IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
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ANNUAL REPORT ON EVALUATION

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

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ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
AFESD	Arab Fund for Economic and Social Development
BOAD	West African Development Bank
BSF.JP	Belgian Survival Fund Joint Programme
CAF	Andean Development Corporation
CCP	Core learning partnership
CE	Completion evaluation
COB	Community-based organization
COSOP	Country strategic opportunities paper
CPE	Country programme evaluation
EC	Evaluation Committee
ECP	Extended Cooperation Programme
EKSYST	Evaluation Knowledge System
GK	Global knowledge conference
KM	Knowledge management
M&E	Monitoring and evaluation
MTE	Mid-term evaluation
NEA	New approach to evaluation
NENA	Near East and North Africa
NEP	New evaluation process
NGO	Non-governmental organization
OE	Office of Evaluation and Studies
PD	Programme Management Department
PREVAL	Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean
TE	Thematic evaluation
UNOPS	United Nations Office for Project Services

ANNUAL REPORT ON EVALUATION

PART ONE: IFAD'S EVALUATION ACTIVITIES

I. INTRODUCTION

1.   Pursuant to the decision taken by the Evaluation Committee in 1999, this document will take the place of the Progress Report on Evaluation and the Report of the Evaluation Committee that were previously presented each year at the first Executive Board session.

2.   1999 was an eventful year for the Office of Evaluation and Studies (OE). One of OE's main priorities was the review of the adequacy of IFAD's evaluation function. The conclusions of the adequacy review prompted OE to embark on a strategy development process that led to the development of a new approach to evaluation. This was followed by a re-engineering of the evaluation processes in order to align OE's evaluation work and products with the main features and directions of the new evaluation strategy. In 1999, a new collaborative instrument for OE's work programme was also developed. Finally, OE conducted 25 major evaluation activities.

II. REVIEW OF THE ADEQUACY OF IFAD'S EVALUATION FUNCTION

3.   During 1999, OE conducted a review of the adequacy and effectiveness of its evaluation function. Its aim was to assess OE's responsiveness to the needs of its users, and to examine the relevance of OE's services and products.

4.   The review of the adequacy of the evaluation function was preceded by a user survey of OE's products and services, and an internal assessment of its evaluation work. The combined results of these initiatives indicated that, while the quality of the evaluation outputs is high, redirecting this process would better meet the needs and expectations of the users of the evaluation services. Important messages were conveyed by the user survey: OE tended to overemphasize the concept of independence, and evaluations were not always sufficiently geared to generate practical solutions that would lead to the improved performance of IFAD's policies and operations.

5.   OE recognized that there was an overall need for change to enhance the effectiveness and responsiveness of its work. The need for change also derived from new directions within IFAD. Externally, IFAD is strengthening cooperation with its borrowers in development efforts that engage community-based organizations (CBOs), implementing organizations and government institutions to help the rural people help themselves. These efforts involve careful listening to the people and learning from their experience. Internally, IFAD is reorienting the way it works and learns. In recent years, it has generated new loan instruments, project-cycle management methods and knowledge management approaches. To be effective, IFAD's evaluation function must respond to these new ways of working within IFAD.

6.   These conclusions prompted OE to embark on a soul-searching and strategy development process that led it to define its core values, vision and mission. OE has also clearly defined who are its partners and the users of its services. Perhaps most importantly, it has also developed a mindset that focuses on its evaluation partners and their needs. This strategy development process led to a new approach to evaluation, which was approved by IFAD's Senior Management in November 1999 and discussed during an informal session of the Governing Council.

III. NEW APPROACH TO EVALUATION (NAE)

Defining the Users of OE Services as a Partnership

7.   OE recognized early in its strategy development process that for evaluation to contribute to the improvement of project design and implementation, it was essential to understand how and by whom evaluation feedback and recommendations are used. Surveys indicated that people adopt evaluation recommendations when they identify with them, that is, when the recommendations reflect and confirm their own experiences and understanding of the issues. This sense of ownership is a critical factor that occurs when the users themselves are closely involved in the evaluation process. The impact of evaluation will be greatest when the users of evaluation services and the evaluators learn together as partners in the evaluation process.

8.   The need for a clear definition of the partners as the users of OE's services was seen as fundamental to the development of its strategy. Therefore, a critical question was: who are the evaluation partners and what is their role in evaluation? The many actors engaged in the development process need to be included as partners in evaluation. The core partnership includes those who are expected to use the outcome of our work and are directly engaged in IFAD operations and programmes. Evaluations must create value for these partners, and the outcome of the work must meet their expectations and needs. In practical terms, this means that evaluations should provide an in-depth understanding of issues and corresponding solutions that are used by the partners to improve their operations and policies. This requires that priority areas be jointly defined and solutions jointly produced. Such cooperation does not entail a loss of independence and objectivity in evaluation: these characteristics are important assets that need to be preserved. However, in order for evaluation learning to be relevant, it has to be continuously shared during the evaluation process.

9.   OE defines its greater partnership as a collaboration of multiple actors, both within and outside IFAD, engaged in the development process. The core partnership (see Box 1) includes all users that are engaged in IFAD's operations, i.e., governments, implementing organizations (such as project authorities, cooperating institutions, etc.), CBOs, and the Programme Management Department (PD). In addition, OE includes other users such as IFAD Management, the Evaluation Committee (EC), the Executive Board and the donors and members of the development community that have an interest in what OE produces.

Core Users Partnership   Box 1
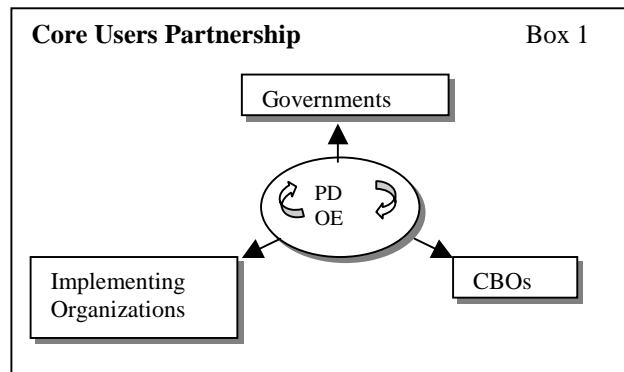
10.   Inclusion of the borrower and implementing agencies in the partnership is fundamental to IFAD. Over the past few years, IFAD has increasingly built genuine CBO participation into design and implementation. Rural people cannot just be objects of assistance: they are active agents of their own development, with well-established local knowledge systems, values and practices that should be drawn on in designing and building new strategies and initiatives. An attempt has been made to capture this commitment in OE's Vision and in its Mission Statement.

OE's New Vision and Mission

11.   Based on an agreed-upon set of core values and OE's aspirations for the future, Vision and Mission Statements were drawn up. (See Box 2)

12. The Vision of Evaluation captures the aspirations of OE to draw upon lessons from previous experience so as to obtain a greater understanding of the causes of and solutions to rural poverty. The Mission Statement describes OE's changing relationship with the partners it serves. The aim is to improve the design and implementation of IFAD projects, programmes, strategies and policies, and to assist and empower CBOs in becoming effective and sustainable agents in the alleviation of rural poverty. The Vision and Mission Statements clearly indicate that OE cannot address this alone; it requires the joint effort and support of its partnership.

Box 2

Vision of Evaluation

OE wishes to promote a learning process that deepens its understanding of the causes of and solutions to rural poverty through enhanced cooperation with the Fund's partners.

With its partners, OE wishes to use that knowledge to develop supportive instruments for the rural poor to empower themselves.

Mission of Evaluation

With its partners and through evaluation work, OE generates good practices, lessons learned and strategic directions that can improve the performance of policies, programmes and projects.

Strategic Objectives

13. Based on this vision and mission, and its own analysis of its partner's needs, OE developed a framework of strategic evaluation objectives for the coming years. Its distinctive feature is the resolve to learn together with all partners and to develop jointly the recommendations and lessons learned that will help improve the performance of IFAD operations. This is expected to increase the likelihood of its partners adopting and using the outcome of OE's evaluation work.

Strategic Objectives Box 3
- Evaluation work should be issues-oriented and respond to the needs of OE's partners.
- OE's work must offer opportunities for learning and knowledge-generation, together with its partners.
- Evaluation work should produce learning effects and recommendations that are agreed to and adopted by OE's partners and will lead to improved IFAD operations, policies and strategies that can be replicated.

The Four Main Features of the New Approach to Evaluation

14. Four main features characterize the NAE. First, partners and their needs take center stage. This represents a new mindset: OE wants to be of service by providing practical solutions that are used by its OE's partners for improving their operations and policies. OE's evaluations must create value for its partners and the outcomes of its work must meet their expectations and needs.

15. The NAE's second distinctive feature is the resolve to transform each evaluation into a systematic learning exercise geared towards improving performance. This is OE's contribution to IFAD's management for knowledge. To be effective, the learning exercise must have the participation of OE's partners: it is with them that evaluation recommendations and lessons learned need to be

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Box 4

**New Approach to Evaluation
Four Main Features**

- A strong service and partnership orientation
- Evaluation work is learning together with our partners
- Raising evaluation to a higher plane
- Evaluation work needs to be evaluated

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developed. As OE learns and then shares what it has learned in a cooperative relationship with its partners, the likelihood of their adopting and using OE's products and services is heightened.

16.   Although project evaluations are indeed important, they are not the most cost-effective instrument at OE's disposal. Through thematic, country and other programme evaluations, it is possible to have a multiplier effect and impact on several projects, programmes and policies, and to generate the knowledge that IFAD requires most. For this reason, OE intends to increase its involvement with issues related to the evaluation of strategies and programmes at various levels, and in so doing raise its evaluation function.
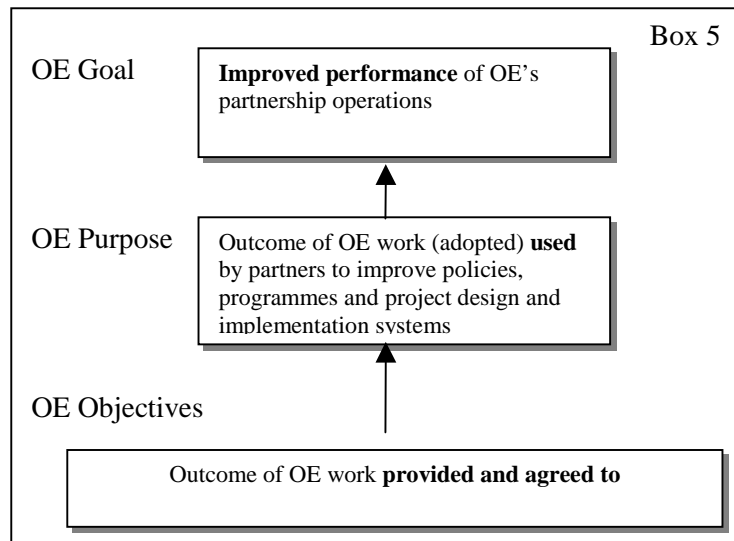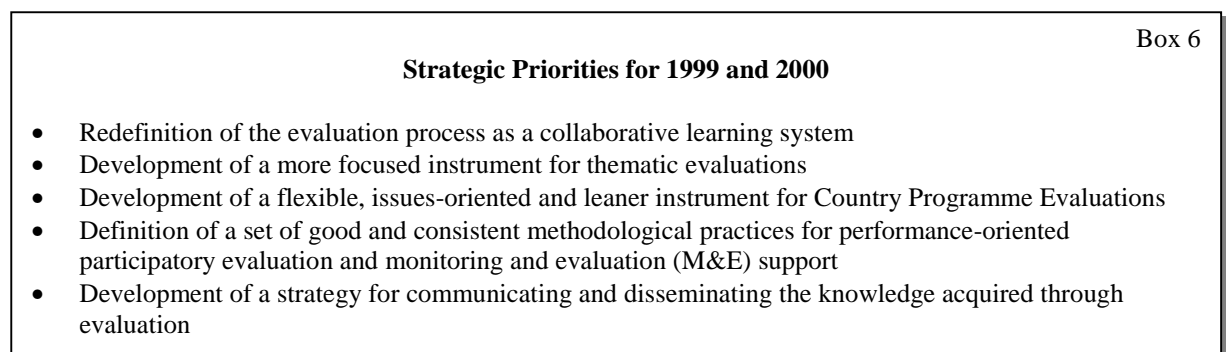
17.   The new evaluation strategy recognizes the need for OE to evaluate continuously the validity of its work. In the past, OE did not assess the rate of adoption of its recommendations and of lessons learned. OE now recognizes that it needs to establish criteria for evaluating the validity of its evaluation work. The performance of future evaluation work will be gauged by the adoption and actual use of the solutions it provides (see Box 5).

Box 5

OE Goal	**Improved performance** of OE's partnership operations
OE Purpose	Outcome of OE work (adopted) **used** by partners to improve policies, programmes and project design and implementation systems
OE Objectives	Outcome of OE work **provided and agreed to**

Defining Strategic Directions and Setting Priorities

18.   To define new strategic directions for evaluation, an assessment was made of the contribution of current evaluation work to the achievement of OE's new strategic objectives. This entailed determining the degree of emphasis put on various types of evaluations and related activities, what should be improved and what should be added. On this basis, new strategic directions were developed for evaluation.

19.   Using the Mission Statement and the strategic objectives as a guide, the strategic directions were next prioritized for the coming year (see Box 6). These strategic priorities represent important innovations in the way OE intends to support IFAD operations.

Box 6

Strategic Priorities for 1999 and 2000

- Redefinition of the evaluation process as a collaborative learning system
- Development of a more focused instrument for thematic evaluations
- Development of a flexible, issues-oriented and leaner instrument for Country Programme Evaluations
- Definition of a set of good and consistent methodological practices for performance-oriented participatory evaluation and monitoring and evaluation (M&E) support
- Development of a strategy for communicating and disseminating the knowledge acquired through evaluation

IV. THE NEW EVALUATION PROCESSES

Main Features

20.   Given the emphasis that NAE has placed on learning together with our partners for improved performance, it was clear that the process of undertaking evaluations needed to be re-engineered. The three most important features of the evaluation process introduced in 1999 were:

- The approach paper as the starting point of each evaluation
- The core learning partnership (CLP) concept to steer the evaluation and learning process
- The definition of the completion point of each evaluation process as an agreement or understanding among OE and its partners.

21.   The approach paper is a new instrument for OE. Detailed terms of reference have always been prepared for our evaluation missions, but the approach paper moves well beyond this. It provides the overall framework for the evaluation and outlines the issues at stake: the justification for the evaluation, the expected objectives, the evaluation methodology and budget estimates. The paper describes the process to be followed from start to finish, and describes each phase, providing a work plan and schedules for undertaking and completing each one. It is drafted in consultation with CLP members who participate in the process.

22.   OE recognized that it could not cooperate simultaneously and with the same intensity with all partners in an evaluation process. Therefore, the need was demonstrated for a dedicated group of core users that would steer the evaluation and learning process throughout its cycle - the CLP (see graph). Depending upon the nature of the evaluation to be undertaken, the CLP may consist of representatives of local project staff, government, cooperating institutions, non-governmental organizations (NGOs), representatives of CBOs, PD and OE staff. The CLP is an arrangement that will foster open deliberations and learning among the key stakeholders. It can serve in many stages of the evaluation process, including: design of the stakeholder-participation approach; collaboration on the design of the approach paper; discussion of findings, conclusions and recommendations; and finally, the organization of negotiations and agreements regarding lessons learned and next steps to take in implementation. Although the evaluation officer is responsible for the integrity of the final outcome of the evaluation analysis, CLP members guide the learning process and its final outcome.
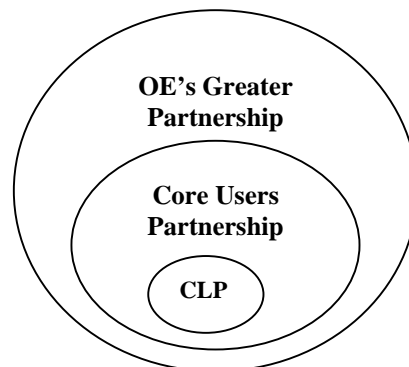
23.   The completion point closes the evaluation process. At the completion point, the evaluation partners representing various stakeholders involved in the evaluation process agree on which evaluation findings and recommendations that will be adopted and used, what follow-up is required and who will undertake it. The written agreement or understanding illustrates the stakeholders' consensus and commitment to implementing the evaluation's recommendations, which are expected to improve operations, policies and/or future project design.

24.   The new evaluation processes (NEP) that were developed by OE consist of six steps to be performed in each evaluation (see Box 7). Of critical importance are Step 4: conducting participatory evaluations and Step 6: proposed recommendations, lessons learned and follow-up.

25.   Step 4: Conducting participatory evaluations: The Vision of Evaluation identifies enabling the rural poor to empower themselves as OE's principal concern. IFAD's evaluation should therefore endeavour to provide special opportunities to enhance the participation of the rural poor in the assessment and improvement of development services and policies from which they are supposed to benefit. Participatory evaluations are therefore designed with the objective of strengthening the position of the rural poor in their interaction with implementing agencies, governments and IFAD. The type of participatory process, approach and methodology to be used during the evaluation exercise is defined and agreed upon in the approach paper and in the terms of reference of the mission.

> **Box 7**
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> **New Project Evaluation Processes**
>
> 1. Identify and select evaluations to be included in the OE annual work programme.
> 2. Consult with core learning partnership and develop and share the approach paper, which outlines the objectives and outcomes, the stages of the process, etc.
> 3. Select, recruit, and brief consultant and resource persons.
> 4. Conduct participatory evaluation/study and produce the preliminary report.
> 5. CLP validates the results and determines the process leading to the completion point.
> 6. Agree on report recommendations to be adopted and lessons learned, and the follow-up required (the completion point for the evaluation).

26.   Step 6 – Proposed recommendations, lessons learned and follow-up: At this stage, the role of the CLP is particularly important. The draft evaluation report should be shared within the CLP as soon as it is ready so as to enable prompt interaction and build early ownership into the eventual evaluation output. The CLP will prepare an outline of their common understanding on the most important lessons learned and recommendations emerging from the evaluation, and identify the follow-up actions required. In addition, the CLP will determine the process required for the evaluation to reach the completion point (step 5).

27.   The proposed NEP outlined above is meant to be an action-research experiment. In 2000, the NEP and related procedures will be tested and further refined, to discover how to make these methods effective instruments for our partners.

Thematic Evaluation (TE)/Studies and Country Portfolio Evaluations

28.   While project evaluations will continue to be significant, the NAE stresses the importance for IFAD's evaluation function to move to a higher plane and increasingly deal with the evaluation of programmes, policies and strategies. In particular, country programme and thematic evaluations can play an important role in revisiting existing policies and strategies or for formulating new ones. The processes involved in thematic and country programme evaluations were revised and streamlined in 1999 in order to realign these specific evaluation processes and instruments with NEP's principal features.

New Process for Thematic Evaluations

29.   Although the steps are very similar to the basic NEP, the thematic evaluations (TEs) process has been adapted to the specific requirements of the TE.

30.   The purpose of TEs is to examine IFAD's experiences with specific aspects, themes and processes of IFAD's operations and policies. They synthesize and analyse the Fund's accumulated experience across countries and regions and draw cross-cutting lessons. TEs will be undertaken based on findings from project evaluations and country programme evaluations, supplemented by further investigation, including staff fieldwork and surveys. They will be expected to provide the building blocks for revisiting or reviewing existing policies and processes, or for formulating new ones.

31.   The TE approach is practical, being based on the assumption that the degree to which the TE's evaluation outcomes are relevant, they will be used to strengthen operational policies and procedures. OE considers it fundamental to collaborate with its partners in defining what they consider to be the critical outcomes towards which the TE process is directed. Therefore, OE will identify the expected outcomes for the TEs in consultation with its core partners.

New Process for Country Programme Evaluation (CPE)

32.   Focused, results-orientated CPEs are a strategic priority for OE. They are strategic in that CPEs are expected to provide inputs for establishing effective Country Strategic Opportunities Paper (COSOP) frameworks. OE anticipates that their importance will grow in the future.

33.   OE's approach to the CPE is increasingly participatory, as OE believes that IFAD will move progressively to a country strategy development process that includes a broad partnership of all relevant country stakeholders in its formulation. The CPE process anticipates this kind of engagement by the borrowers and civil-society organizations.

34.   One essential component of any CPE is to analyse and assess IFAD's experience in a given country. This will be done by drawing lessons from all IFAD-financed projects in that country. CPEs are, however, not intended to evaluate projects, closed or ongoing, but rather to provide (based on evaluations, supervision work, the project implementation status report and country portfolio reviews) comparative information on the most salient aspects of project performance to develop strategic and operational orientation for future IFAD projects.

35.   The second essential component of any CPE is a review of the most recent information on trends and emerging opportunities and risks affecting the rural people in the country. The review should also aim at identifying the rural poverty profile.

36.   The main expected outcome of any CPE is a set of agreed-upon inputs to present to IFAD's COSOP. This could also contribute to IFAD's policy dialogue on rural poverty alleviation in a given country. Other expected results include recommendations for the improved implementation of some ongoing projects, and lessons learned at the country level.

37.   The CPE process adapts the NEP, and includes these main innovative features: the approach paper, interaction with the CLP and an agreement among the partners at the evaluation completion point.

V. REVIEW OF THE MAIN EVALUATION ACTIVITIES IN 1999

Evaluations and Workshops in 1999[1]

38.   During the course of 1999, OE undertook 25 evaluations, including 15 project evaluations, two grant evaluations, six thematic studies and two studies on methodology. Of the 15 project evaluations, five were for projects at mid-term (including one financed by the Belgium Survival Fund Joint Programme); three in the Africa regions and two in the Near East and North Africa (NENA) region. OE carried out five interim evaluations, two in the Western and Central Africa region and three in the Latin America and the Caribbean region. It undertook seven completion evaluations, three in Asia and the Pacific, three in Africa and one in Latin America and the Caribbean.

39.   During the year OE finalized a study on the effectiveness of selected IFAD projects and presented its findings to the Second Session of the Consultation to Review the Adequacy of the Resources Available to IFAD. OE also finalized two TEs on the following topics: (i) Small Island Developing States; (ii) Marketing in Central America; and (iii) Rainfed Agriculture in the NENA region. The first phase was completed for another thematic evaluation: IFAD's Approach to Water Users' Associations. In addition, the evaluation of the IFAD/NGO Extended Cooperation Programme (ECP) was completed, which indicated a number of areas that require improvement in OE's approach and policy on NGOs and innovation. Finally, two new methodological studies on participatory evaluation methodology performance assessment methodology were begun in 1999. They will be completed in 2000.

40.   In the review year OE organized eight workshops to discuss evaluation results with stakeholders (some were held at the end of the evaluation field work). These included two national-level round tables in Costa Rica and Nepal, and six regional-level workshops in Chad, Costa Rica, Guinea, Kenya and Mali (2). During 1999, OE staff participated in missions and workshops to support M&E in India and Uruguay, and in one start-up workshop in an IFAD-supervised programme in Mali. OE also contributed to one international evaluation meeting organized by the World Bank and two in the context of the Global Knowledge Partnership.

Knowledge Management through Evaluation in 1999

41.   **Transforming evaluation into a systematic learning exercise:** Because learning is at the heart of its business, OE is committed to transforming evaluation into a systematic learning exercise that can be shared with its partners: this will be OE's main contribution to IFAD's knowledge management in the future. The process of learning together is expected to benefit the evaluation function in two ways. The insights and experiences of IFAD partners will improve the quality of evaluation output. The process will also speed the incorporation of evaluation recommendations and lessons learned. This is the Fund's evaluation objective: that evaluation induce changes that contribute to improved operations, strategies and policies, those both of IFAD and its partners.

42.   In 1999 OE acted as the focal point for the Fund's participation in the Second Global Knowledge Conference (GK II), which was held in Malaysia in March 2000. IFAD's main objective in the GK-II was to build awareness about and showcase the importance of nurturing, capturing and disseminating the knowledge and innovations of rural people in the development process. For this purpose, a number of initiatives were implemented, including the organization of an international competition throughout all IFAD projects to scout for the best knowledge and innovations of rural people.

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[1]   See Annex I for a full list of all Evaluation Activities in 1999 and Annex II for some highlights of findings and lessons learned from selected evaluations.

43.   **Management of knowledge:** The need to manage efficiently the knowledge stock generated was also a priority concern for OE in 1999. This includes finding more efficient ways to store and disseminate our knowledge and evaluation output.

44.   To this end, OE improved the format for its reports and emphasized the use of visual tools (colour maps and photographs) to render the reading more attractive. More needs to be done and OE recognizes the importance of stepping up our efforts, in particular, by shortening reports and making them more user-friendly by adopting easier language and better packaging of the evaluation results.

45.   OE tools for knowledge storage, retrieval and dissemination include the Evaluation Knowledge System (EKSYST) and IFADEVAL (the Internet version of EKSYST available through IFAD's website). During 1999, EKSYST was made available through CD-ROMs, increasing the ability to disseminate evaluation results and output to a range of stakeholders. In 1999, a review of these systems was initiated for completion in 2000, the aim being to explore ways to enhance the use and relevance of these tools. In the framework of this review, IFAD undertook an EKSYST user survey, which provided very useful insights. The review will go on to assess the quality and coverage of EKSYST and IFADEVAL knowledge contents, with a view to identifying the areas in which the systems requires improvement.

46.   **OE's role in corporate knowledge management (KM) strategy development:** In 1999, OE contributed to establishing a coherent KM platform within IFAD, through the participation of OE in an interdepartmental team that is steering and defining IFAD's corporate KM strategy.

VI. OVERVIEW OF THE OE 2000 WORK PROGRAMME

47.   In 1999, the OE team designed an annual cycle of management events to plan its work and continuously review its strategy. This calendar of events brings together OE and its partners in order to improve work programme responsiveness. Based on the learning cycle, the new process is intended to maximize OE's collaboration with PD and other partners. It is hoped that the new cycle will be both flexible and iterative: flexible in that it can respond to important opportunities throughout the year; and iterative in that it will become more collaborative over time, as the partnership explores productive ways of cooperating.

48.   Based on NEA, OE has developed a new collaborative instrument for its future annual work programme that operates in two phases. In the first, a call is issued to the in-house partners to list their demand for evaluation work to be undertaken in the following year. This list is subsequently discussed and cleared, first with the individual regional divisions and then with PD management. Given the proximity of OE's in-house partners, it is natural that the dialogue surrounding the preparation of the work programme between PMD and OE is the most intensive, although the intention is to take advantage of new communication technologies to establish a productive exchange with OE's partners in the developing countries as well. The second phase consists of the discussion and approval of OE's work programme at IFAD's senior management level. Finally, the OE annual work programme will be discussed at the December session of the Evaluation Committee.

Priorities

49.   OE priorities for 2000 are to:

- Use the newly re-engineered evaluation processes and the two redefined evaluation instruments of thematic and country programme evaluations and review the first experiences with them.
- Develop a dissemination and communication strategy for its evaluation work.

- Define a set of consistent methodological good practices for performance-oriented participatory evaluation and M&E support.
- Define the organizational set-up required to support the implementation of the new evaluation strategy.

Dissemination and Communication Strategy

50.   OE is committed to communicating the results of its evaluation work to audiences within and outside IFAD. EKSYST makes lessons and recommendations accessible and helps to shape debate about policies and practices. In 2000, OE will develop a strategy for disseminating its evaluation products and expanding communication among the community of users. OE intends to improve the design and functionality of EKSYST/IFADEVAL and assess the need and feasibility of other instruments for distance learning and exchanges of knowledge. This is necessary considering the rapid increase in web-based communication and the potential for extending Internet access to most of OE's partners and the broader development community.

M&E Systems Support

51.   The PD desires to improve the design and use of project M&E systems and has requested OE's support in the design, methodology and installation procedures of project M&E systems that meet minimum quality standards. Once a generic system of methodology and tools has been identified, assistance will be given for adapting the model for regional, subregional and country-level use. The programme of M&E systems work in 2000 provides several opportunities to develop, pilot and validate improved methodology at each of these levels.

Methodological Work

52.   OE will complete three major methodological studies in 2000.

- Study on Methodology of Performance Assessment. The study will take stock of IFAD's performance-assessment methods, identify additional approaches used by other development organizations and propose a methodological framework for performance assessment that permits consistency and flexibility in evaluating poverty-alleviation interventions. Such a study will lay the foundation for achieving one of the policy objectives stated in the Plan of Action of IFAD's Fifth Replenishment: "Improve the role and processes related to impact assessment and embark upon a continuous and consistent study of impact on-the-ground".

- Study on Participatory Evaluation Methodologies. Initiated in October 1999, the study will examine the range of approaches, methods and tools used by IFAD and other institutions to give project evaluations a stronger participatory dimension; assess the adequacy of these approaches and methods in different contexts; and identify good practices.

- Study on M&E Systems' Support. The study will define minimum standards for project M&E systems, which could assist regional divisions and project stakeholders in better designing and implementing M&E systems. The study will also generate region-specific tools and guidelines to tailor M&E systems' design to differing regional/subregional institutional and social environments.

Reorganization of OE

53.   Finally, in order to implement NEA and NEP in 2000, OE will undertake a reorganization of staff resources in early 2000. The aim will be to define the organizational set-up required to support and implement OE's new approach to evaluation.

Evaluation Work

54.   Criteria for the selection of evaluations that were included in the 2000 work programme were based on the new strategic objectives to produce evaluation outcomes that both respond to partner demands and can be used to improve their overall operational effectiveness. Choices were based on the justification for the requested evaluation provided by partners, and the expected outcome. In 2000, 23 evaluations will be conducted: seven TEs, of which one will be at the corporate level; three CPEs; and 13 project evaluations. They are shown in Annex III. In addition, OE will provide support for streamlining and operationalizing M&E systems in several countries.

PART TWO: IFAD'S EVALUATION COMMITTEE

I. REVIEW OF THE EVALUATION COMMITTEE'S (EC) ROLE AND THE DEFINITION OF ITS TERMS OF REFERENCE

55.   Established in 1987, the EC is a subcommittee of the Executive Board. Its mission is "to study and report on the evaluation activities of the Fund". Because the EC has been in operation for more than eleven years, a review of its overall operations was conducted in 1999. The view was to strengthen and streamline activities. During 1999, the EC completed a full review of its objectives and operations. Activities included a review of the scope of its work, its procedure for developing the agenda for committee sessions and its mechanisms for reporting to the Board. It also reviewed the frequency and timing of committee sessions and analysed its composition and chairpersonship, its information requirements and the planning of field visits of committee members. The review process ended during the September 1999 EC Session, which adopted the committee's terms of reference and rules of procedure. The Executive Board endorsed these procedures in its December 1999 session.

56.   The EC concluded that the objectives established in 1987 are still broadly relevant and valid and that, with minor modifications, these objectives will enable the committee to review new evaluation products introduced by IFAD since 1987. Therefore, the committee's objectives for the coming years are to:

- enhance the ability of IFAD's Executive Board to assess the overall quality and impact of programmes/projects through a discussion of selected evaluations and reviews conducted by the Fund;
- fortify the Executive Board's knowledge of lessons learned in IFAD projects; and
- enable Member States to better assess the Fund's role in the pursuit of a global development strategy.

57.   Some new features introduced in EC operations include: (i) the possibility to discuss all types of evaluation instruments and activities developed over time by OE so as to meet the demands of its various clients and other work exigencies; (ii) a systematic discussion of OE's work programme for the subsequent year during December EC sessions; and (iii) the merging of the report of the EC together with the progress report on evaluation that will be presented systematically to the first

Executive Board session of the year. This will ensure more timely and updated reporting of the EC's work to the Executive Board and reduce any potential redundancies between the documents.

II. HIGHLIGHTS OF EVALUATION COMMITTEE DISCUSSIONS DURING 1999 AND FEBRUARY 2000

58.   The following section contains a summary of the discussions during the three EC sessions held in April, September and December 1999, and the two informal sessions in March and June. This section also contains a brief account of the deliberations of the February 2000 EC session.

59.   During the informal session in March, the director of OE provided the committee with an overview of OE's work programme for 1999, and discussed the need to review the adequacy of IFAD's evaluation function, in order to make evaluation a more effective instrument. The committee expressed satisfaction that IFAD considers the role of evaluation to be important, illustrated by the forthcoming review of the Fund's evaluation approach and methodology. In preparation for the exercise, the EC suggested that OE ensure better feedback of evaluation results into the organization's overall activities.

60.   In April 1999, the EC discussed four main items, including OE's 1999 work programme, EC's provisional agenda for the remaining two sessions in 1999, the CPE in Nepal, and the mandate of the EC and its relationship with the Executive Board.

61.   OE reiterated that it would shortly review the adequacy of IFAD's evaluation function, leading to the formulation of new strategic directions for evaluation in the near future. The committee suggested that OE should heed the need for exchanges and dissemination of lessons learned, and that lessons should be formulated in a manner so that the people involved in design and implementation may readily implement them. During this informal session, the EC reflected on its reporting practice towards the Executive Board, in order to provide the latter more details of the main issues emerging from its discussions. The EC concluded that after more than eleven years of operation and concern expressed by various Executive Directors for the EC to play a more proactive and strategic function, its role and the reporting practices merit reconsideration.

62.   During the April discussions on the CPE for Nepal, the EC noted a very important lesson emerging from the evaluation: the need for an appropriate enabling environment for the development process to have an impact on the well-being of the target groups. The committee also noted the need for the Government to facilitate the execution of development programmes rather than trying to directly control outputs and effects. Such a shift requires institutional changes, but will accelerate economic progress.

63.   In September, the committee approved its first terms of reference and rules of procedure, following extensive discussions during an informal June session.

64.   During the September session, the committee also discussed the completion evaluations of the Small Farmers and Landless Credit Project in Sri Lanka and the second phase of the Village Development Fund Programme in Mali. For the first time, government representatives (from Sri Lanka) were invited by OE to attend an EC meeting and so obtain real-time feedback from their counterparts. The guests from Sri Lanka shared their viewpoints on the evaluation and the project, and showed a video. The Mali evaluation illustrated the way in which the evaluation function can contribute directly to project design and implementation, as the project being discussed had benefited from an interim evaluation in 1990.

65.   During the December 1999 session, the EC first reviewed and discussed OE's annual work programme for the subsequent year. In addition, the EC was also provided with an overview of the

NAE, which OE developed in 1999. Upon the request of several EC members, OE organized an informal seminar on IFAD's evaluation activities during the Twenty-Third Session of the Governing Council, to discuss the NEA.

66. During the December 1999 session, the committee also developed its tentative programme of work for the year 2000, drawing upon OE's work programme. The committee, however, retains the flexibility to adjust its agenda during the course of the year, according to its workload and changing priorities. This process will provide all concerned with an opportunity to plan and organize EC sessions in a more orderly and interactive manner. Finally, the EC also discussed the interim evaluation of the Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural for Poverty Alleviation Projects in Latin America and Caribbean (PREVAL). On this occasion, the coordinator of PREVAL was present, and provided a real-time demonstration of the PREVAL web-site. The committee appreciates the importance of such programmes, but highlighted the need to design a self-sustaining type of programme once grant-funding has terminated.

67. The first EC session of 2000 was held in conjunction with the Governing Council. The practice will continue, as established during the review of the role of the EC. On this occasion, two project evaluations were discussed, including the completion evaluation (CE) of the Tamil Nadu Women's Development Project in India, and the mid-term evaluation (MTE) of the Newlands Agricultural Services Project in Egypt. The EC session also witnessed two new initiatives. The first was the organization of a video conference with the Tamil Nadu project in India during the EC session; it gave members the opportunity to directly converse with project stakeholders in Chennai (Tamil Nadu State, India), including three women beneficiaries, government representatives, three NGO representatives, the Indian Bank (the only financial institution involved in the project) and the implementation agency. EC members expressed their satisfaction for this live interaction. The second related to discussions on the Egypt project, as this was the first time the EC was exposed to a MTE. It provided the committee with insights into issues from an ongoing project. The manager of the project's technical office participated in the EC deliberations, which provided its members with the possibility to hear directly the views of project staff involved in implementation. The EC noted the effectiveness of the MTE instrument in providing opportunities to recommend long-term changes to the design and operation of a project during implementation, based on in-depth participatory assessments of project effects and their emerging impact. Such changes are likely to lead to more sustainable impact for the project's target group.

III. END OF TENURE OF THE CURRENT EVALUATION COMMITTEE

68. With the conclusion of the February 2000 EC session, the tenure of the current EC also expired. The Executive Board will elect a new EC during its Sixty-Ninth Session in May 2000. A new EC chairperson will be subsequently elected by the committee during its September 2000 session.

EVALUATION ACTIVITIES: JANUARY TO DECEMBER 1999

Country/Project (Loan Nº)/(Cooperating Institution/ Dates of Effectiveness and Closing)	Project Financing Type[1]	Period of Mission Staff/Consultants

EVALUATION WORK

I. Mid-Term Evaluations (5)

Africa

1. Tanzania, United Republic of Water Supply and Health Project in Marginal Areas (BG 011-TZ) (UNOPS 15.03.95 – 30.06.01)	(BSF.JP)	19.04.99 – 07.05.99 Staff/Consultants
2. Zambia Southern Province Household Food Security Project (368-ZM) (UNOPS 28.03.95 – 31.12.01)	f	25.05.99 – 23.06.99 Staff/Consultants
3. Guinea Pilot Phase of the Village Communities Support Programme (487-GN) (World Bank 31.11.99 – 30.6.04)	c	Oct. – Dec. 1999 Staff/Consultants

Near East and North Africa

4. Egypt Newlands Agricultural Services Project (306-EG) (UNOPS 30.12.93 – 30.12.01)	e	07.04.99 – 04.05.99 Staff/Consultants
5. Tunisia Integrated Agricultural Development in the Governorate of Kairouan (348-TN) (AFESD 07.08.95 – 31.03.03)	f	13.10.99 – 31.10.99 Staff/Consultants

II. Interim Evaluations (5)

Africa

1. Chad Food Security Project in the Northern Guera Region (SRS 029-CD) (AfDB 28.07.92 – 31.12.2000)	f	19.03.99 – 09.04.99 Consultants

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[1] e – IFAD-initiated and exclusively financed
   f – IFAD-initiated and co-financed
   c – initiated by another institution and co-financed by IFAD

Country/Project (Loan N^o)/(Cooperating Institution/ Dates of Effectiveness and Closing)	Project Financing Type[1]	Period of Mission Staff/Consultants
2. Mali Kidal Food and Income Security Programme (SRS 014-ML) (BOAD 05.07.90 – 30.06.99)	f	21.04.99 – 17.05.99 Staff/Consultants
Latin America and the Caribbean		
3. Uruguay National Smallholders Support Project (332-UR) (UNOPS 15.07.93 – 31-12-00)	e	01.03.99 – 19.03.99 Staff/Consultants
4. Technical Assistance Grant N° 302-IICA Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean (PREVAL)		28.01.99 – 20.02.99 Staff/Consultant
5. Technical Assistance Grant N° 324-GIA Regional Institution for Rural Development Training in Argentina, Bolivia, Chile, Paraguay, Peru and Uruguay (PROCASUR)		20.06.99 – 06.07.99 Staff/Consultant
III. Completion Evaluations (7)		
Africa		
1. Ghana Smallholder Credit Input Supply and Marketing Project (247-GH /SRS 019-GH) (UNOPS 01.03.91 – 31.12.98)	e	04.06.99 – 30.06.99 Staff/Consultants
2. Kenya Farmers Group and Community Support Project (BG-007-KE) (UNOPS 29.05.91 – 31.12.99)	BSF + e	10.07.99 – 03.08.99 Staff/Consultants
3. Mali Village Development Fund Programme – Phase II (ML-278) (UNOPS 06.08.92 – 30.06.99)	e	23.01.99 - 13.02.99 Staff/Consultants
Asia		
4. India Tamil Nadu Women's Development Project (240-IN) (UNOPS 26.01.90 – 31.12.98)	e	10.10.99 - 28.10.99 Staff/Consultants
5. Maldives Atolls Credit and Development Banking Project (249-MV) (UNOPS 04.10.90 – 31.12.96)	f	28.02.99 – 29.03.99 Staff/Consultant

Country/Project (Loan N°)/(Cooperating Institution/ Dates of Effectiveness and Closing)	Project Financing Type[1]	Period of Mission Staff/Consultants
6. Sri Lanka Small Farmers and Landless Credit Project (219-SR) (UNOPS 28.03.89 – 31.12.97)	f	21.03.99 – 07.04.99 Staff/Consultants
Latin America and the Caribbean		
7. Peru Promotion of Technology Transfer Project to Peasant Communities in the Highlands (297-PE) (CAF 30.06.93 – 31.07.99)	f	04.10.99 – 23.10.99 Staff/Consultants

IV. Workshops and M&E Special Support Missions

Africa

1. Chad Evaluation Workshop - Food Security Project in the Northern Guera Region (SRS 029-CD)		April 1999 Staff/Consultants
2. Mali Evaluation Workshop - Kidal Food and Income Security Programme (SRS 014-ML)		May 1999 Staff/Consultants
3. Mali Evaluation Workshop - Village Development Fund Programme – Phase II (ML-278)		February 1999 Staff/Consultants
4. Guinea Evaluation Workshop – Pilot Phase of the Village Communities Support Programme (487-GN)		October 1999 Staff/Consultants
5. Kenya Evaluation Workshop - Farmers Group and Community Support Project (BG-007-KE)		August 1999 Staff/Consultants

Latin America and the Caribbean

6. Costa Rica Round Table – Technical Assistance Grant 302-IICA Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean (PREVAL) Follow-up to interim evaluation mission and formulation of proposals for Phase II		June 1999 Staff/Consultant

Country/Project (Loan N°)/(Cooperating Institution/ Dates of Effectiveness and Closing)	Project Financing Type[1]	Period of Mission Staff/Consultants
7. Costa Rica Round Table –Northern Zone Agricultural Credit Development Project (235-CR) Follow-up to the 1998 completion evaluation mission		February 1999 Staff
8. Uruguay M&E Support for the Third Phase of the Integrated Action Plan for Training in Monitoring and Evaluation Systems (PREVAL-PROCASUR)		March 1999 Staff
Asia		
9. Nepal Round Table Conference on the Country Programme Evaluation		December 1999 Staff/Consultants
10. M&E Support for Bihar/Madhya Pradesh Tribal Development Project (506-IN)		Nov./Dec. 1999 Consultant

V. Thematic Studies (6)

1. Effectiveness of Selected IFAD Projects		Completed
2. Marketing in Central America		Completed
3. Small Island Developing States		Completed
4. IFAD's Approach to Water Users Associations		Phase 1 completed
5. Rainfed Agriculture in the NENA Region		Completed
6. IFAD/NGO ECP		Completed

VI. Methodological Studies (2)

1. Methodology for Performance Assessment, Impact and Sustainability		Ongoing
2. Participatory Evaluation Methodologies		Ongoing

HIGHLIGHTS OF LESSONS LEARNED FROM EVALUATION

Asia: Country Programme Evaluation (CPE) in Nepal

1.   IFAD has funded a total of nine projects in Nepal for a total cost of USD 187 million. Its contribution in the form of loans amounts to USD 95 million, or 51%. The portfolio was evaluated in late 1998 and a workshop to discuss the recommendations with IFAD's partners was held in Nepal in 1999. The following are highlights from the evaluation findings and lessons learned:

- The standard line-agency approach in implementation. Donors, including IFAD, did not sufficiently assess the strengths and weaknesses of the organizations proposed to execute the projects. Prolonged use of conventional financial institutions and implementation through line agencies, despite difficulties encountered and negative IFAD evaluations, are cases in point. Excessive resources were often placed at the disposal of conventional institutions without appropriate verification of their capabilities as implementers and/or contractors of services. Projects typically failed to assess the effects of project strategies on incentive structures relating to salaries/allowances and mobility. Inadequate structures actually result in strong disincentives to contract out services to NGOs, because such contracting means that the staff must forego the allowances themselves. This neglect has led in a number of cases, such as in Nepal, to performance not matching expectations.

- Budget constraints. Because line agencies typically are directly involved in implementation, there has been considerable need for operating funds for transport and mobility. Government services become under-funded across line agencies and outreach is constrained compared to expectations. Sustainable services reach even fewer communities once donor aid is terminated.

- Incentives and sanctions. Farmers adopt government-sponsored innovations that promote intensification, sustainable land use and income growth if and when incentives are transparent and sanctions enforced. Failing these, productivity suffers. The absence of a legal code contributed to lack of community respect for established leasehold forestry sites, uncertain user rights for the leaseholders and cumbersome, year-long procedures for registration of groups and sites. In the case of irrigation schemes, farmers at the head of the command area need to be prevented from drawing excessive water; without constraints these farmers can reduce the amount of water available to those farmers downstream. In many conventional credit schemes, low credit-recovery rates can be explained by non-existent or rarely applied sanctions against wilful defaulters. On the other hand, when farmers in irrigation microprojects were free to form intergroups, the wider community was better able to enforce sanctions against "free riders".

- Community-driven interventions. Successful interventions are those that build up trust among resource-poor farmers as a basis for launching income-generating activities. This was particularly the case of interventions in support of rural women. Women extension agents are used at the village level to directly address rural women's constraints. Communications that pass from male extension agents to male household members do not always reach women members. Trust is built up when cadres of trained women extension agents interact directly with rural women. In this way, women's needs are more likely to be properly addressed. A structured, step-by-step process is needed so that reasonably homogeneous groups of resource-poor women can articulate their own needs and help each other minimize risks.

- A successful approach. The IFAD-supported Production Credit for Rural Women (PCRW) programme has been successful in following the approach described above. The CPE estimated the cumulative credit recovery across Nepal at an impressive rate of about 90% – despite the use of commercial bank branches – compared to the far lower recovery rates achieved under the regular programmes of commercial banks. This is a laudable achievement in view of the impediments to such progress. The PCRW has also successfully demonstrated that groups and intergroup associations of resource-poor women can themselves manage their credit needs, with little default, without links to or credit from the formal banking sector. The examples set under the PCRW are worthy of emulation. The same community-based approach for the provision of sustainable financial services has been successfully followed by a large number of NGOs. The CPE showed that incidences of stunted growth in children are lower in the sites where the PCRW programme has been operating, compared to sites not covered by this project. Of course, other factors may contribute to reducing stunting in the former sites. Yet, the PCRW correctly promoted a set of interventions which, when combined, contributed to reduced stunting. These findings are shifting IFAD's approach to poverty and gender inequality in Nepal towards the use of a community-driven approach.

BOX 1

Financial Sustainability for Credit Institutions:
A Successful Example from the Maldives

The Atoll Credit and Development Banking Project was evaluated at completion. It was implemented by the Ministry of Finance and Treasury (MOFT) of the Maldives through the Bank of the Maldives (BML). The project set out to reduce income disparities between the outer atolls and the capital island by providing opportunities for income-generating activities for lower-income groups. The project represents an unusually successful case of institution-building and financial sustainability. It developed a banking network for the outer atolls, covering more than 50 islands, and contributed to significantly increased income for beneficiaries. This experience illustrates a number of critical preconditions that ensure that project-supported credit institutions will become financially sustainable.

- Financial institutions are commonly subject to populist pressure to lower their lending interest rates, provide loans to low-risk, favoured clients and refrain from debt collection. In contrast, the BML agreed in this project to set up the IFAD-proposed number of new bank branch offices once it was satisfied that the staff to be employed had been properly trained in poverty lending and were in place.

- The MOFT granted BML full autonomy and did not interfere in its day-to-day operations.

- The BML enforced sanctions for defaulters and even repossessed and auctioned off assets, such as fishing vessels, of borrowers who were delinquent in repaying debt.

- The target-group households – without having to provide any collateral – received adequate credit, at the prevailing interest rate, to finance their activities. The rate of recovery of this credit at completion was close to 100%, even in excess of the recovery rates for non-target group loans. This represents an unusual success.

- The BML lent to both non-target and target groups, being mindful that it needed to attain a minimal volume and turnover so as to establish net overall profits (break-even point) as soon as possible.

- Much emphasis was placed on setting up a viable system for monitoring progress. Each branch office of the bank was required to report the status of its stock of loans and to show its profit-and-loss statement.

East Africa: Two Lessons Learned from Evaluations of the Belgian Survival Fund Joint Programme (BSF.JP)

2.   In 1998/1999, IFAD carried out completion evaluations of two BSF.JP projects in Kenya and one in Uganda: the Farmers' Groups and Community Support Project; the Nyeri Dry Area and Community Support Project; and the Uganda Women's Efforts to Save Orphans (UWESO) Development Project. Lessons were learned in the following areas:

- Sharing the costs of primary health care. In countries where the government's capacity to finance the recurrent costs of basic social services is limited, it is the commitment and ownership of the rural communities themselves that ensure sustainability. In the BSF.JP projects in Kenya, a cost-sharing practice was introduced into rural health services that required clients of health clinics to contribute fees to a community fund. In these areas, the government can provide health staff salaries and only basic drugs, so community funds were to be used to buy supplementary drugs and to pay for the maintenance of the health facilities. The result was highly successful, and the key factor was found to be the introduction of local management of the health facilities. BSF.JP projects in Kenya demonstrated that a cost-sharing system, in which the user pays for primary health care, can work even in an area where the majority of the population lives in poverty. Furthermore, as a result of informed involvement by the community, the cost-sharing arrangement considerably improved the operation and maintenance of the health-care facilities in the project area.

- Replacing charity with empowerment. The UWESO is a national NGO that, with support from BSF.JP, transformed itself from a simple relief and charity operation into an organization that fosters economic development. Financed under the UWESO Development Project, a small-scale UWESO savings and credit scheme became its principal instrument for the economic empowerment of the foster families of orphans. The capacities of largely women-headed families caring for orphans were strengthened through business-skills training, which, along with individual savings, was a prerequisite for loan qualification. The evaluation verified that the credit scheme had positive impact on foster families' income and asset development; this, in turn, allowed the families to better meet the needs of the orphans in their care. The foster families' income improvements produced benefits to orphans themselves in terms of better nutrition, health and education. The project also had positive effects on the skill base and confidence level of the women in credit groups; it contributed to the development of a savings culture that was previously unknown to most rural people in Uganda. Operational self-sufficiency and improved cost-effectiveness of loan delivery remain major institutional challenges for UWESO. The evaluation recommended a second-phase project to further develop this method of economic and social empowerment, which demonstrably contributes to the welfare of orphans in Uganda.

West Africa: Lessons Learned from Resource-Flow

3.   **Mechanisms during Implementation.** During 1999, the following three evaluations were undertaken for projects in Chad and Mali: the Food Security Project in the Northern Guéra Region in Chad; and the Village Development Fund Programme and Kidal Food and Income Security Programme, both in Mali.

4.   In each project, attempts were made to allocate resources flexibly during implementation in order to meet emerging needs at the grass-roots level. However, these attempts were constrained by a number of existing operational procedures:

- Scheduling. The annual work programmes and budgets (AWPBs) of the projects are approved too late in the year, so disbursement and execution schedules do not mesh with the work calendar of the farmers. Their schedule is determined by the seasons and markets rather than by administrative considerations.

- Approvals. Current procedures require approval by the central government in the national capital and by the headquarters of the cooperating institutions. This requirement contradicts the principles of participatory, bottom-up programming and decentralization, and hinders a sense of "ownership" of projects by local stakeholders. These procedures need to be reviewed, simplified and streamlined. The governing principles should be the responsibility of local stakeholders. The exigencies of farmers' calendars should take precedence over those of national and international bureaucracies.

- Contracts. In some projects, the core implementing agencies (including NGOs) are contracted for only one year at a time. Within this short time frame, delays in AWPB approval and resource flows have particularly negative effects on project implementation. As a result, resources are released late in the contract year and the implementing agency has to compress a year's programme of work into a much shorter time. Either core implementing agencies should have a longer contract with the project, or approval procedures and resource flows for a one-year programme should be timely.

Latin America and the Caribbean: Lessons Learned from Strengthening Evaluation Capacity

5.   The Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty Alleviation Projects in Latin America and the Caribbean (PREVAL) was designed to increase the number of institutions and professionals trained in M&E of rural poverty- alleviation projects in Latin America and the Caribbean. The grant, which was approved in December 1995, was extended to 31 December 1999 and evaluated the same year.

6.   Some programme activities – notably those using electronic means of communication, such as electronic workshops and PREVAL's home page – have reached users in Europe, Africa and the United States.

- Training cum technical assistance. PREVAL's training model emerges as the most successful in terms of impact, both on the professional capacities of the beneficiaries and on the M&E systems of the projects and institutions involved in project implementation. Within this model, the formula "training-cum-technical assistance" is most potent in promoting a positive and effective role for M&E units in the management and strategic planning of rural poverty-alleviation projects.

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BOX 2

Training in Monitoring and Evaluation Activities

URUGUAY. Third Phase of the Integrated Action Plan for Training in Monitoring and Evaluation Systems (PREVAL-PROCASUR), Colonia, Uruguay, March 1999

This one-week workshop was organized by the staffs of PREVAL and PROCASUR, the two IFAD-supported programmes that build evaluation capacities in the Latin America and the Caribbean region. It took place within a framework of integrated training and technical assistance in M&E of rural development projects in the region. The Colonia training workshop was the third and last phase of these sessions. The first and second phases took place in Santa Cruz, Bolivia, in April 1998 and in Cuzco, Peru, in August 1998. Between each phase, specific technical assistance was provided to each of the participating projects to further the incorporation of the newly learned techniques into the layout and daily practices of M&E in their project.

The workshop provided training on the general structure of M&E systems, as well as specific tools such as the logframe approach. In addition, a number of successful case studies taken from IFAD's portfolio in the region were presented, making possible an extensive exchange of experiences and problem-solving initiatives. This training session included discussions of techniques (quantitative as well as qualitative) for the evaluation of rural development programmes and projects, training on the organization of participatory M&E workshops, and the financial evaluation of projects.

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- Identifying new indicators. A programme that includes innovative activities, such as electronic networks and workshops, requires an M&E system that incorporates new indicators. These indicators should pay substantially more attention to the indirect impact on the performance of those projects and institutions the programme supports through its activities, rather than concentrating on the direct effects on individual participants.

- Considering applied research. This is an academic activity, even when it focuses on the identification of practical lessons learned from operational experience. As such, applied research requires considerable human and financial resources. A programme such as PREVAL, focusing on training activities, with very limited resources and a life span of only three years, should carry out applied research only in cases in which it can reasonably foresee reliable and relevant results from a limited resource outlay. Furthermore, a programme that includes applied research should not be constrained to carry out case studies focused on IFAD projects only. Case studies should focus on successful experiences or interesting innovations that may generate lessons for the design and implementation of project activities and M&E systems, whether or not they are funded by IFAD.

Targeting the Rural Poor: Evaluation Findings

7. IFAD carried out a review of targeting in IFAD projects based on the evaluation results for 65 projects. The review was a joint undertaking between OE and IFAD's Technical Division, financed mainly by supplementary funds contributed by Finland. The following are some of the highlights.

- Targeting is necessary but not sufficient for poverty reduction. Evaluation findings in general indicate that in the context of agricultural and rural development projects, targeting is a necessary but not a sufficient condition for poverty reduction. Almost all evaluated IFAD projects that achieved a positive outcome in poverty reduction were successful in targeting the poor. But not all well-targeted interventions reduced poverty.

- Targeting during design and implementation. The scope for targeting rural poverty-alleviation projects is both *ex ante*, that is, during project design and through selection of the project site and components, and *ex post*, that is, after the project components and sites have been chosen. The two are closely linked. Projects that are well targeted during the design stages require fewer targeting efforts during implementation. Whenever targeting means are well-specified at project design, targeting will likely be pursued well during project implementation and that screening tests will be applied and monitored. To avoid excessive leakages (project benefits that go to the non-poor), it is imperative that in the project design phase any prescribed screening tests for targeting during implementation have been checked for their correlation with the poverty status of the intended beneficiaries. The review revealed that screening tests could be applied rigorously in credit-type projects.

- Role of local communities in targeting. All well-targeted projects involve communities and/or grass-roots institutions in defining poverty, identifying the poor and directing project resources. As a rule, effective targeting is associated with the adoption of participatory approaches during both design and implementation. This was particularly true in more recent IFAD-supported projects. These incorporate the lessons learned from earlier IFAD projects concerning the crucial importance of participation and involve communities in the design and implementation processes.

- Excessive targeting can be counter-productive. Excessively complex targeting mechanisms can be counter-productive. Evaluation has identified cases in which complex eligibility criteria to exclude the non-targeted groups were very difficult to apply, costly and time-consuming. In these cases, there were prolonged delays in project implementation, and the target group coverage was limited. There is always a trade-off between results and complexity.

- Success in targeting the rural poor. The key factors that distinguish successfully targeted projects from those less successful are: good target-group specification at project design; understanding of the dynamic poverty processes before project implementation; adoption of clear and simple targeting criteria; specification of an appropriate M&E system for targeting; beneficiary participation at the project-design and implementation stages; rigorous beneficiary screening; and community participation. Some leakages of project benefits were found to be unavoidable and a certain degree of leakage is often necessary for ensuring good coverage of the poor.

- The costs of targeting need to be carefully analysed and weighed against the end results. Proper targeting involves additional costs, both at project design and during implementation. At the design stage, targeting requires careful diagnostic studies and surveys. This requires additional expenditure, and also increases the length of the project design cycle. Thus, further indirect costs are added. A debate is ongoing as to whether large investments in this area are justified at the design stage, given the fast-changing socio-economic environment of the poor. Some argue for a flexible approach in which detailed design of targeting is shifted to the implementation stage: project staff and implementing agencies get in direct and closer contact with the poor and their communities. This shift may better enable targeting to take into account the changing realities of the poor. Empirical evidence and further studies are required to resolve this issue.

EVALUATION WORK FOR 2000

Area of Work	Identification	Start Date	Expected Finish
1. Evaluation Work			
1.1 TEs and Studies	Assessment of IFAD's Performance on Promoting Replicable Innovations	1/2000	12/2000
	Phase II of Water Users Association: Participatory Irrigation	7/2000	1/2001
	Agricultural Extension Interventions in West and Central Africa		
	Marketing and Prices in the United Republic of Tanzania	2/2000	6/2000
	Community Ownership of Food & Nutrition Security Intervention Tools	8/1999	6/2001
	Privatization of Project Services & Management in LAC	10/2000	7/2001
	Rural Financial Services in China	3/2000	12/2000
1.2 CPEs	Syria	1/2000	9/2000
	Papua New Guinea	2/2000	9/2000
	Vietnam	3/2000	8/2000
1.3 Project Evaluations			
1.3.1 Interim Evaluations	Ghana: Rural Enterprise Project	7/2000	12/2000
	Guinea: Smallholder Developing the Forest Region	6/2000	10/2000
	Mauritania: Maghama Improved Flood Recession Farming Project	3/2000	8/2000
	Mozambique: Nampula Artisanal Fisheries Project	9/2000	2/2001
	Madagascar: Upper Mandrare Basin Development	8/2000	1/2001
	El Salvador: Rehabilitation and Development Project for War-torn Areas in the Department of Chalantenango	3/2000	10/2000
	Honduras: Agricultural Development Programme for the Western Region	5/2000	12/2000
	Panama: Ngobe Bugle Communities Rural Development Project	9/2000	3/2001
	St. Vincent & Grenadines: Smallholder Crop Improvement and Marketing Project	5/2000	11/2000
1.3.2 MTEs	Jordan: Jordan Agricultural Resource Management Project	10/2000	12/2000
1.3.3 CEs	Niger: Augie Rural Development Project	To be determined	12/2000
	India: Andhra Pradesh Tribal Development Project	7/2000	12/2000
	Uganda: Masindi District Integrated Community Development Project	1/2000	6/2000
1.4 M&E Support	PL/PREVAL 2	1/2000	12/2000
1.4 M&E Support	PI/Bangladesh	1/2000	12/2000
	PI/India	1/2000	4/2000
	PI/Sri Lanka	1/2000	4/2000
	PF/United Republic of Tanzania-Mauritius	3/2000	7/2000
	PA/Guinea: Village Communities Support Project	2/2000	12/2001
	PA/Mali: Sahelian Area Development Fund Programme	12/1999	12/2001