
2025 Report on IFAD's Development Effectiveness

Comments by the Independent Office of Evaluation of IFAD

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Action: The Executive Board is invited to review the comments by the Independent Office of Evaluation of IFAD on the 2025 Report on IFAD's Development Effectiveness.

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Report on IFAD's Development Effectiveness

Comments by the Independent Office of Evaluation of IFAD

1. In line with the Terms of Reference and Rules of Procedure of the Evaluation Committee and the decision of the Executive Board at its December 2006 session, this document contains the comments of the Independent Office of Evaluation of IFAD (IOE) on the Report on IFAD's Development Effectiveness (RIDE). The report is the Fund's main corporate document analysing institutional and development effectiveness.
2. This edition of the RIDE presents an overview of IFAD performance in 2024 and throughout the Twelfth Replenishment of IFAD's Resources (IFAD12). It reviews the results against the indicators and targets set forth in the corporate Results Management Framework (RMF) for IFAD12, as presented in annex I of the report. IOE acknowledges the continuing collaboration with Management, particularly in improving methodological alignment between the Annual Report on the Independent Evaluation of IFAD (ARIE) and the RIDE.
3. The comments below aim to further strengthen the RIDE's performance reporting to better guide IFAD's strategic and operational direction and resource planning. This is in line with the role of IOE to review and help enhance self-evaluation, as prescribed by the 2021 Revised IFAD Evaluation Policy.¹
4. **Addressing persistent rating disconnects between the ARIE and the RIDE.** The 2025 RIDE notes that the disconnect between self-evaluation ratings in project completion reports (PCRs) and independent evaluation ratings by IOE has begun to narrow in recent years. The 2025 ARIE finds that, while some rating disconnects between IOE and PCR assessments have narrowed in recent years, others have widened. Notably, the gaps in ratings for relevance and scaling up have decreased, reflecting greater alignment on definitions and evaluation practice. By contrast, disconnects in environment and natural resources management, and climate change adaptation and innovation have increased since 2018–2020. Meanwhile, gender equality and women's empowerment (GEWE) remains among the evaluation criteria with the largest disconnect. The ARIE further notes significant variation across regions: the Asia and the Pacific region shows the lowest disconnects in most criteria, while the Latin America and the Caribbean, and West and Central Africa regions exhibit the highest in several categories. Despite these differences, the correlation between IOE and PCR ratings remains positive and statistically significant across all evaluation criteria.
5. In response to these persistent disconnects, IFAD Management has introduced a range of corrective measures. These include refining PCR guidance and training, enhancing quality assurance procedures, clarifying rating criteria in line with the Evaluation Manual and updating operational tools such as IFAD's operational framework for scaling up results and PCR reporting templates. Performance ratings now increasingly draw from integrated corporate data systems – including the Operational Results Management System, the Grants and Investment Projects System and Oracle FLEXCUBE – thereby strengthening the reliability of self-assessment inputs.
6. IOE acknowledges and welcomes these initiatives. It furthermore recognizes the intensified collaboration with the Office of Development Effectiveness (ODE) aimed at reconciling datasets and harmonizing methodological approaches. Recent exchanges between IOE and ODE have enabled the alignment of data used in both the ARIE and the RIDE, contributing to greater transparency and comparability.

¹ <https://webapps.ifad.org/members/eb/132/docs/EB-2021-132-R-5-Rev-1.pdf>.

These joint efforts are critical to improving the accuracy and credibility of IFAD's corporate performance reporting.

7. Looking forward, IOE reiterates its long-standing recommendation that IFAD fully adopt independent evaluation ratings as the source for reporting on shared indicators under the RMF. This approach is consistent with international good practice among peer international financial institutions. IOE encourages Management to take concrete steps in the context of the IFAD14 RMF, ensuring consistency, objectivity and institutional accountability in future performance reporting. Management might also present annual milestones (e.g. rating disconnect < 0.20 by 2026).
8. **Outreach data and reliability of reporting.** The 2025 RIDE reports that IFAD reached 92 million people in 2024, a substantial figure reflecting wide coverage and continued delivery on IFAD12 commitments. While this result demonstrates strong ambition, IOE has consistently raised concerns about the reliability and consistency of outreach data, and these concerns remain pertinent. Specifically, IOE evaluations have identified recurrent issues such as double counting, insufficient clarity around indirect beneficiaries, and inconsistent data disaggregation by gender, youth and other priority groups. Reviews of PCRs and project performance evaluations frequently find shortcomings in how outreach data are compiled and verified, with limited documentation of counting methods and a heavy reliance on self-reported figures from implementing partners.
9. The 2025 RIDE acknowledges these limitations and states that IFAD's monitoring and evaluation (M&E) guidelines need updating to better capture the full extent of the beneficiary target group reached. It further notes that guidance on counting indirect beneficiaries and users of large-scale rural infrastructure is still under development, and that there is a need to standardize outreach methodologies across projects.
10. IOE welcomes Management's recognition of the limitations surrounding outreach data and the stated intention to improve guidance and methodologies. IOE reiterates its recommendation that Management: (i) expedite the development and roll-out of harmonized M&E guidance and tools for beneficiary counting; (ii) ensure that project-level staff are adequately trained to apply these tools consistently; (iii) require that outreach estimation methods be clearly documented in supervision and PCR reports; (iv) strengthen the availability of disaggregated data – particularly by gender, youth and other priority groups – through improved data systems and proactive efforts at project level; and (v) present future outreach data in the RIDE with appropriate caveats or confidence levels to reflect any underlying limitations. Strengthening the transparency and reliability of outreach reporting is essential to reinforcing the credibility of IFAD's results narrative.
11. **Addressing drivers of inefficiency.** Efficiency consistently remains the lowest-performing evaluation criterion across IFAD's portfolio. As noted in the 2025 ARIE, only 58 per cent of projects evaluated during 2021–2023 were rated moderately satisfactory or better for efficiency – well below the performance observed for other criteria. This trend has persisted over time, reflecting deep-rooted operational challenges. The 2023 corporate-level evaluation on decentralization reinforces these concerns, noting that efficiency has remained a persistent weakness despite increased field presence. It highlights budget constraints and trade-offs linked to decentralization – which reduced the resources available for core delivery functions such as project design and supervision – potentially undermining efficiency and overall programme quality.
12. The 2025 RIDE acknowledges this continued underperformance. While it reports some improvement in the disbursement ratio (18.8 in 2024), it also confirms that efficiency remains below target levels. Management attributes inefficiencies to a combination of delayed project start-up, slow procurement and limited absorptive

capacity. In response, the RIDE states that IFAD will aim to enhance project efficiency through a set of institutional tools and initiatives – including the use of digital platforms, updated operational procedures and increased country-level presence – to improve execution and reduce implementation bottlenecks.

13. Given the persistence of low ratings, IOE reiterates the need for Management to go beyond reporting aggregate figures and to analyse the drivers of inefficiency more explicitly. This should include an examination of start-up delays, procurement challenges and project management capacity. IOE encourages Management to assess whether existing tools and reforms, such as those aimed at simplifying processes and improving readiness, are delivering tangible improvements. Strengthening efficiency will be key to improving overall portfolio performance and achieving development outcomes in a timely and cost-effective manner.
14. **Declining trends in impact and gender equality.** The 2025 ARIE confirms a declining trend in ratings for both rural poverty impact and GEWE, marking a significant concern for IFAD's development effectiveness. For poverty impact, IOE notes that performance has weakened in recent years and, although impact is no longer rated as a separate criterion in self-evaluations, the decline observed in independent evaluations remains a strategic red flag. While the RIDE highlights selected positive findings from impact assessments, it does not adequately reflect this long-term downward trend, which merits greater attention and analysis.
15. Moreover, the removal of a project-level impact rating in PCRs means that the ARIE can no longer compute an impact-rating disconnect. This interrupts a time series used by the Board to monitor alignment between self-evaluation and independent evaluation. To restore comparability, IOE suggests that Management and IOE explore one or more of the following: reintroducing a simple impact rating in PCRs, adopting IOE's ratings in corporate reporting and/or reporting the disconnect qualitatively. Maintaining a full set of shared indicators remains critical.
16. On GEWE, both the ARIE and the RIDE report a deterioration in performance during IFAD12. The RIDE cites shortcomings in project design, such as insufficient social assessments and weak gender diagnostics, as well as implementation issues, including underfunded and poorly monitored gender strategies. These challenges have been compounded by limited capacity at the project level to apply tools and collect meaningful data. These findings are confirmed by the 2024 thematic evaluation on GEWE. IOE welcomes Management's intention to revise the gender policy and gender action plan and encourages full integration in those documents of lessons learned from the 2024 thematic evaluation. IOE also stresses the importance of preserving existing commitments in this area. Strengthening performance on gender and impact remains vital to fulfilling IFAD's mandate, and future RIDEs should more directly address these declining trends and the corrective actions planned.
17. **Knowledge management.** The 2025 RIDE highlights several positive developments in knowledge management (KM), including the strategic repositioning of KM under ODE, the increased use of learning platforms and clinics, and efforts to systematize the capture of operational lessons. IOE welcomes these steps and the growing emphasis on enabling learning for development effectiveness. However, IOE reiterates its earlier recommendation that reporting on KM move beyond the enumeration of activities to focus on the actual influence and use of knowledge products in shaping operational decisions. This recommendation remains highly relevant in light of the 2025 RIDE's own findings: the quality-at-entry annex notes that many new designs continue to struggle to incorporate lessons from past projects and strategies. This disconnect between the KM narrative and the operational reality suggests that more effort is needed to ensure that institutional learning is effectively translated into programme and project design. IOE encourages Management to track and report on how lessons, evaluations and other

knowledge products are being applied in operational processes and to strengthen accountability for learning across the institution.

18. **Conclusion.** IOE appreciates Management's continued efforts to refine the RIDE and welcomes the growing collaboration with ODE. The 2025 RIDE presents a more comprehensive and methodologically aligned performance narrative than previous reports. Nevertheless, important challenges persist, particularly in the areas of efficiency, outreach data reliability, gender equality and rural poverty impact. IOE encourages Management to take concrete steps under IFAD13 and the upcoming IFAD14 cycle to strengthen the credibility and utility of self-evaluation, including by aligning performance reporting with independent evaluation ratings, improving data quality and transparency, and deepening the use of evidence in decision-making. IOE looks forward to continued dialogue with Management to enhance IFAD's accountability, learning and development effectiveness.