</b> Sustainable Development Project for Rural and Indigenous Communities of the Semi-Arid North West</p>	<p>The project's overall objective is to raise the quality of life and thus reduce the levels of poverty and marginality affecting rural and indigenous communities in the project area. The project will support project-area communities and grass-roots organizations in developing capacity to participate in local, social and economic development processes, increase their production, employment opportunities and incomes, and ensure the sustainability of natural resources. Specific objectives include: (i) improving the productive capacity of land and natural resources while facilitating better community control over assets, including land, agro-biodiversity and natural landscapes; (ii) developing the human and social resources of poor rural communities and indigenous populations while strengthening the management and decision-making capacity of communities and their organizations, with care to ensure gender equity and respect for ethnic diversity; (iii) boosting employment and income levels of beneficiary families through the receipt of payment for environmental services and from rural and nature-based tourism microenterprises; and (iv) strengthening the inter- and intra-institutional coordination capacity of the executing agency and project-related institutions at the municipal, state and federal levels.</p>
<p><b>Mozambique</b> Sofala Bank Artisanal Fisheries Project</p>	<p>The project's development goal is to attain a sustained improvement in the social and economic conditions of artisanal fishing communities in the project area. To achieve this, the project will (a) empower and create capacity in fishing communities to take increased responsibility for local development initiatives, including implementing social infrastructure and service activities, and sustainably managing marine resources; (b) improve the access of artisanal fishers to the fish resources of the Sofala Bank, and promote their sustainable and commercially viable use; (c) improve the linkages of artisanal fishing communities to input and output markets; (d) increase the availability of savings facilities and small loans to artisanal fishers, increase business opportunities for traders with linkages to fishing centres, and improve services to fishers through access to finance by small-scale enterprises in the project area; and (e) improve the enabling environment for promoting and supporting artisanal fisheries development.</p>
<p><b>Nicaragua</b> Programme for the Economic Development of the Dry Region</p>	<p>The programme's overall development objective is to contribute to the reduction of rural poverty by increasing the income of rural poor households. Its specific objective is to improve sustainably and equitably the access of poor rural households to assets that allow them to benefit from income-generating opportunities. It will assist in the participatory planning and implementation of business and employment plans. In addition, it will ensure improved access to income-generating activities by: (i) strengthening the target group's capacity to access markets, with special emphasis on creating the right conditions for women and youth; and (ii) increasing the supply of local financial and non-financial services.</p>

<i>Country and project/programme names</i>	<i>Objectives</i>
<b>Nicaragua</b> Inclusion of Small-Scale Producers in Value Chains and Market Access Project	The project's goal is to enable the targeted rural poor to take part in local and national social and economic processes in order to improve their income and employment opportunities. In particular, the project will: (i) promote the participation of small-scale producers in strategic value chains; (ii) contribute to income diversification; and (iii) help achieve IDR's objectives and results frameworks by aligning project activities with its institutional objectives.
<b>Nicaragua</b> Technical Assistance Fund Programme for the Departments of León, Chinandega and Managua	The development objective of the TAF will be to increase the productive and marketing capacity of small and medium-scale farmers and small-scale entrepreneurs living in rural areas by contributing to family incomes and improving living conditions. The specific objective of the TAF will be to ensure access by small-scale farmers and rural entrepreneurs to technical assistance services in a sustainable manner based on the competitive supply of services and in accordance with beneficiary needs. TAF implementation will result in: (a) strengthened organizations of small-scale farmers and entrepreneurs that are able to formulate technical assistance needs and to demand, negotiate and cofinance these services and other agricultural-production support services; (b) sustainable and efficient providers of technical assistance that use methodologies and appropriate techniques responsive to the demands of farmers' organizations; and (c) different modalities of technical assistance provision operating and linking supply and demand on a selective basis.
<b>Niger</b> Emergency Food Security and Rural Development Programme	The programme's development objective is to support the improvement of food security in the Niger generally, with a special focus on poor farmer and herder households that are highly exposed to recurrent food and livestock crises in the three targeted regions.
<b>Nepal</b> Leasehold Forestry and Livestock Programme	The overall goal of the eight-year LFLP is a sustained reduction in the poverty of the 44 300 poor households that are allocated leasehold forestry plots in 22 districts through increased production of forest products and livestock. The programme has four components: leasehold forestry and group formation; livestock development; rural financial services; and programme management and coordination. The objectives of the programme components are: (i) improved household forage and tree crop production from secure and sustainable management of leasehold plots; (ii) improved household production of small livestock (goats); (iii) viable microfinance institutions providing services to leaseholders; and (iv) the Government's capacity to implement leasehold forestry as a national poverty reduction programme in a gender-sensitive way.
<b>Philippines</b> Rural Livelihoods Support Programme	The programme's development goal is rural poverty reduction through increased economic development, job creation and rural incomes for 200 000 poor rural households. Central to achieving this goal, and as its programme objective, RuMEPP expects to see increasing numbers of new and existing rural microenterprises expanding and operating profitably and sustainably.
<b>Sao Tome et Principe</b> Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme	Overall, the main objective of the programme is to continue providing support to improvement in the living conditions and incomes of women and men in rural smallholder agriculture and artisanal fisheries. More specifically, the programme will: (a) continue providing support towards the restructuring of the rural sector, in terms of strengthening grass-roots organizations and of preparing the ground for future decentralized local development; (b) contribute to support for a pool of professional service providers capable of responding to the needs and demands of the target group; and (c) empower the target group to undertake economic activities and take advantage of the income-earning opportunities offered by the development of new products, the capture of niche markets and diversification of activities.



<i>Country and project/programme names</i>	<i>Objectives</i>
<b>Solomon Islands</b> Solomon Islands Rural Development Programme	The development objective of the RDP is to raise the living standards of rural households by establishing improved mechanisms for the delivery of priority economic and social infrastructure and services by the public and private sector. This is being achieved through: (i) increased, cost-effective and sustained provision of local services and basic infrastructure determined through participatory planning and prioritized by the villagers themselves; (ii) increased capacity of agricultural institutions to provide demand-driven agriculture services at the local level; and (iii) support for rural business development.
<b>Syria</b> Idleb Rural Development Project	The principal objectives of the proposed project are to improve the food security and income levels of the target group of farmers and rural women by expanding the area of arable land, improving access to water, and introducing more efficient farming and water management practices for the sustainable use of land and water resources.
<b>Syria</b> North-eastern Region Rural Development Project	The overall project goal is to contribute to poverty reduction and improved livelihoods of the target population in the project area. This objective will be achieved through (i) rural community organizations with sustainable resource management and commercial operations; (ii) optimal management and rational use of water resources for irrigation; (iii) farmers' access to effective and relevant advisory services; and (iv) private-sector investments creating employment and boosting incomes.
<b>Tunisia</b> Integrated Agricultural Development Project in the Governorate of Siliana- Phase II	The overall objective of the project is to achieve sustainable improvement in incomes and living conditions for rural people living in the Governorate of Siliana. Specific objectives are as follows: (i) engage communities in a local development process likely to promote their initiatives and investments in agriculture and soil and water conservation; (ii) diversify and increase employment and investment opportunities in rural areas for both women and youth and contribute to the development of sustainable economic linkages; (iii) develop the institutional capacities of the Regional Commission for Agricultural Development (CRDA) based on an integrated, participatory, equitable and gender-sensitive approach to local development; and (iv) ensure that regional stakeholders and national decision makers adopt the principles of sustainable land management.
<b>Yemen</b> Rainfed Agriculture and Livestock Project	The overall project goal is to reduce rural poverty in the project area and improve natural resource management. The development objectives are to: (i) help producers upgrade and diversify agricultural and livestock production and processing and marketing systems, and protect their assets (soil, water, rangeland, seed and animals); and (ii) empower rural communities to organize, participate in and gain benefit from community-based development planning and execution and to improve their access to public and private services, input and output markets and rural finance.

## List of 62 country strategy and programme evaluations completed and published by IOE (1992-2017)

<i>Division*</i>	<i>Country programme evaluation</i>	<i>Publication year(s)</i>
LAC	Argentina	2010
APR	Bangladesh	1994, 2006, 2016
WCA	Benin	2005
LAC	Plurinational State of Bolivia	2005, 2014
LAC	Brazil	2008, 2016
APR	China	2014
WCA	Congo	2017
LAC	Ecuador	2014
NEN	Egypt	2005
ESA	Ethiopia	2009, 2016
WCA	Gambia (The)	2016
WCA	Ghana	1996, 2012
LAC	Honduras	1996
APR	India	2010, 2016
APR	Indonesia	2004, 2014
NEN	Jordan	2014
ESA	Kenya	2011
WCA	Madagascar	2013
WCA	Mali	2007, 2013
WCA	Mauritania	1998
LAC	Mexico	2006
NEN	Morocco	2008
NEN	Republic of Moldova	2014
ESA	Mozambique	2010, 2017
APR	Nepal	1999, 2013
LAC	Nicaragua	2017
WCA	Niger	2011

<i>Division*</i>	<i>Country programme evaluation</i>	<i>Publication year(s)</i>
WCA	Nigeria	2009, 2016
APR	Pakistan	1995, 2008
APR	Papua New Guinea	2002
APR	Philippines	2017
ESA	Rwanda	2006, 2012
WCA	Senegal	2004, 2014
APR	Sri Lanka	2002
NEN	Sudan	1994, 2009
NEN	Syrian Arab Republic	2001
ESA	United Republic of Tanzania	2003, 2015
NEN	Tunisia	2003
NEN	Turkey	2016
ESA	Uganda	2013
APR	Viet Nam	2001, 2012
NEN	Yemen	1992, 2012
ESA	Zambia	2014

\*APR= Asia and the Pacific; ESA= East and Southern Africa; LAC= Latin America and the Caribbean; NEN= Near East North Africa and Europe; WCA= West and Central Africa