REPORT OF THE EVALUATION COMMITTEE

1. The Nineteenth Session of the Evaluation Committee was held on 21 April 1998 under the chairmanship of Mr I. Nyoman Ardha of Indonesia. At that session, the committee reviewed document EC 98/19/W.P.3, which provided a summary of the Evaluation of the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA). The report of the session constitutes Part I of the present document.

2. The Twentieth Session of the Evaluation Committee was held on 8 September 1998. The Chairman opened the session by introducing the new Vice President of IFAD, Mr John Westley. He also noted that, for the first time, an observer was attending a meeting of the committee and welcomed Mr Jean Devlin of Canada in that capacity. Under agenda item 3, the meeting considered the completion evaluation reports on two projects in Tunisia: the Sidi Bouzid Irrigation Project which became operational in July 1984 and closed in June 1993; and the Sidi Bouzid Rainfed Agriculture Development Project which became operational in March 1986 and closed in March 1996. Under agenda item 4, Other Business, discussions were held regarding the future programme of work of the committee. The report of the foregoing constitutes Part II of the present document.

PART I: EVALUATION OF THE SPECIAL PROGRAMME FOR SUB-SAHARAN AFRICAN COUNTRIES AFFECTED BY DROUGHT AND DESERTIFICATION

3. The then Director of the Office of Evaluation and Studies (OE), Mr Pierre Spitz, introduced the evaluation of the SPA which focused on 23 project case studies in 18 countries. Also present at the session were Mr Jean-Philippe Audinet, the OE officer responsible for the evaluation, and the three directors of the IFAD regional divisions concerned with SPA: Mr Yahia Bouarfa, Africa I; Mr Gary Howe, Africa II; and Mr Theodore van der Pluijm, Near East and North Africa. Mr Spitz stated that every effort had been made to achieve a balance between analysis, concrete case studies, conceptual approaches and pragmatism. Thanks to support provided by the Government of Switzerland, the main report had been produced in both English and French, thus making it possible to circulate it widely among concerned countries. Presentation of the report to the committee was to be followed by a workshop on the SPA evaluation. The workshop was to be held at IFAD with representatives of the Investment Centre of the Food and Agriculture Organization of the United Nations and IFAD’s cooperating institutions and with consultants working regularly in sub-Saharan Africa. A meeting was also to be organized in Bern, Switzerland, to discuss the results of the evaluation with the Swiss Development Corporation.
4. The session was informed that although no new loans had been provided under the SPA for more than two years, the programme continued to operate at the field level, where the SPA portfolio was still only half completed.

5. When the evaluation process was initiated at the beginning of 1997, only about 50% of the funds committed for SPA projects and programmes had been disbursed - a situation not, however, unique to SPA. A total of 48 loans had been granted under the SPA, of which 35 were sufficiently advanced to be included in the evaluation; and, of these, 23 or two-thirds, had been analysed.

6. Given the wide diversity of country situations and programme components, the evaluation process required that a decision be reached on which aspects were to be assessed. Rural financing and credit, for example, were not specifically highlighted since a regional thematic study was conducted on these themes in 1996. Nevertheless, it was decided that since financial services and credit were important aspects of SPA activities, they would be taken up at a later date (see paragraph 19 below).

7. Members of the committee expressed appreciation of the enormous effort that had been made to compile the report, as it contained a wealth of information on lessons learned in the countries concerned. Many of the observations made in the report reinforced earlier findings and served to highlight areas of particular weakness in project design and implementation.

8. That many of the findings confirmed earlier experience in Africa showed that careful attention would need to be paid to certain aspects of the overall programme for that region. One finding was that there was a need for greater emphasis both on beneficiary involvement in design and on the sociological features of project/programme activities that had tended to centre on agricultural and agronomic considerations.

9. It was also suggested that it would be desirable to group the recommendations in the summary report around five themes, notably: (i) the programme approach; (ii) social aspects (i.e. participation, social change, empowerment, ownership, etc.); (iii) financial intermediation (i.e. savings and credit, financing); (iv) links with the cooperating institutions; and (v) contribution to national policies. It was further suggested that the discussion of issues should be linked systematically to the recommendations, i.e. each issue should be presented with a description of the lessons learned, impact perceived and constraints identified, followed by recommendations.

10. It was agreed that the problems common to SPA projects were also symptomatic of general conditions encountered by most institutions working in Africa which reflected a very negative environment for agricultural and rural development projects in general. Although IFAD prided itself on its development of micro environments - local level investment – it may have failed to make a strong enough connection between the micro and macro environments. In fact, when dealing with market situations, investments showed little increase due to policies that effectively taxed agriculture rather than stimulating the sector.

11. It was clear that, in general, failures under the SPA related primarily to structural issues rather than to individual design. For example, the negative results noted in certain countries were due largely to specific situations, civil strife, changes in government and the security situation. Moreover, the structural adjustment programmes have often had a negative effect on the agricultural sector. Therefore, it was clear that the Fund should proceed only with caution, or not at all, in the event of an unfavourable framework.
12. The Executive Director of the United States recalled that much project success had been due to the presence of dynamic and effective project managers. In future, IFAD might consider taking steps to ensure that it took a more active part in their selection.

13. There had been a number of very positive outcomes from SPA interventions, for instance with regard to rainfed agriculture and soil and water conservation in semi-arid areas as, for example, in West Africa (Burkina Faso, Cape Verde, Niger, Sao Tome) and The Sudan, and with irrigation projects in northern Ghana and Niger. That such farming systems/techniques could be replicated in other projects had been noted by a number of governments and financing institutions. Lessons learned from the SPA could be used by the Fund to improve its projects and programmes and by other partners working with development projects.

14. A query was raised regarding the validity of promoting traditional versus cash crop production under the SPA. On the one hand, there was a valid argument to promote cash crops in countries where marketable products were desperately needed as sources of cash income. On the other hand, the SPA was working in those very countries, particularly in areas and zones that were often highly degraded and in, relative terms, poorly endowed with the natural resources needed even for solely subsistence agriculture. The situation was further exacerbated by the fact that such areas were often very far from urban or semi-urban settlements which led to problems for the transport and marketing of agricultural produce. As a consequence, the appropriateness of promoting cash crop production depended upon the specific circumstances prevailing in the areas concerned. Better results were more likely to be achieved in areas where the promotion of cash crops had a greater chance of success.

15. One of the main results of the evaluation was a de facto in-depth analysis of semi-arid zones that are dependent on food crop agriculture. A number of valuable lessons had been learned and findings had been confirmed regarding those areas compared with others more affected by macroeconomic conditions.

16. The Executive Director of Germany noted with regret that the share of commitments to Africa was decreasing. This was especially disappointing since IFAD was to host the Global Mechanism to Combat Desertification in 1999. One of the main arguments for holding the meeting related to the Fund’s experience in sub-Saharan Africa, especially in drought-stricken areas. IFAD committed approximately USD 100 million per annum for projects aimed at combating the effects of desertification.

17. Under agenda item 3, the committee also reviewed document EC 98/19/W.P.2 relating to “Amendment of the Organizational Principles of the Evaluation Committee”. In keeping with the recently-introduced new governance procedures of IFAD with respect to amendments to the Rules of Procedure of the Executive Board, the document clarified that a quorum for any meeting of a committee or other subsidiary body of the Board was constituted “… when representatives of a majority of its members are present”. In the case of the nine-member Evaluation Committee, the rule regarding the quorum should thus specify “when at least five members are present”.

18. With regard to the future work of the Evaluation Committee, Mr Spitz stated that a roundtable discussion would be held on the Mauritania project portfolio in late June 1998, and invited members of the committee to attend. For its forthcoming meeting in September 1998, it was proposed that the committee should consider two final evaluations of projects in Tunisia. The experience gained from those projects might be useful when reviewing regional development considerations in general and the thrust that regional development projects could take in the future.
19. In addressing his first session of the Evaluation Committee, Mr Westley noted with pleasure the importance that the Fund attached to evaluation. He saw development as a learning process and evaluation as a way of formalizing the lessons learned from experience gained in the field.

20. In introducing the two completion evaluation reports, Mr. Spitz noted that both the national and the regional authorities in the Sidi Bouzid region had been very closely associated with the appraisal, evaluation and monitoring of the projects. The IFAD evaluation team had been very active in gathering and analysing data - so much so that the Tunisian Government had requested the Fund to organize a meeting on rural development based on the two completion evaluation reports. The meeting, which was entitled "Days of Discussion on Rural Development" and was held in Tunisia on 4-5 May 1998, brought together 60 national and regional officials, scholars and researchers and representatives of the World Bank and IFAD. Several members commented on the significance of these discussions in terms of the initiative shown by both the Government and the local authorities to benefit from the lessons learned from the Sidi Bouzid evaluations.

21. The evaluation of the Sidi Bouzid region is one of the very few available studies on the long-term impact of rural development interventions. From the outset, IFAD had wanted the evaluations to measure the direct effects of the project(s) and to ascertain how they interacted with the dynamics of the regional economy. This had necessitated substantial work in terms of collecting empirical evidence both from the agricultural sector and from other sectors of the economy. The evaluation team had thus built up a database which was provided to the Government in the form of electronic files. Training was also provided to staff on using the files. In this way, it was possible to use the database both as a tool for monitoring the evolution of the sector and economy at the regional level and for designing future programmes. The evaluation process had focused on building up the database so as to be able to offer information on results and finding, both for discussion purposes and as a means of understanding policy implications.

22. Regarding the effect of activities on the projects’ target groups, one of the most negative aspects of the projects had been the limited benefits they had provided to smallholders/small-scale producers, especially in the irrigation project.

23. In terms of the projects’ impact on institutional development, the committee noted that the long-term analysis showed that the role of the state at large was critical for achieving results. In the early 1980s, the Tunisian Government had been involved exclusively with subsectoral, centrally-planned and managed programmes that were implemented only to a limited extent at the regional level. Sidi Bouzid was the first intervention that allowed it to undertake a multi-component regional-level project. The evaluation noted that the integration of activities by various line agencies and technical services was very weak, coming as they did from sectoral and subsectoral programmes implemented by provincial services. The IFAD projects, on the other hand, made every effort to ensure that all the various actors worked together. In practical terms, it was recommended that the integration and coordination of services be improved, particularly through the monitoring function. The evaluation contributed to this objective by encouraging the authorities to undertake self-evaluation with IFAD assistance.

24. Several members commented on the project evaluations in the context of regional integration. An important response to the reports’ recommendations had been the Tunisian Government’s organization of the May 1998 meeting which had built on the process of government thinking in terms of regional development concerns and the role of the state in general. For example, several
papers on related subjects were delivered at the meeting, including that on "Planning and Regional Development" presented by the Director-General of the Ministry of Economic Development. Consideration was also given to subjects such as regional planning and the regionalization of budgets, the future of Tunisia's coastline, etc. The uptake of recommendations at policy level remains a prerogative of the Tunisian Government, but there is no doubt that both the evaluation and the follow-up meetings have increased decision-makers’ awareness of key policy issues regarding regional development.

25. It was also acknowledged that the Sidi Bouzid projects represented the old, third-generation style of IFAD interventions, in which beneficiary participation was still in the early stages of development. The Near East and North Africa Division acknowledged that it had placed only limited emphasis on farmers' associations in the early projects. Gradually, however, thanks to the Fund's involvement in financing and supervision and its work with colleagues from the World Bank and the Arab Fund for Economic and Social Development, IFAD had begun to work increasingly with non-governmental organizations (NGOs) with a view to enhancing people's participation in projects. Thus, in a sense, the Fund's focus had shifted away from a territorial approach in its projects to one based on demand.

26. To date, IFAD-funded projects have covered the entire northwest and central parts of Tunisia. While the Government had expressed its desires very clearly in terms of what it expected, IFAD had emphasized that while it was very interested in financing such undertakings, the Government should accept activities that supported people's participation and NGO involvement.

27. Under agenda item 4, Other Business, the Chairman invited the meeting to consider the future programme of the committee. Mr Spitz recalled that the SPA evaluation had been originally scheduled for review by the December 1997 session of the committee. However, this had been delayed due to the need to finalize the report in French and English, made possible thanks to the generosity of the Government of Switzerland. The evaluation had not been considered until the April 1998 session of the Evaluation Committee and it was to have been discussed at a meeting of development partners in June 1998. Unfortunately, it had not been possible to bring all the various actors together at that date and the meeting had been postponed until October 1998. Mr. Spitz therefore suggested that the SPA evaluation report be made available to members of the Executive Board at its December 1998 session.

28. In connection with the discussion on the SPA evaluation, it was confirmed that members of the Executive Board who wished to do so could participate in the discussions of the Evaluation Committee.

29. The meeting also discussed the possibility of proposing to the Executive Board that more evaluation work should be brought to its attention in the future. The representative of Germany was requested to draw up a proposal for the consideration of the committee which would then decide how the issue should be presented to the Board.

30. The last session of the committee had, inter alia, considered the possibility of discussing a study on credit in West Africa. Members also called for an update of the study on finance and credit issues undertaken in 1996, in light of an evaluation exercise that was being carried out on the new formula for village finance associations. The study may be reviewed by the committee at its meeting in September 1999.

31. Finally, the Chairman reminded the meeting that Mr Spitz would be leaving IFAD shortly. He thanked the Mr Spitz on behalf of all the members and invited him to say a few words at this, his last session of the Evaluation Committee.
32. In thanking members for all the support they had given him over the years, Mr. Spitz noted that since becoming Director of OE nine years earlier, a certain evaluation culture had developed within the Fund. Initiatives taken to transform IFAD into a “knowledge organization” included development of the Evaluation Knowledge System and the evaluation Internet website which enabled IFAD to exchange knowledge and experience with its partners in development. He acknowledged that the committee had always reached very positively to such initiatives and had encouraged the Fund to continue its efforts in the field of evaluation, often a highly sensitive area of development work. In closing, Mr. Spitz paid tribute to members of the committee, both those present and those who had taken part in the roundtable discussions and field visits to Bangladesh, Ghana, Honduras, Mauritania, Pakistan and Yemen.