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ANNUAL REPORT ON EVALUATION



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ABBREVIATIONS AND ACRONYMS

CBO	Community-Based Organizations
COSOP	Country Strategic Opportunities Paper
COWTAG	Thematic Evaluation on Community Ownership of Interventions to Raise Food and Nutrition Security (Nepal)
CPE	Country Programme Evaluation
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organization
OE	Office of Evaluation and Studies
PDT	Project Development Team
SDC	Swiss Development Cooperation
UNOPS	United Nations Office for Project Services

ANNUAL REPORT ON EVALUATION

PART ONE: IFAD'S EVALUATION ACTIVITIES

I. REVIEW OF ACHIEVEMENTS IN 2001

1. The Office of Evaluation and Studies (OE) priority areas for 2001 were to: (i) improve IFAD's ability to assess impact; and (ii) contribute to the promotion of replicable innovations and policy dialogue through evaluation work.

A. Improving the Ability to Assess Impact

2. Assessing the impact and performance of IFAD's operations has been a priority in IFAD, and in OE in particular, for quite some time. This priority has been further boosted by the Plan of Action, which emphasizes two interrelated areas that need improvement: (i) IFAD's own methodology for impact assessment; and (ii) the capability of IFAD-supported projects to undertake systematic monitoring and evaluation (M&E).

New Methodology for Impact Assessment

Re-examine current practices, develop an improved methodological framework for impact assessment and use it consistently in evaluating IFAD's projects and programmes.

– Plan of Action (Objective B iii, Action 2)

3. The ultimate objectives in introducing an improved methodology are to: (i) achieve better analysis and evaluation of impact; (ii) produce a consolidated picture of performance and achievements for a batch of completed projects; and (iii) provide an indication of IFAD's contribution to international development goals. The methodology consists of a set of evaluation criteria, developed in 2001, and includes a definition of rural poverty impact based on six domains of the livelihoods of the rural poor. The choice of these domains and their definition are based on the *Rural Poverty Report 2001* and the Strategic Framework for IFAD (2002-2006), as well as on OE's field experience in evaluating a large number of IFAD-supported projects. The use of common criteria across evaluations will increase consistency of approach among evaluations, ensuring that the impact of projects is systematically assessed and that the results are comparable across projects. Consequently, an overview can be provided of the impact and performance of a group of evaluated projects each year, and insights identified and analysed. This will greatly facilitate periodic reporting to senior management and the Executive Board.

4. In September 2001, OE, supported by the Technical Advisory Division (with a funding contribution from the Belgian Survival Fund), conducted an international workshop in Fiuggi, Italy, on malnutrition and related anthropometric indicators (e.g. stunting, wasting, underweight). Participants from donor agencies, non-governmental organizations (NGOs), research institutions and governments attended the workshop, which reached a consensus on the importance of including nutrition in IFAD's definition of poverty. Consensus was also reached on the validity of using anthropometric indicators to monitor and evaluate project impact on beneficiaries, and the need to involve and empower community-based organizations (CBOs) in fighting malnutrition. These two outcomes were taken into consideration in developing the new impact evaluation methodology. In addition, the Programme Management Department has suggested that anthropometric indicators be used in new IFAD-supported projects for consistency in impact M&E.

Improving M&E systems at the Project Level

Identify best practices and develop tools and guidelines for an effective monitoring and evaluation (M&E) system at the project level.

– Plan of Action (Objective B iii, Action 3)

5. To analyse the requirements for better practical tools and guidelines to support M&E processes at the project level, OE undertook a review of the M&E sections contained in their evaluation reports since 1990. The review confirmed that, in general, the M&E systems in IFAD-supported projects have been performing poorly. The review also revealed that while a considerable amount of material is available on M&E theories, there is a lack of practical guidance on methodologies and processes at the operational level. The only publication currently available at IFAD on the subject was a now outdated booklet (*Monitoring and Evaluation: Guiding Principles*) produced by IFAD in 1985. In consultation with the Project Management Department, it was therefore decided that OE would develop a new, comprehensive guide, *Managing for Impact in Rural Development – A Guide for Project M&E*. A number of basic principles have steered the development of this practical guide: a learning approach to project M&E and management; the value of stakeholder participation in M&E; a common M&E terminology; and diversity of working methods and styles. The new guide has been developed in consultation with more than 30 ongoing projects in 16 countries and with the active involvement of IFAD and the United Nations Office for Project Services (UNOPS) staff. It is targeted primarily at managers, M&E officers and implementation partners of IFAD-supported projects.

B. Promoting Innovation and Policy Dialogue

6. One way for IFAD to play a catalytic role is to multiply its impact by promoting the replication and scaling up of innovative approaches. Another way is to promote effective advocacy and policy dialogue. In 2001, OE contributed to both these aspects of IFAD's catalytic role through undertaking corporate-level, thematic, and country programme evaluation work.

Promoting Innovation

Develop methodology and evaluate IFAD's capacity as a promoter of replicable innovations in rural poverty reduction, in cooperation with other partners.

– Plan of Action (Objective B iv, Action 1)

7. In 2001, IFAD developed and finalized an evaluation of IFAD's Capacity as a Promoter of Replicable Innovation, with cofinancing by the Swiss Development Cooperation (SDC) and the Finnish International Development Agency (FINNIDA). This exercise was one of the first evaluations at the corporate level that OE has undertaken. The evaluation provided the following recommendations and detailed steps to enhance IFAD's institutional capacity as a promoter of replicable innovation: (i) promote a common understanding of innovation and its processes in IFAD; (ii) ensure strategic commitment to innovation; (iii) create a pro-innovation human resource policy and incentive framework; (iv) improve management of the 'innovation chain,' from testing and adapting, through replication and scaling up, to marketing, and including the development of the capability to perform in this chain; and (v) enhance the culture and leadership role within IFAD to strengthen innovation capacity. The agreement at completion point for this evaluation is currently being prepared and is expected to confirm the findings and provide implementation responsibilities and time frames.



8. As one of the main objectives of IFAD technical assistance grants is to promote innovation, OE initiated an Evaluation of the Technical Assistance Grant Programme for Agricultural Research. This evaluation is expected to have an important bearing on the formulation of IFAD's policy for the technical assistance grant programme, which is planned for submission to the Board in December 2002.

Promoting Policy Dialogue

9. One of OE's current strategic directions is to shift from the past emphasis on project evaluations to a 'higher plane,' in order to generate, through corporate-level evaluations, country programme evaluations (CPEs) and thematic evaluations, the knowledge and insights required for IFAD to formulate new or revise country, regional and sectoral strategies.¹ In so doing, these higher-plane evaluations will produce the building blocks for, and in several cases actually initiate, the advocacy work and policy dialogue that IFAD is expected to perform at country and regional levels in the future. Throughout 2001, OE continued to emphasize CPEs, thematic evaluations and other activities that lend themselves to a broader analysis of policy and strategic issues.²

10. For example, in 2001, OE conducted a thematic evaluation entitled Agricultural Extension and Support for Farmer Innovation in Western and Central Africa: Assessment and Outlook for IFAD. The purpose of the study was to draw lessons for a reconsideration of IFAD's existing regional approach to agricultural extension, and to support farmer innovation that could provide guidance for designing future operations and orient policy dialogue. The preliminary results of the study were presented at the September 2001 session of the Evaluation Committee (EC), as well as at the annual meeting of the Neuchâtel Initiative Group,³ in London in November 2001. The evaluation will be used as a prelude to a regional workshop and policy dialogue initiative that the Western and Central Africa Division and OE will be undertaking in Western And Central Africa in 2002.

11. In 2001, OE completed three CPEs (Papua New Guinea, Syria and Viet Nam) and began others in Sri Lanka and the United Republic of Tanzania. As part of the country programme evaluation process, the OE approach to evaluation requires that a national workshop, with the participation of a broad range of partners, be held at the end of the evaluation in order to finalize the agreement at completion point. The country programme evaluation process triggered a dialogue over a wide spectrum of policy issues, and the outcomes of the evaluations were debated by IFAD staff, government line agencies, civil society and NGOs, universities and donor agencies. In short, the CPEs, and more specifically their agreements at completion point, have provided timely and substantial strategic building blocks for formulating or revising existing country strategic opportunities papers (COSOPs).

¹ For a description of the different types of evaluations conducted by OE, see Annex IV.

² For a complete list of evaluations undertaken in 2001, see Annex I.

³ An international consortium of representatives of bilateral and international cooperation agencies active in the field of agricultural extension.

Country Programme Evaluation Processes Contributing to Policy Dialogue⁴

The Viet Nam Country Programme Evaluation workshop was held in March 2001 in Hanoi. Three main policy issues were discussed with a broad partnership: (i) eliminating subsidies to the rural financial sector and strengthening rural financial institutions; (ii) empowering women; and (iii) decentralization and bottom-up development.

Intensive dialogue produced the following outcomes:

- government agreement on the need to devote greater resources to infrastructure development of rural banking institutions, particularly additional branches in more remote areas; and
- government commitment to taking concrete steps towards implementing country-wide policies regarding the issuance of land and housing titles jointly in the names of men and women, as well as promoting the increased representation of women at all levels in key decision-making positions in rural development public institutions.

The Syria Country Programme Evaluation workshop was held in 2001 in Damascus. The Government and IFAD agreed on a number of points, among them to:

- cooperate in preparing a comprehensive rural poverty assessment and develop a national strategy for rural poverty reduction;
- encourage the involvement of NGOs and other Syrian development intermediaries and civil society in rural poverty-alleviation efforts at the community level;
- strengthen pro-poor financial services by encouraging community-based credit and savings groups; and
- strengthen gender considerations, including more effective support to income-generating activities and reorienting existing institutions to provide them.

C. Other Achievements

Communication

12. In 2001 OE completed development of its new approach to communicating evaluation results. The key elements of effective communication were articulated in OE's *Towards a New Approach to Communicating Learning Generated through Evaluation*. One of the changes introduced by OE is the shift from lessons learned to the production of "Insights" (see box after paragraph 13). Experience has demonstrated that lessons from evaluation were often generated without an appropriate consultation and validation process, and were prescriptive in nature. As a consequence, the learning generated was not always used broadly or was not always considered very useful. The shift in process and content proposed, with the emphasis on Insights reflects a more incisive and inclusive process of knowledge generation that aims to spark debate on learning hypotheses rather than produce prescriptive lessons. OE presented its new communication approach at the Annual Meeting of the United Nations Inter-Agency Working Group on Evaluation, held in Geneva, Switzerland, in April 2001.

13. Among the new initiatives launched in 2001 to improve the dissemination of evaluation results are the introduction of a communication approach in each evaluation and the development of a standard

⁴ Positive policy developments were also achieved through the CPEs for Papua New Guinea and Sri Lanka.



package of core communication products for each evaluation, including “Profiles” and “Insights” (see box below). OE also continued to develop a new home page on evaluation (accessible through the IFAD website) that contains a repository of evaluation-based knowledge, insights and reports. In addition, a feasibility study was undertaken with the World Bank on the creation of a ‘help-desk’ function for OE in order to improve dissemination and sharing of evaluation findings, recommendations and insights to internal and external clients, and help identify gaps in knowledge. Various innovative experiments for communicating evaluation results were also tested, including the development of a video documentary together with the Tata Institute of Social Sciences (India) to disseminate the results of the evaluation of the Andhra Pradesh Tribal Development Project. The documentary is intended primarily for tribal people, who have high rates of illiteracy and would be better able to internalize evaluation recommendations conveyed through a visual medium.

Profiles

These one-to two-page documents summarize in a reader-friendly format the key conclusions and recommendations from each evaluation. The objective is to provide a ‘taste’ of the evaluation and an incentive to readers to deepen their understanding by reading the executive summary or the main report. Profiles may also provide early warning of issues emerging from an evaluation that may require immediate attention by IFAD management. They are produced in the original language of the evaluation and in English, and are mandatory for all types of evaluations.

Insights

These one-to two-page documents focus on key learning and knowledge emerging from major evaluations. They serve to direct attention to critical learning hypotheses and form the basis for further policy-oriented discussions among professionals and policy-makers at IFAD and outside the institution. Insights are prepared through discussions and interactions within the core learning partnership and with other partners. Insights will be a mandatory output only of corporate-level, thematic and country programme evaluations.

14. In an effort to promote the sharing of knowledge derived from evaluation, the Sixty-Ninth Session of the Executive Board approved an extension of IFAD’s policy on the disclosure of documents and recommended that all evaluation-related documents be disclosed to the public. Extension of the disclosure policy has resulted in greater outreach and requests for evaluation reports and other related documents.

Partnership with Evaluation Units of other Development Agencies

15. In 2001, OE continued to hold partnership meetings with the evaluation divisions of other development agencies. The overall objectives of these meetings were to understand the role of evaluation in other organizations, exchange experiences with methodologies, and assess opportunities for future partnerships in areas of mutual interest. A concrete outcome was the agreement to exchange consultant lists as well as work programmes on a regular basis. In 2001, IFAD also signed a partnership agreement with the SDC on Partnership on Development Effectiveness through Evaluation. During the year, this partnership included cooperation in the United Republic of Tanzania Country Programme Evaluation, the production of the M&E practical guide, the thematic evaluation on agricultural extension in western and central Africa, and the Thematic Evaluation of Organic Agriculture in Latin America. The partnership has also resulted in OE extending assistance to help SDC adopt key aspects of IFAD’s approach to evaluation.



D. Taking Stock of 2001

16. Demand for OE evaluations is high. In addition, OE's approach to evaluation has the objective of producing concrete learning effects jointly with evaluation partners and users. As such, each evaluation requires an intense debate of its findings and recommendations, as well as systematic communication efforts. Ultimately, this results in increased demand for resources, in particular staff time and travel. The achievements of the work programme for 2001 were due in great part to the extraordinary efforts of all OE staff, as well as to the mobilization of supplementary funds. Despite these efforts, a number of activities scheduled to take place could not be undertaken with the desired depth, owing to time constraints and limited staff resources. The level and intensity of effort made in 2001 will not be sustainable in 2002, especially since two of the three senior evaluation officers left IFAD at the end of 2001. Moreover, the additional position of senior evaluator envisaged for the implementation of the new impact methodology (see paragraphs 3 and 24) did not materialize due to the decision to adhere to the zero-growth policy in the administrative budget.

17. In June 2001, OE held a mid-term review retreat to discuss the three most prominent issues affecting the implementation of the work programme and the quality of its work, namely time constraints, consultant management and teamwork. Staff were unanimous in their concern over the extraordinary amount of work that was expected to be achieved. In addition to an already demanding work programme, OE was requested to contribute to a number of unforeseen activities, such as the re-engineering process, and presentation of and follow-up to the *Rural Poverty Report 2001* and the strategic framework OE staff were eager to find a solution on how to best manage their time in order to prioritize and successfully accomplish their work. Staff agreed that an analysis of use of time within OE should be undertaken in order to reduce time constraints in the future. Linked to the issue of time constraints is the process of managing a large number of consultants each year, which ultimately has a significant impact on the quality of the evaluation work undertaken by the division. With respect to teamwork, staff members emphasized the need to improve peer reviews and the exchange of evaluation knowledge and experience among evaluators. This was perceived as a powerful factor towards enhancing the quality of OE's work.

Building upon the Lessons for 2002

- Time management will be improved by the introduction of time budgets into the individual working programme, which will assist the division in formulating a more realistic programme of work. In calculating the time budget, whenever feasible, 10% of the time will be reserved as 'unallocated,' to allow for staff to accommodate unforeseen priority requests during the year, which in the past have often disrupted the implementation of the work programme.
- OE will work to update and expand its data bank of evaluation consultants, as well as to develop a simple but systematic assessment of consultant performance following each evaluation assignment. Procedures will also be developed to ensure that the database is used as a primary tool for the recruitment of consultants and that appropriate linkages are created with the corporate system.
- In its efforts to strengthen teamwork and knowledge-sharing, OE will require that regional thematic evaluations and CPEs be discussed within each OE regional team during critical stages of the evaluation process. With respect to corporate-level evaluations, all evaluators will be expected to contribute to the undertaking of the evaluation by providing input at critical stages.

II. PRIORITIES AND OBJECTIVES FOR 2002

18. While formulating its priorities for 2002, OE was influenced by the following considerations:
- **The new strategic framework** is a driving force for OE, particularly its three strategic objectives⁵, as well as its emphasis on the need to increase IFAD's impact in the field and enhance its catalytic role in the international community. In 2002, OE will concentrate its evaluation work on contributing to the implementation of the strategic framework. Project evaluations will use the new impact methodology developed in 2001. Impact will also be enhanced by promoting more effective M&E systems at the project level through the regionalization of the practical guide on M&E (see paragraph 24). Thematic evaluations and CPEs will continue to foster the development of IFAD's country, regional and sectoral strategies, as well as to generate the knowledge required for policy dialogue, advocacy work and partnership-building.
 - **The Sixth Replenishment of IFAD's Resources** is expected to request a report from IFAD on the progress made in implementing the Plan of Action. In 2001, OE made a significant contribution to the plan on three fronts⁶, and these efforts will continue in 2002. This will include the communication of the results achieved to date.
19. Another consideration in formulating the 2002 priorities was that of ongoing activities to be carried over into 2002 for completion.
20. Based on these considerations and criteria, OE has identified the following priority areas for 2002:
- (i) assessing, communicating and learning from impact;
 - (ii) contributing to IFAD's catalytic role; and
 - (iii) contributing to the ongoing debate on IFAD's field presence.
21. In principle, OE's work programme is demand-driven; that is, it is based in great part on requests from divisions for evaluations of various types. Requests from other partners are also entertained. In setting priorities for the number and types of evaluations to be conducted, the following points were considered:
- Interim evaluations are mandatory before beginning the design of a second phase of a project.
 - In order to produce the annual report on IFAD's impact evaluation and development effectiveness scheduled for 2003, a critical mass of project evaluations is needed.
 - CPEs are required to contribute to the formulation of new or revision of existing COSOPs.
 - Thematic evaluations are required to support regional divisions in the further development of their regional strategies.
 - Corporate-level evaluations are important for IFAD as a whole, and the two corporate-level evaluations to be conducted in 2002 (IFAD's supervision arrangements and the Technical Assistance Grant Programme for Agricultural Research) are particularly timely.
22. The number of evaluators participating in project development teams (PDTs) is also an important factor. At any given point in the year, each evaluator is participating in two PDTs. By the end of each year, each evaluator will have participated in up to four PDTs. In 2002, OE will participate in some

⁵ The three objectives are: (i) strengthening the capacity of the rural poor and their organizations; (ii) improving equitable access to productive natural resources and technology; and (iii) increasing access to financial assets and markets.

⁶ See sections 2, 3 and 6 of the plan.



20 PDTs. In addition to PDTs, OE will contribute to the knowledge-sharing and feedback process through its core learning partnership (which can be considered a pre-phase of PDTs) and through participation in the Operational Strategy and Policy Guidance Committee, which meets to discuss new projects, policies and country strategies before they are presented to the Executive Board. Taken together, these represent a considerable input to the learning process that should be invested in the design and preparation of projects and strategies.

23. A schedule of OE's work programme for 2002 is provided in Annex II. The following sections describe how OE intends to implement these mutually reinforcing priorities.

III. MAIN FEATURES OF THE WORK PROGRAMME FOR 2002

A. Assessing, Communicating and Learning from Impact

24. Under this priority, OE intends to implement the methodological work undertaken in 2001, which aims at improving IFAD's capacity to assess the impact of its operations. Activities under this priority area can be divided as follows:

- **Implementing the new methodology for impact evaluation.** The new methodology will be developed and applied by OE in phases and builds on IFAD's efforts to strengthen M&E systems at the project level. In 2002, OE will ensure the comprehensive application of the common evaluation criteria in all evaluations. The results of these evaluations will provide the basis for the production in 2003 of a report on IFAD's impact evaluation and development effectiveness, to be published thereafter on an annual basis. The report will analyse the results of a number of project evaluations undertaken in a given year, as well as thematic evaluations and CPEs, in order to provide senior management and the Executive Board with a consolidated picture of impact achievement and effectiveness derived from these evaluations, together with a synthesis of lessons learned during the year.
- **Regionalizing the practical guide for project M&E.** In December 2001, the **final** draft of *Managing for Impact in Rural Development – A Guide for Project M&E* was completed. In 2002, the guide will be tested in the field and customized to reflect regional diversity. Workshops will be conducted in the Western and Central Africa and the Asia and the Pacific regions to launch the guide and fine-tune it to regional specificities (including translation), as well as to train project managers, consultants, government counterparts and other potential users. The process of regionalizing the guide will also aim at establishing networks of consultants and technical advisers with expertise in the field of M&E and impact-oriented management. Above all, OE, while supporting the regionalization of the guide, will seek to transfer the ownership of this process to IFAD's regional divisions and, ultimately, to the projects supported by IFAD.

B. Contributing to IFAD's Catalytic Role

25. In 2002, OE will contribute to IFAD's catalytic role by continuing to emphasize thematic evaluations and CPEs. These evaluations are expected to generate pro-poor policy dialogue with other relevant development actors. Activities under this priority area include:

- **Conducting thematic evaluations.** Thematic evaluations contribute to taking stock of IFAD's experiences and approaches in specific themes and regions, and provide building blocks towards the formulation of sectoral and regional policies and strategies. In conducting thematic evaluations, OE will make a particular effort to engage other like-minded development agencies and actors to participate in the undertaking of these evaluations. In addition to opening up greater opportunities for learning, such partnerships will bolster



IFAD's leverage in policy dialogue as well as strengthen its catalytic role. In 2002, OE will conduct six thematic evaluations (see Annex II).

- **Conducting CPEs.** CPEs have proven effective in promoting pro-poor policy dialogue with recipient governments, civil society, donor institutions and other development partners, thus contributing to IFAD's catalytic role. In 2002, OE will conduct CPEs of Indonesia, Senegal and Tunisia, in addition to completing those of Sri Lanka and the United Republic of Tanzania, which were initiated in 2001. The CPEs will contribute to generating knowledge required for revising the respective COSOPs.

26. Three of the above-mentioned thematic evaluations will advance the findings of the corporate-level evaluation of IFAD's Capacity as a Promoter of Replicable Innovation, conducted in 2001. Through several case studies this evaluation illustrated that, quite often, successful innovations and adaptation are based on indigenous knowledge and social organizational models at the local level. The thematic evaluations addressing this theme are:

- **Agricultural Extension and Support for Farmer Innovation in Western and Central Africa: Assessment and Outlook for IFAD.** This thematic evaluation, which was initiated in 2001 with support from SDC, will be discussed at a regional workshop in the western and central Africa region during the first half of 2002. Participants will include farmers' organizations, managers of IFAD-supported projects, public and private extension service providers, regional government representatives and development institution members of the Neuchâtel Initiative Group. Policy shifts in agricultural extension that emerged in the evaluation will be discussed. This entails involving the beneficiaries in decisions on financing for agricultural support, providing research and support for farmers' innovations, and promoting capacity-building for stronger autonomous management by farmers' organizations.
- **Promotion of Local Knowledge Systems for the Asia and the Pacific Region.** The rural poor in this region have developed critical coping strategies based on their local knowledge systems and innovations. This evaluation will assess and document the use of local knowledge systems, good practices and innovations in IFAD-supported activities in the region. The evaluation report is expected to include a series of insights and recommendations for developing approaches that foster better use of local knowledge in future activities, with the ultimate objective of achieving greater developmental impact.
- **Review of Innovative Approaches in Peru.** This evaluation will analyse the innovative and successful project approaches that have been undertaken and replicated in Peru during the past ten years, as well as determine potential for replication elsewhere. Innovations include supporting the development of private extension services for smallholders, and creating service centres and hubs for poor farmers living in the surrounding areas.

C. Contributing to the Ongoing Debate on IFAD's Field Presence

27. Supervisory missions, which are conducted primarily by cooperating institutions, are among the main IFAD tools for following implementation of the projects it finances. This arrangement is not perceived as being an effective provider of the implementation support required to promote impact-oriented project management. Furthermore, the current arrangement of indirect supervision separates IFAD from the field and much of the experience generated during the implementation process – experience that would be invaluable to IFAD, especially in terms of the knowledge it manages and the level of impact it seeks to achieve. IFAD's limited and impermanent presence in the field has also been repeatedly cited as a major constraint on its capacity to 'participate' in the various projects, policy dialogues and coordination partnerships at the country level. The issue is how IFAD could consider increasing its field presence (not necessarily by establishing field offices manned by international staff) in order to have a more active role in in-country partnership and to acquire the knowledge required for

achieving impact. As a contribution towards addressing this question, OE will conduct an evaluation of IFAD's supervision arrangements. The evaluation will assess several dimensions related to the ways in which IFAD undertakes project and programme supervision (i.e. through cooperating institutions or directly). It will include an analysis of the quality of and approaches to supervision and their contribution to impact achievement. The evaluation will also examine the cost factors that affect the supervision process.

D. Other Activities

Strengthening Communication

28. In 2002, every evaluation will be required to consider from the outset of the process how learning and knowledge from evaluation can best be communicated to all partners concerned. Reports will strive to be reader-friendly and not exceed 30 pages, and each will have a four- to five-page executive summary, as well as working papers of a more generous length. Reports will be systematically distributed in hard copy as well as published on the Internet. In addition, the two core products developed in 2001 will be produced and distributed on a systematic basis: Profiles for all evaluations, and Insights for country programme and thematic evaluations.

29. OE will be organizing special workshops and seminars at IFAD and in the field to communicate evaluation results to a broad spectrum of stakeholders. The focus of these forums will be on those evaluations that go beyond the project level (i.e. corporate-level evaluations, CPEs and thematic evaluations). For example, in the first half of 2002, a workshop on the United Republic of Tanzania Country Programme Evaluation will take place in Dar-es-Salaam. OE will also continue to experiment with customized communication products to reach a variety of partners. In addition, the "evaluation help desk" function, for which a feasibility study was undertaken with the World Bank, will be established in 2002.

The Evaluation Committee and the Executive Board

30. IFAD's Evaluation Committee met in February 2002 and will hold other sessions in September and December. At these sessions the committee reviews OE's work programme and considers a number of evaluations.

External Review of the Results and Impact of IFAD Operations

31. While this report was being produced, a decision was made by IFAD's Member States, during the first session of the Consultation on the Sixth Replenishment of IFAD's Resources, to undertake an External Review of the Results and Impact of IFAD Operations. This review has already started and must be finalized by the end of June 2002. OE has been designated as Secretariat for the External Review Team, which will require time and effort on the part of OE staff and thus could necessitate a readjustment of some elements in the 2002 evaluation work programme presented above. The committee chairperson will act as vice-chairperson of the External Review Team, and two other committee members are part of the seven-person team.



PART TWO: LEARNING AND INSIGHTS FROM EVALUATION

I. INTRODUCTION

32. Last year's Annual Report on Evaluation made a first attempt in taking the learning from evaluations one step further, and raising questions that are believed to be important for IFAD to address properly. Before 2000, OE's annual reports had traditionally presented summaries of insights and findings from the most recent evaluations. It was then left to the reader to synthesize an overall view of the learning generated by these evaluations. In other words, it was up to the reader to move from the single tree to the forest. Notwithstanding the difficulties inherent in providing a consolidated view of the learning generated by evaluations, it was decided to continue with this experiment. This section of the Annual Report on Evaluation is based on evaluations undertaken in 2001. Evaluators were asked to produce an inventory of the lessons and insights drawn from evaluations undertaken in 2001. They were then asked to reflect on this inventory, in a short brainstorming session, in order to identify the emerging, cross-cutting issues of strategic importance that could be brought to the attention of IFAD management and the Executive Board.

33. The findings of the evaluations raise issues and point to insights with respect to *what* has been done, *how* it has been done, and the relationship between the two. Findings related primarily to what has or has not been done concern poverty analysis, activity definition, staffing and training, and M&E. Findings related primarily to how IFAD-supported development operations have been carried out concern the processes of participation and partnership, gender mainstreaming and innovation.

34. It is, of course, necessary to recognize that the evaluated projects and programmes were designed some time ago. Consequently, generalized inferences from any findings on their performance need to be qualified by the fact that IFAD will have introduced new priorities, approaches and techniques to programmes and projects it funds during the implementation period of the evaluated initiatives. Thus this discussion on insights makes reference, where relevant, to such changes that have taken place in the Fund. A key point to be made at the outset is the extent to which IFAD has moved away from a 'blueprint' approach, towards one valuing participation, partnership, innovation, flexibility and sustainability. Correspondingly, the emphasis must shift from management skills directed to what is to be done, i.e. outputs, to those concerned with how to do it, i.e. management skills for enhanced and sustainable impact through pro-poor institutional change such as capacity-building and partnership.

II. FINDINGS AND INSIGHTS CONCERNING 'WHAT' PROJECTS HAVE DONE

35. **Poverty analysis.** The Syria Country Programme Evaluation states that "the question of defining the causes of poverty and the identification of the poorer sectors needs to be given the highest possible priority if poverty alleviation is to be achieved". It goes on to observe that "technical restrictions [in this case, the scale and costs of de-rocking equipment] ... should not be allowed to substitute for poverty criteria, [they have] to be used in conjunction with these criteria, for example by using poorer areas targeting as a criterion for de-rocking". The Jordan Mid-Term Evaluation⁷ also states that "Poverty criteria are needed to identify the poor – not landholdings". IFAD does not appear to use a formal, standardized methodology as the core of the poverty analyses in its design documents. This may be an area requiring further attention. It is important that accounts of poverty be analytic rather than descriptive, since this allows differentiation of causes from symptoms. In addition, if a problem-tree approach is used, higher and lower order causality can be distinguished. This approach to poverty analysis is essential in identifying the rural poor and establishing a basis for prioritization and definition of poverty-reducing initiatives. A proper understanding of the problem paves the way to an identification of its solution.

⁷ For the full titles of the evaluations cited in Part Two, see Annex I.



36. **Activity definition.** Rigorous poverty analysis is a logical precondition to clarity of objectives, focused activity definition and an assessment of the technical feasibility of prospective activities. It also serves as a reference point for long-term planning, which may be missing. The Panama Interim Evaluation concluded that “long-term community development plans...will ensure that the activities are coherent and based on a long-term vision, which will lead to greater possibilities for the sustainability of the project-generated processes”. The recent introduction in IFAD of the unified design document, logical framework and key file have helped introduce greater focus on activities, although their format would appear to direct attention to their output rather than the organizational set-up and partnerships in which they will or will not be implemented.

37. **Staffing and training.** Some projects are suffering from inappropriate or rapid turnover of staff and poorly focused training programmes and methods. The Panama Interim Evaluation found that “frequent changes in representatives to the Steering Committee and high staff turnover within the Project Implementation Unit (PIU) hampered many of the efforts of the project’s institutional stakeholders”. The same evaluation found it necessary to recommend that “training for technicians and producers, especially the leaders of organizations devoted to the marketing of products, should incorporate matters relating to markets and marketing”. Clear activity definition flowing from the poverty analysis would allow closer specification of staff requirements and the maintenance of operational focus despite staff changes. Staff and beneficiary capability assessment would in turn allow better definition of training requirements and priorities.

38. **Monitoring and evaluation.** Many projects have inadequate M&E systems. In Jordan, it was found that “the projects use implementation and monitoring mechanisms that are not uniform”. In Sri Lanka and the United Republic of Tanzania, the evaluations concluded that there were “inadequate benefit and poverty monitoring arrangements”. The absence of clear, objective and simple indicators appears in part to be rooted again in unclear activity definition. Also, in many instances, project management personnel tend to ignore the fact that M&E systems are required to maintain focus, and personnel meet this requirement only in so far as they are obliged to do so by external supervision and reporting requirements. The recent IFAD practice of increasingly demanding, through start-up workshops for example, that implementation arrangements begin rather than end with establishing M&E capabilities is likely to help. In addition, IFAD’s production of *Managing for Impact in Rural Development – A Guide for Project M&E* is one among a number of measures currently being implemented with the aim of introducing effective M&E systems at the project level.

39. An example of clear, simple, reliable and cost-effective M&E indicators is provided by the Papua New Guinea Country Programme Evaluation and the Thematic Evaluation on Community Ownership of Interventions to Raise Food and Nutrition Security (COWTAG) in Nepal. These studies show that anthropometric indicators of malnutrition display considerable advantages over income-based ones for assessments of poverty status. The two studies provide statistical evidence to highlight factors associated with malnutrition. These entail, *inter alia*, land ownership, intra-household resource allocation, availability of credit for women, knowledge of good child-care practices and last, but not least, capabilities of CBOs.

III. FINDINGS AND INSIGHTS ON ‘HOW’ PROJECTS HAVE BEEN IMPLEMENTED

40. **Participation and partnership.** Main themes related to participation in the evaluation documents are:

- (i) conditions for the effectiveness of participatory approaches in empowering the rural poor;
- (ii) use of participation in consensus-building and conflict resolution;
- (iii) the advisability of introducing new beneficiary organizations;
- (iv) the limited understanding by project staff of participatory techniques; and
- (v) the problem of changing non-participatory management cultures.



41. With regard to the genuine empowerment of beneficiaries, the Syria Country Programme Evaluation warns that “participation in decision-making can be counterproductive if participants do not have full information on which to base their decision.... Meaningless participation can also occur when the ideas and wishes of the participants are not taken into account...the litmus test is that beneficiaries are active participants involved in all stages of the development and not passive receivers of resources”. The western and central Africa thematic evaluation on agricultural extension and support to farmer innovation found that “Projects are excessively interventionist and they marginalize villagers’ contribution and initiative” and instead requests a “true partnership” between various stakeholders, including farmers and their organizations. The call draws attention to a consistent distinction in IFAD-supported project documentation between “participation” and “partners”. Beneficiaries “participate” while other, formally organized and usually more powerful stakeholders are “partners” or even “strategic partners”. The distinction suggests a qualitative differentiation between the relationships. If beneficiaries were viewed as strategic partners, what would be the implications for their formal involvement in design and implementation, compared to current participation practices?

42. With regard to inter-institutional partnership, it appears that care needs to be taken to ensure that form and substance are not separated. The Laos Interim Evaluation found, with respect to one of the project’s cofinanciers, that “this is...a major source of implementation difficulties...with what was originally intended to be a technical assistance input having become a separate project [with different accountability structure, its own investment financing, etc.], i.e. parallel financing.... Technical assistance should be managed within the framework of the investment project.... No physical works should be implemented without prior establishment of participatory beneficiary institutions...to design, manage and maintain them”.

43. Participation is useful in conflict resolution because it is as much about identifying common values for building trust and confidence as it is about sharing analysis and technique. Thus the India Completion Evaluation notes that in a project area that had been subject to a campaign by a Naxalite movement, the People’s War Group (PWG), “IFAD brought about changes and grass-roots development creating an atmosphere of optimism and empowerment, leading to tribal people gradually distancing themselves from the PWG”.

44. A number of evaluations raise the issue of whether to introduce new beneficiary organizations when traditional structures already exist. The India, Sri Lanka and United Republic of Tanzania evaluations all remark on a “failure to assess institutional capacity” and state that “the nature of traditional authorities must be systematically investigated, and the necessary links between new and old institutions explicitly recognized, in order to avoid the emergence of parallel, and potentially divisive, structures”. The Panama evaluation claims that “Participation by traditional authorities and representatives of the political-administrative entities of indigenous communities in the management of a project aimed at a homogeneous ethnic group is an essential condition for smooth project implementation and for participation of the beneficiaries”. The problem is probably best approached by an assessment of traditional institutions in terms of how ‘open’ or ‘closed’ they are in terms of mediating pro-poor change through communication and resource allocation. If they are open, it is likely that increasing their access to poverty-reducing information, good practices and skills will be sufficient. If they are closed and act mainly as filtration systems in the interests of their leadership, then the degree of their closure will determine whether they can be modified or must be offset by establishing new organizations among the poor. The Papua New Guinea Country Programme Evaluation and COWTAG assessed⁸ the capabilities of CBOs, based on eight parameters: (i) need assessment, (ii) organization, (iii) quality of leadership, (iv) training, (v) resource mobilization, (vi) management, (vii) sanctions and regulations, and, finally, (viii) monitoring and evaluation for reorientation of actions. The results showed that unassisted CBOs,

⁸ Based on the so-called R. Shrimpton’s Model, with slight variations. See chapter 13, in Pinstrup-Andersen *et al.* (1995), *Child Growth and Nutrition in Developing Countries*, Ithaca, NY: Cornell University.



compared to new groups formed by projects, can perform better in dimensions (i), (ii) and (viii), but have poorer scores in dimensions (iv) and (vii).

45. With regard to project-staff understanding of participatory approaches, the Turkey Mid-Term Evaluation found that project staff had limited exposure to participatory approaches, including participatory village development planning. There is no reason in principle that prevents training of staff in participation, specifically in interpersonal management skills such as empathy and emotional intelligence skills, communication, group dynamics and facilitation, and motivational leadership.

46. Lastly, several evaluations point out that projects are being implemented in management cultures and traditional institutional circumstances that are indifferent or even resistant to participatory methods. The Jordan evaluation concluded that the Ministry of Agriculture was not much concerned with using a community-participation approach in the Agricultural Resources Management Project: “The Ministry’s strength lies in its technical abilities.... The lack of community participation has led to the community viewing their project interventions as passive recipients”. In a similar vein, the Syria evaluation reports that “Syria has no recent custom of intended beneficiaries participating in government programmes, resulting in a passive beneficiary attitude and an acquiescence to the status quo”. A change-management approach to cultural resistance to participation is possible, however, and could start with an initial emphasis on simple, limited, low-conflict and relatively quick-return activities involving a participatory approach, knowing that the culture will subsequently be adopted on a wider scale if people see results.

47. **Gender mainstreaming.** The key lesson of the evaluations with respect to gender mainstreaming is that projects tend to approach it more at the level of women-specific activities rather than as the process of social and economic empowerment of human beings. As the Syria evaluation states “... income-generating activities in the women-in-development sub-components have been based on traditional expectations of what women would choose to...linkages to other project interventions are weak.... A more participatory approach could have avoided these pitfalls”. The Panama and India evaluations also emphasize the need for gender to be treated as a cross-cutting theme.

48. **Innovation.** In the thematic evaluation on innovation, issues of interpersonal relations dominate over matters of technical efficacy. Indeed, innovative research and technology accounts for only 7% of the innovative features specified in reports and recommendations of the President in the period 1999-2000. The others are organizational and communicational in character, e.g. participatory approaches, implementation strategies, capacity-building, partnership or networking. The adoption of an innovation would appear to be critically dependent on clear communication about it, the opportunity to discuss with peers as well as experts, congruence with cultural and social norms, opportunities for modification, commitment and facilitation. These features draw attention to innovation as process. The question is not so much “What can IFAD do as a promoter of replicable innovations?” but “What can IFAD do to enable the poor to be successfully innovative people?” The latter question is the one to be addressed if sustainable impact is to be achieved.

IV. THE RELATIONSHIP BETWEEN ‘WHAT’ AND ‘HOW’

49. The findings of the various 2001 evaluations do seem to point to some general insights about the ways in which different management cultures and institutions are suited to obtaining different results and impact.

50. The Completion Evaluation of the North-West Agricultural Services Project in Armenia found that it was a highly successful project in terms of attaining physical outputs, but that social development and people’s organizations did not come to maturity as rapidly as infrastructure did. Similarly, the Syria Country Programme Evaluation, although rather critical of the lack of participatory methods and poverty focus in portfolio implementation, nevertheless reports that “Through the project, a planned 166 000 ha was to be de-rocked, but in practice the equipment provided will complete over 200 000 ha.... In terms of



the Government of Syria's objectives of increasing agricultural production, especially from rainfed areas...de-rocking has been an unmitigated success".

51. By contrast, the Panama project, notwithstanding its problems of planning, staff changes and training, was found to have achieved two notable results. Project support for traditional indigenous leadership was critical to their obtaining legal endorsement from the Government of Panama of their ownership of ancestral territories, long in dispute with non-indigenous settlers. Secondly, the project contributed to a profound cultural change in that women, traditionally assigned a secondary rank in indigenous society, became the principal actors and beneficiaries of the project.

52. In broad terms, Armenia and Syria have achieved successes mainly in physical outputs, but less so in institutional impact, whereas the reverse would seem to be the case in Panama. Top-down, technocratic and bureaucratic management cultures can be effective in achieving physical and other outputs, always assuming that personnel are competent. However, if the sustainability and poverty-reduction orientation of a project depends upon beneficiaries taking ownership, then a bottom-up, participatory and partnership management culture is required.

53. Panama needs to be regarded with some caution as an example of a participatory approach. A common factor in both Armenia and Panama was exceptionally good political connections, used in Armenia to deliver product and in Panama to effect social and legal change. This raises the consideration that any move from an authoritarian to an authentically participatory management culture may require high-level political coverage and protection during the transition period. A variation on this theme is provided by the Sri Lanka Country Programme Evaluation, which points out that: "the alliances into which the poor enter on their own turn out often to be unequal alliances. The poor are more likely to benefit...through the involvement of a credible 'honest broker'. ...The experience from several countries is that permanent autonomous support mechanisms are needed"....

54. It may be useful to suggest that the findings of the 2001 evaluations reflect the requirement of projects for two rather distinct sets of management skills. These may be termed 'product management' skills, which are directed towards what the project does (i.e. its physical and other outputs) and 'relationship management'⁹ skills, which are directed to how the project's interpersonal dynamics work and to its institutional impact. While all projects typically require both sets of skills, the particular mix for success in any given project is a function of its overall goal and specific objectives.

55. Organizations and institutions operating with minimal relationship management skills are usually inflexible, risk-averse, generate a narrow range of products and tend to be pervaded by an atmosphere of low self-esteem and struggle. In contrast, organizations with good levels of relationship management skills are likely to be characterized by broad-band communication; shallow, broad-based organizational structures; inclusivity and a tolerance of diversity; and downward delegation of challenging assignments. Such organizations are quick learning, responsive, risk-taking, creative and have a sense of high self-esteem among their members. Their operations are predicated on trust rather than control. They are 'open' psychologically and thus tend to be open practically.

56. It is evident that open management cultures and institutions are needed as partners for IFAD to fulfil its commitments with respect to "enabling the poor," participation and partnership, gender mainstreaming, innovation and sustainability of impact. In this regard, more attention needs to be given to enhancing the use of relationship management skills during design, implementation and evaluation.

⁹ The distinction between the two types of management has been expressed in various but slightly differing ways for a long time, arguably dating back some thirty years to McGregor's "Theory X/Theory Y" approach, which contrasts authoritarian and democratic management styles. Other variants are quantitative/qualitative and output/impact. The discussion here, using the terms product and relationship, is derived principally from the book by C. McConnell (2001), *Change Activist*, Pearson Education Ltd. See also www.momentum.com.



57. The participation of the rural poor is widely and rightly recognized as essential to motivation, relevance, intelligibility and practicality with respect to development projects. Yet its efficacy is commensurate with the level of trust between them and exogenous agents. That trust determines the bandwidth of communication, willingness to take risks and the scope of opportunity for responsibility.

58. On the question of communication, some Fund posters claim that “IFAD speaks the language of the poor”. The poor usually speak at least three languages: one among themselves; another for local officials; and a third for development donor representatives. To the extent that the Fund’s approach is to enable the poor to help themselves overcome their poverty primarily through their own efforts, then the first of these languages is the only one worth learning. In fact, the adoption of poverty-reducing initiatives depends upon their being framed in a manner that is understandable and acceptable to the poor. A great deal of dialogue between IFAD and the rural poor is still conducted through middle-ranking technocratic and bureaucratic intermediaries with the mindsets of closed management cultures. Dialogue in such cultures tends to be prescriptive rather than ventilative or exploratory. This considerably restricts direct, honest communication and has adverse effects on problem identification and definition, and hence the identification of solutions to problems. Increased reliance on NGOs, and the recent discussion about increasing the field presence of the Fund, are potentially important steps in the direction of learning the real language of the poor.

59. Trust, leading to openness of communication, leads in turn to greater willingness to take risks. Poor people tend to be characterized as risk-averse on the grounds that their resource base is so narrow that the consequences of failure are simply too great. However, this is not necessarily the case. In many situations this is more a question of uncertainty rather than mere risk-aversion. Much uncertainty, however, is a product of being uninformed. Being well informed, through open communication, allows accuracy of risk assessment and hence usually enhances risk-taking. Finally, an organizational environment characterized by trust, honest dialogue and tangible support is more likely to achieve the risk-taking inherent in all change. It is these considerations that lie behind the quotation of a local farmer leader cited in the western and central Africa Thematic Evaluation, “Farmers in Mali want to be involved in decision-making... Technical experts have to understand that the farmers are in charge”.

V. CONCLUSION

60. The findings of the 2001 evaluations suggest that it may be necessary in the future to give greater support to measures that will bring about a change in the institutional environment and management culture that encourages trust, communication, learning, risk-taking and innovativeness among poor people, and between them and development-support personnel. However, for IFAD to contribute to these management culture changes, as well as to the effective management of partnerships and cooperating arrangements that these changes necessarily entail, presupposes that IFAD personnel have the necessary relationship management skills and the opportunity to deploy them. The Corporate-Level Evaluation of IFAD’s Capacity as a Promoter of Replicable Innovation addressed this issue and found that “According to staff, the Fund has been innovative in the field ‘despite the organization’”. Moreover, “communication between senior managers and staff was judged to be...limited”. “Staff perceived two different sets of values: creativity and innovations versus the project-approval culture”. These difficulties have been compounded by the Fund’s lack of field presence, dependence on implementing and supervisory partners, and failure to develop a range of instruments for innovation.

61. In conclusion, the 2001 evaluations seem to show that, while there is a necessary place for appropriate technologies, effective and sustainable pro-poor projects and other change processes are principally a matter of interpersonal relationship management. Poverty-reducing change is more about enhancing the capability of people, particularly the rural poor themselves, to work together, than about a narrow focus upon a particular output. This is recognized by the *Strategic Framework for IFAD (2002-2006)*, which emphasizes: building capacity among the poor; improving equitable access to productive

resources and technology; increasing access to financial assets and markets; and enhancing catalytic impact through policy dialogue, partnership and the dissemination of information from country operations. IFAD results and impact are thus almost entirely dependent upon developing effective and efficient partnerships with other development actors, not least of all the rural poor themselves. This entails high competence in relationship management. The attainment of such competence has practical implications for the Fund with respect to its human resources development policies and practices; spatial and institutional arrangements for short, direct, broad-band communication within IFAD, as well as between IFAD and its beneficiaries and other partners; and scope for flexible, quick decision-making.

PART THREE: IFAD'S EVALUATION COMMITTEE

I. MAIN ACTIVITIES

62. This section contains a summary of the main activities of the Evaluation Committee (EC) from April 2001 to April 2002, as well as highlights of some of the main issues emerging from its discussions. During this period, three sessions of the committee were held: September and December 2001, and February 2002.

63. In April 2001, six members of the committee travelled to Damascus, Syria, together with selected OE and other IFAD staff, to attend the National Round-Table Workshop on the Syria Country Programme Evaluation. The objective of the workshop was to discuss the results of the country programme evaluation undertaken in the second half of 2000 and prepare the main contents of the agreement at completion point. In addition to attending the workshop, EC members visited two IFAD-supported projects to observe land reclamation through de-rocking, which is the main thrust of IFAD's current programme in Syria. At the workshop itself, the Government was willing to discuss all issues and proposals openly, and in the presence of representatives of UN agencies, diplomatic missions and the mass media. These were clear signs of an evolution in the Government's approach to development, which IFAD can build upon in future policy dialogue. EC members expressed their satisfaction with the visit, as it had provided them with the opportunity to observe ongoing operations and to witness and participate in the final stages of the country programme evaluation and the policy dialogue involved in IFAD's approach to evaluation.

64. In the September 2001 EC session, two evaluation reports were discussed: (i) the Thematic Evaluation on Agricultural Extension and Support for Farmer Innovation in Western and Central Africa: Assessment and Outlook for IFAD; and (ii) the Thematic Study on Rural Financial Services in China.

65. The Thematic Evaluation was conducted to provide lessons and guidance for a reconsideration of IFAD's existing regional approach to agricultural extension and support to farmer innovation, and to orient policy dialogue. OE presented a number of preliminary conclusions of the study, and the EC suggested that OE might wish to undertake a similar study in other regions. This would allow for cross-fertilization of knowledge, experiences and approaches among regions. The preliminary results of the study were also presented at the annual meeting of the Neuchâtel Initiative Group, in London in November 2001. The evaluation will be used as a prelude to a regional workshop and policy-dialogue initiative that the Western and Central Africa Division and OE will be undertaking in western and central Africa in 2002.

66. The Thematic Study was conducted to provide IFAD with the building blocks to develop a strategy for the delivery of microfinance in China, including a shift from a project-type approach to one of providing broader financial services, with a greater emphasis on savings and institution-building. OE gave a presentation of the main conclusions and recommendations of the study to the EC, which was keen to know the position of the Chinese authorities. IFAD's Executive Director for the People's Republic of China conveyed his Government's support for and appreciation of the study. He emphasized that IFAD is

in the process of developing the first policy loan to China (for the reform of rural credit cooperatives), thereby demonstrating the engagement of the Chinese authorities in implementing the recommendations of the evaluation.

67. In the December 2001 EC session, two evaluation reports were discussed: (i) Electronic Networking for Rural Asia/Pacific (ENRAP); and (ii) Practical Guide on Monitoring and Evaluation of Rural Development Projects. In addition, the EC formulated its tentative agenda for the three sessions planned for 2002.

68. The first evaluation was conducted to assess the success of ENRAP in laying the foundations and creating capacity for communication and knowledge-sharing. The second agenda item was a progress report on the new practical guide, which is being developed to help project and other partners in the field effectively undertake M&E work and thus contribute to better project management and greater impact. OE distributed a limited number of advance draft copies to the EC, enabling them to preview the shape, design and content of the guide. The EC recognized the importance of the guide and requested OE's continued collaboration to facilitate the installation of the guide in various IFAD regions as of 2002 and beyond.

69. In the February 2002 session, the EC reviewed OE's work programme and priorities for 2002. The EC commended the work programme for its depth and quality, and took the opportunity to highlight the fact that the results of OE's work in 2001 responded to specific requests in IFAD's Plan of Action.

70. In addition, two evaluation reports were discussed: (i) the evaluation of IFAD's Capacity as a Promoter of Replicable Innovation, and (ii) the evaluation of the Andhra Pradesh Tribal Development Project.

71. The first was a corporate-level evaluation. It was conducted in response to the Plan of Action, which recommended that IFAD "develop a methodology and evaluate IFAD's capacity as a promoter of replicable innovations in rural poverty reduction in cooperation with other partners". OE gave a presentation of the evaluation process, as well as of its findings and recommendations. The EC commended the evaluation for its frankness and urged that its results be internalized in order to enhance the overall effectiveness and impact of IFAD operations.

72. Regarding the second evaluation, OE presented the findings and lessons learned. The EC agreed that the evaluation was a model one, particularly in its focus on results and impact, and on insights that can be carried over into other initiatives.

73. The EC came to agreement on the two evaluations to be discussed at its December 2002 session: the thematic evaluation of Organic Agriculture in Latin America and the Interim Evaluation of Chad: Ouadis of Kanem Agricultural Development Project.

II. SELECTED HIGHLIGHTS OF EVALUATION COMMITTEE DISCUSSIONS

74. This section contains highlights of some of the main issues emerging from the discussions during the EC sessions in September and December 2001 and in February 2002.

Sustainability of Agricultural Extension

75. The EC recognized the need to build extension systems that can be sustainable and work efficiently beyond the completion of a project. In this regard, a major concern with the current extension models is the high degree of recurrent costs that are difficult to finance through domestic resources once a project is completed. Some members expressed the need to develop a coherent strategy for downsizing the cadre of



extension personnel recruited compared to the past. Another concern expressed by the EC regarding the traditional extension model was the lack of capacity and knowledge on the part of extension staff to support the model, as well as the inability to effectively integrate the feedback received from farmers. In this regard, some EC members mentioned the absence of an IFAD field presence as a major constraint towards building effective partnerships at the local and grass-roots level required for establishing good extension systems.

76. The EC emphasized the importance of the linkages between extension and other domestic policies (e.g. research), input and output markets, processing and prices. The committee stated that an extension strategy should be built in close association with the policies of other key sectors and the overall macro-economic framework. It also stated that the strategy should take into account the changing role of the state in the provision of services. Such an evolving scenario will require a greater negotiating capacity for farmers, and IFAD should support this process.

Monitoring and Evaluation

77. The EC acknowledged the importance of *Managing for Impact in Rural Development – A Guide for Project M&E* for IFAD's impact-monitoring and impact-assessment activities. The committee emphasized that the guide could be useful not only to IFAD-supported projects but also to government institutions in partner countries and other development agencies, in particular the Food and Agriculture Organization of the United Nations and the World Food Programme. The guide could also serve to change M&E culture among stakeholders, from one where M&E is primarily perceived as a tool for accountability, to one where learning and improving project performance are at the heart of M&E work.

78. The EC also requested OE to explore possible instruments and mechanisms through which to monitor the implementation of evaluation recommendations reached in previous agreements at completion point. This will require OE to make additional efforts to articulate recommendations that are time-bound and can be translated into action – the ultimate aim being to enhance the performance of IFAD's operations and policies.

Information and Knowledge-Sharing

79. In the context of discussing the evaluation of ENRAP, the EC agreed that the ENRAP website was an important tool and that it should be seen as an encouraging signal that researchers and universities, including those in developed countries, are among the users. The EC also recognized the need for including governments and others as key partners. This is essential to ensure the required buy-in and ownership of ENRAP, thereby increasing the chances of replication and scaling up by governments, the private sector and other partners. The committee also noted the need to link ENRAP with networks of other development agencies as a means of widening the effects of information and knowledge-sharing, as well as to learn from the experiences of similar networks. Several members stressed that ENRAP networking efforts should be pursued in parallel with the development of a knowledge-management framework at the project level. The learning generated from the evaluation of ENRAP has been internalized in the design of ENRAP II, the proposal for which will be submitted for consideration to the Seventy-Fifth Session of the Executive Board in April 2002. In this way, Executive Board Directors will be able to assess directly how the evaluation's results have been incorporated into the design of ENRAP II.

Provision of Credit

80. In the context of discussing the thematic study on Rural Financial Services in China, the EC recognized that the rural credit cooperative model, as an alternative means for credit operations, has enormous potential, especially in promoting savings-based growth. The committee emphasized that rural



credit cooperatives need to fill the ‘credit gap’ that may exist in certain provinces of the country, as well as the importance of taking a savings-based approach to microfinance operations.

81. With respect to consumption loans, although some committee members expressed concern about the potential difficulty of repaying them, it was widely acknowledged that these loans are extremely important, as they are often used for health care, schooling, food and other essentials. In this way, they provide an opportunity to the household, and women in particular, to devote resources and efforts to productive and other income-generating activities. The EC also acknowledged that the financial cost of repayment was only one challenge to beneficiaries in seeking much-needed capital. Other major challenges include the requirement for collateral and physical access to credit institutions.

IFAD’s Field Presence

82. Throughout the course of the discussions, the issue of IFAD’s field presence was a common theme. In this context, for example, the EC recognized the importance of CPEs, which enable an entire portfolio of IFAD projects and programmes in one country to be reviewed, providing an opportunity to undertake a dialogue on agricultural policies. At the same time, the EC pointed out that strengthening policy dialogue through IFAD’s participation in the development of a government’s rural and agricultural policies is extremely challenging, given IFAD’s limited and impermanent field presence. As supervisory missions are among the main IFAD tools for following the implementation of the projects it finances as well as understanding impact orientation, the EC supported the scheduled evaluation on the ways in which IFAD undertakes project and programme supervision. The evaluation will also include a review of the costs involved. The EC recommended that the analysis include alternatives to representation in the field, such as through other organizations or secondment of staff members to partners in the field.

83. IFAD’s lack of field presence and its small size also require the recruitment of a substantial number of consultants. The EC was unanimous in its appreciation of the amount of work achieved by OE, given its limited number of staff. At the same time, the committee expressed concern that the performance of consultants, who play such an essential role and often serve as a main conduit for IFAD’s mandate and priorities, is not evaluated. Although the EC recognized that the development of a systematic evaluation of consultants might be an onerous task, it nevertheless urged OE to consider how an evaluation of the management, role and performance of IFAD consultants could be organized in a cost-effective manner in the future.

Innovation

84. In its discussion of the Corporate-Level Evaluation of IFAD’s Capacity as a Promoter of Replicable Innovation, the committee agreed that the focus on cultural and management aspects of innovation rather than technical ones was key, as was the relationship between innovation at the project level and innovation in IFAD as an organization – unless IFAD is innovative as an entity, it cannot promote or facilitate innovation. The EC agreed that the role of management is crucial in promoting innovation and that yearly assessments of staff should include some aspect of innovation as an appraisal factor. The EC stressed the importance of taking the findings of the evaluation to senior management and Executive Board levels, and it urged practical follow up.



ANNEX I

EVALUATION WORK UNDERTAKEN IN 2001

KEY TO REGIONS: PA = Western and Central Africa; PF = Eastern and Southern Africa; PI = Asia and the Pacific; PL = Latin America and the Caribbean; PN = Near East and North Africa.

Area of work	Activity	Region	No.
1. Corporate-Level Evaluations	Evaluation of IFAD's Capacity as a Promoter of Replicable Innovation	–	1
	Evaluation of the Technical Assistant Grant Programme for Agricultural Research	–	1
2. Country Programme Evaluations	(i) Papua New Guinea (ii) Sri Lanka (iii) Viet Nam	PI	3
	Syria	PN	1
	Tanzania, United Republic of	PF	1
3. Thematic Evaluations	(i) Agricultural Extension and Support for Farmer Innovation in Western and Central Africa: Assessment and Outlook for IFAD	PA	2
	(ii) Soil and Water Conservation and Agro-Forestry Impact Study in Burkina Faso		
	Rural Agricultural Marketing in the United Republic of Tanzania	PF	1
	(i) Rural Financial Services in China (ii) Community Ownership of Interventions to Raise Food and Nutrition Security (Nepal)	PI	2
	Organic Agriculture in Latin America	PL	1
4. Project Evaluations			
4.1 Mid-Term Evaluation	Turkey: Ordu-Giresun Rural Development Project	PN	1
4.2 Interim Evaluations	(i) Chad: Ouadis of Kanem Agricultural Development Project (ii) Guinea: Smallholder Development in the Forest Region (iii) Mauritania: Maghama Improved Flood Recession Farming Project (iv) Niger: Aguié Rural Development Project	PA	4
	Swaziland: Smallholder Agricultural Development Project	PF	1
	(i) Electronic Networking for Rural Asia/Pacific (ENRAP) (ii) Laos: Bokeo Food Security Project	PI	2
	(i) FIDAMERICA (ii) Panama: Rural Development Project for Ngobe Communities	PL	2
	Morocco: Livestock and Pasture Development Project in the Eastern Region	PN	1
4.3 Completion Evaluations	Armenia: North-West Agricultural Services Project	PN	1
	India: Andhra Pradesh Tribal Development Project	PI	1
5. Methodological and Strategic Work	Development of a new methodology for impact evaluation	–	1
	Development of a communication approach to evaluation	–	1
	Development of a practical guide for project M&E	–	1
6. M&E Support	Mali: Sahelian Areas Development Fund Programme	PA	1
	Madagascar: North-East Agricultural Improvement and Development Project	PF	1
7. Project Development Teams	Burkina Faso: Eastern Region Project Guinea: Project in the Forest Region	PA	2
	Tanzania, United Republic of: Rural Marketing Project	PF	1
	India: Second Orissa Tribal Development Project Laos: Community Initiatives Support Project Viet Nam: Tuyen Quang Project	PI	3
	Brazil: Microenterprise Project Dominican Republic: COSOP Peru: COSOP Uruguay: National Smallholder Support Programme	PL	4
	Djibouti: Rural Microfinance and Microenterprise Development Project Egypt: COSOP Egypt: Matrouh Agricultural Development Project Egypt: West Noubarya Agricultural Development Project Syria: COSOP Syria: Idleb Agricultural Development Project	PN	6

**OE WORK PROGRAMME FOR 2002-2003**

NOTE: Shaded rows include evaluation work that will start in 2003

Area of work	Activity	Start date	Expected finish
1. Corporate-Level Evaluations	Evaluation of IFAD's Capacity as a Promoter of Replicable Innovation	2000, 4 th Q	2002, 1 st Q
	Evaluation of the Technical Assistance Programme for Agricultural Research	2001	2002, 2 nd Q
	Evaluation of IFAD's Mode of Project Supervision	2002, 1 st Q	2002, 4 th Q
	Evaluation of Community-Based Natural Resources Management in IFAD Projects	2003	2003
	Evaluation of IFAD's Flexible Lending Mechanism	2003	2003
	Evaluation of IFAD's Experience with Cofinancing	2003	2003
	Evaluation of Women's Grass-roots Organizations in IFAD Projects	2003	2003
2. Country Programme Evaluations	Indonesia	2002, 4 th Q	2003, 3 rd Q
	Senegal	2002, 1 st Q	2002, 3 rd Q
	Tanzania, United Republic of	2001	2002, 1 st Q
	Tunisia	2002, 3 rd Q	2003, 2 nd Q
	D.P.R. Korea	2003	2003
	Yemen	2003	2003
3. Thematic Evaluations	Partnership with the World Bank in West and Central Africa	2002, 4 th Q	2003, 3 rd Q
	Agricultural Extension and Support for Farmer Innovation in Western and Central Africa: Assessment and Outlook for IFAD	2001	2002, 2 nd Q
	Promotion of Local Knowledge Systems for the Asia and the Pacific Region	2002, 1 st Q	2002, 4 th Q
	Review of Innovative Approaches in Peru	2002, 4 th Q	2003, 3 rd Q
	Organic Agriculture in Latin America	2001	2002, 1 st Q
	Evaluation of IFAD Operations in Rural Finance and Microenterprise Development in the Balkans, Central Europe and Caucasus	2002, 4 th Q	2003, 3 rd Q
	Effectiveness of Support to Smallholder Market Linkages	2003	2003
	Evaluation of NGO and CBO Approaches for Service Delivery	2003	2003



ANNEX II

Area of work	Activity	Start date	Expected finish
4. Project Evaluations			
4.1 Mid-Term Evaluation	Kenya: Central Kenya Dry Area Smallholder and Community Services Development Project	2003	2003
4.2 Interim Evaluations	Burundi: Ruyigi Rural Resources Management Project	2002, 4 th Q	2003, 2 nd Q
	Chad: Ouadis of Kanem Agricultural Development Project	2001	2002, 2 nd Q
	FIDAMERICA	2001	2002, 2 nd Q
	Haiti: Small-Scale Irrigation Schemes Rehabilitation Project	2002, 2 nd Q	2002, 4 th Q
	Mauritania: Oasis Development Project – Phase II	2002, 4 th Q	2003, 2 nd Q
	Morocco: Livestock and Pasture Development Project in the Eastern Region	2001	2002, 1 st Q
	Namibia: Northern Region Livestock Development Project	2001	2002, 2 nd Q
	Peru: Management of Natural Resources in the Southern Highlands Project	2002, 2 nd Q	2002, 4 th Q
	Philippines: Rural Microenterprise Finance Project	2002, 2 nd Q	2002, 4 th Q
	Senegal: Agricultural Development Project in Matam	2002, 1 st Q	2002, 3 rd Q
	Tanzania, United Republic of: Kagera Agricultural and Environmental Management Project	2002, 2 nd Q	2002, 4 th Q
	Venezuela: Support Project for Small Producers in the Semi-Arid Zones of Falcon and Lara States	2002, 3 rd Q	2003, 1 st Q
	Yemen: Tihama Environment Protection Project	2002, 2 nd Q	2002, 4 th Q
	Ecuador: Indigenous Afro-Ecuadorian Peoples' Development Project	2003	2003
	Eritrea: Eastern Lowlands Wadi Development Project	2003	2003
Rwanda: Rural Smallholder and Micro-Enterprise Promotion Project	2003	2003	
Zambia: Smallholder Enterprise and Marketing Programme	2003	2003	
4.3 Completion Evaluation	Bangladesh: Netrakona Integrated Agricultural Production and Water Management Project	2002	2002
5. Methodological Work	Regionalization of the practical guide for M&E in the Western and Central Africa Region	2002, 1 st Q	2002, 4 th Q
	Regionalization of the practical guide for M&E in Asia and the Pacific Region	2002, 1 st Q	2002, 4 th Q
	Publication of the practical guide for M&E	2002, 1 st Q	2002, 2 nd Q
	Implementation of a new impact methodology and issuance of the first IFAD report on impact evaluation and development effectiveness	2002, 1 st Q	2003, 1 st Q
6. Evaluation Committee	Three regular sessions	2002, 1 st Q	2002, 4 th Q
7. Partnerships	IFAD – SDC: Implementation of the partnership on development effectiveness through evaluation	2002, 1 st Q	2003, 4 th Q
8. Project Development Teams*	Brazil: Microenterprise Project	2002, 1 st Q	
	Burkina Faso: Eastern Region Project	2002	
	Cambodia	2002	
	Egypt: Matrouh Natural Resource Management Project	2002, 1 st Q	
	Guinea: Project in the Forest Region	2002	
	India: Second Orissa Tribal Development Project	2002	
	Laos: Community Initiatives Support Project	2002, 1 st Q	
	Mali: Zone Lacustre Development Project	2002	
	Peru: COSOP	2001, 4 th Q	
	Sri Lanka: COSOP	2002	
	Syria: Jebel Al-Zawia Rural Development Project	2002, 1 st Q	
	Turkey: Participatory Development and Management Programme	2002, 2 nd Q	
Viet Nam: COSOP	2002		

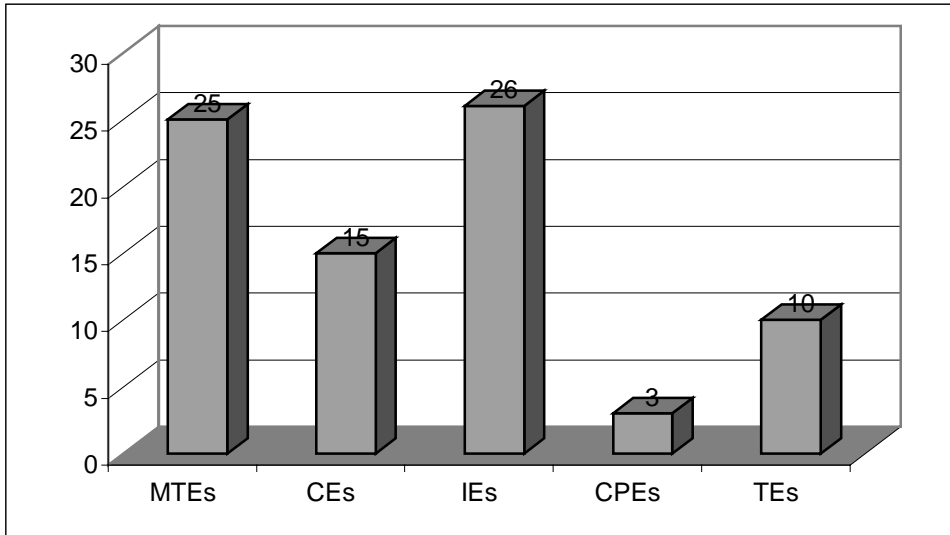
NOTE: * PF was not in a position to provide requests at the time of preparing this report. The category must therefore be considered tentative.



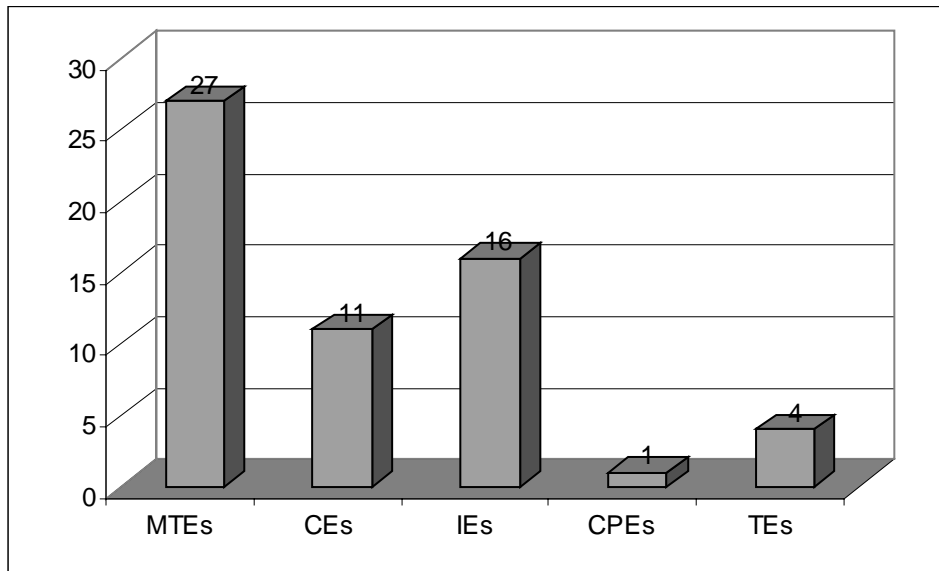
ANNEX III

SUMMARY OF OE ACTIVITIES

Evaluations Conducted in Western and Central Africa Region (Africa I) - PA (1983-2001)



Evaluations Conducted in Eastern and Southern Africa Region (Africa II) - PF (1983-2001)



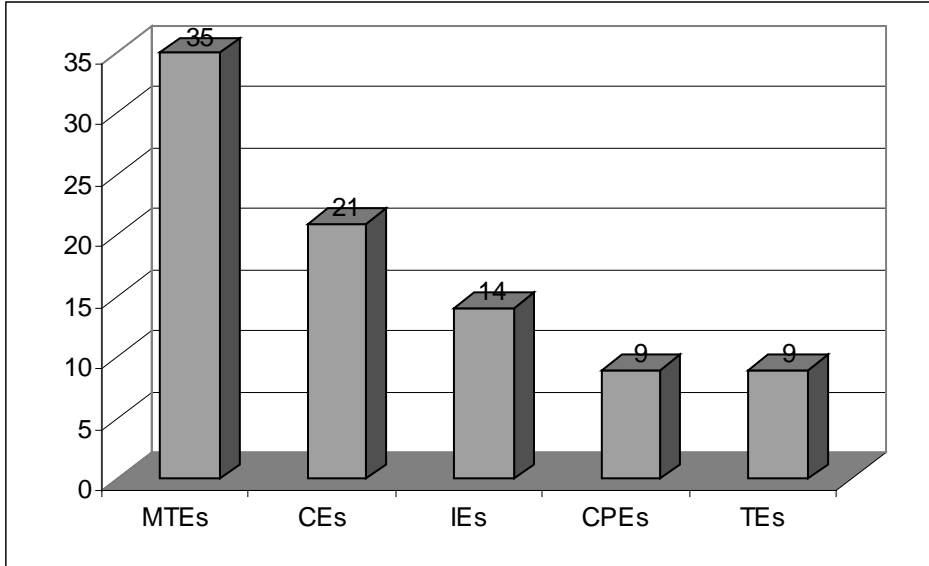
Legend:

- MTEs Mid-Term Evaluations
- CEs Completion Evaluations
- IEs Interim Evaluations
- CPEs Country Programme Evaluations
- TEs Thematic Evaluations

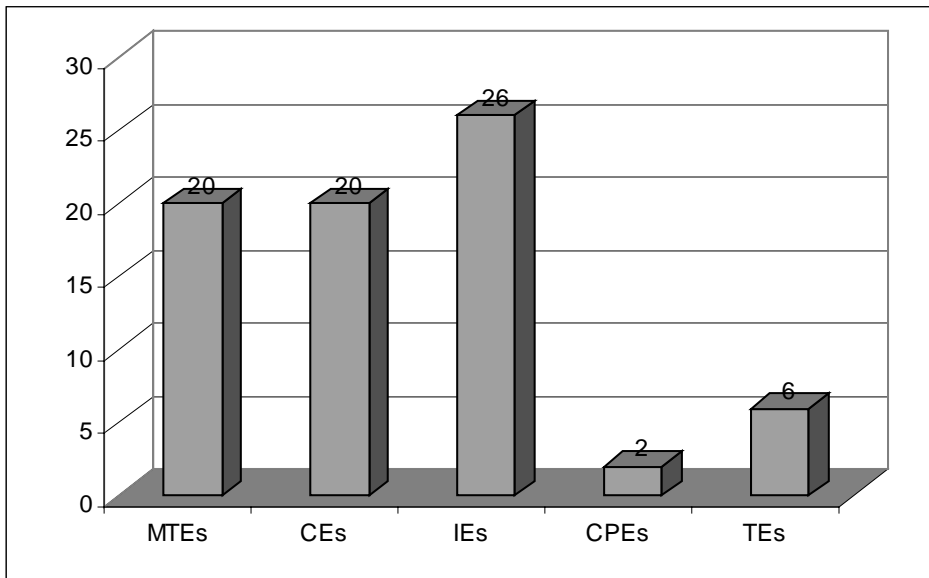


ANNEX III

**Evaluations Conducted in Asia and the Pacific Region - PI
(1983-2001)**



**Evaluations Conducted in Latin America and the Caribbean Region - PL
(1983-2001)**



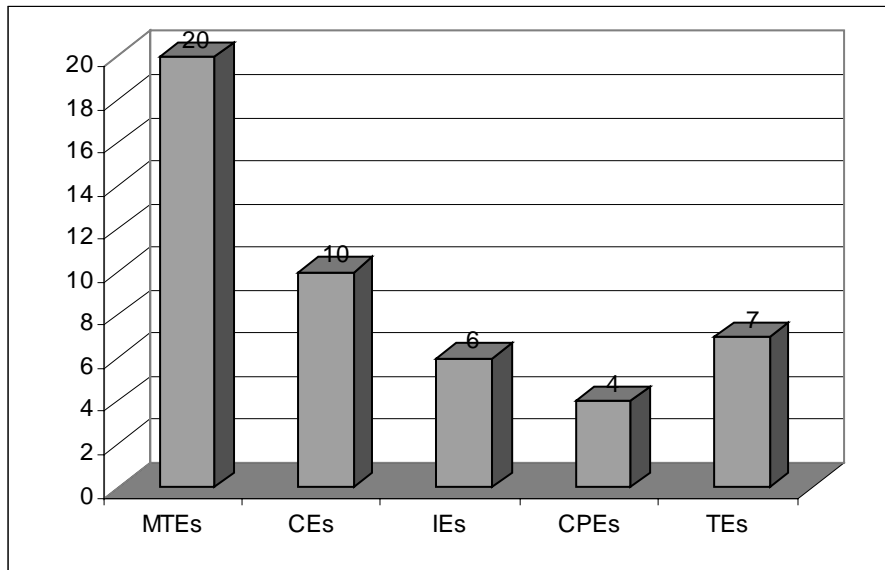
Legend:

- MTEs Mid-Term Evaluations
- CEs Completion Evaluations
- IEs Interim Evaluations
- CPEs Country Programme Evaluations
- TEs Thematic Evaluations



ANNEX III

**Evaluations Conducted in Near East and North Africa Region - PN
(1983-2001)**



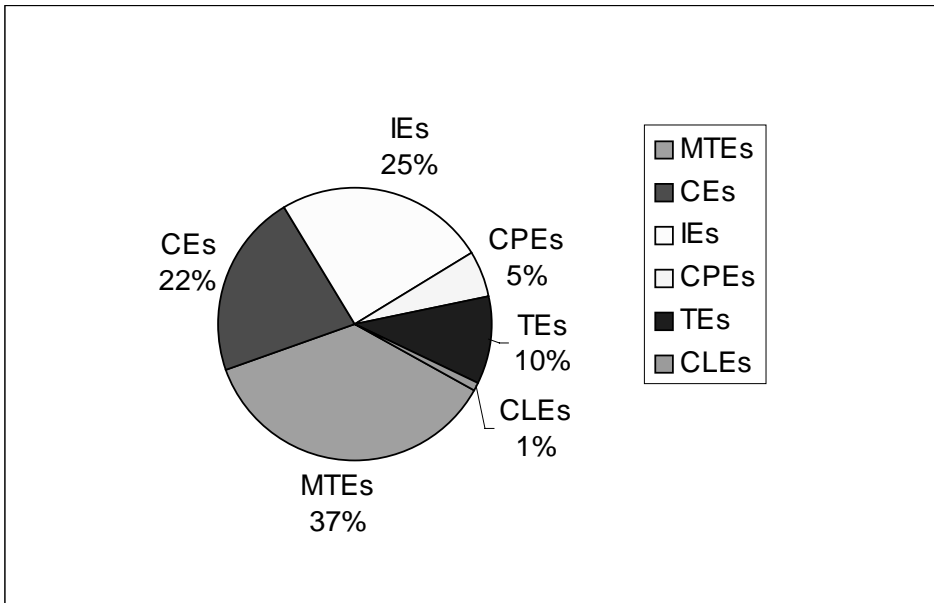
Legend:

- | | |
|------|-------------------------------|
| MTEs | Mid-Term Evaluations |
| CEs | Completion Evaluations |
| IEs | Interim Evaluations |
| CPEs | Country Programme Evaluations |
| TEs | Thematic Evaluations |



ANNEX III

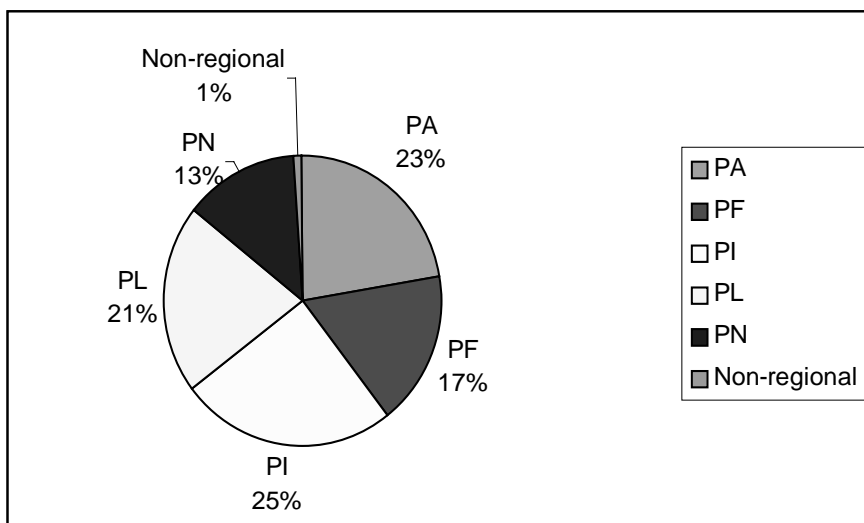
Distribution of Evaluations by Evaluation Type (1983-2001)



Legend:

- MTEs Mid-term Evaluations
- CEs Completion Evaluations
- IEs Interim Evaluations
- CPEs Country Programme Evaluations
- TEs Thematic Evaluations
- CLEs Corporate-Level Evaluations

Distribution of Evaluations by Region (1983-2001)



TYPES OF EVALUATIONS CONDUCTED BY OE

Project Evaluations

1. Project-level evaluations are undertaken throughout the implementation cycle. The different types of project-level evaluations share the purpose of assessing implementation achievement, impact and sustainability, thus contributing to learning and ultimately to the improvement of project impact and performance.

- **Interim Evaluations** are mandatory before embarking on a second phase of a project or launching a similar project in the same region. The findings, conclusions and recommendations of such evaluations are used as the basis for improving the design and implementation of subsequent interventions. Over the years, the number of interim evaluations has increased dramatically. In 2001, this type of evaluation accounted for 85% of all project evaluations undertaken by OE.
- **Completion Evaluations** are normally conducted after the finalization of the project completion report prepared by the borrower or the cooperating institution, generally 3-18 months after the project closing date.
- **Mid-Term Evaluations** are undertaken at around the mid-life of project implementation, when approximately 50% of the funds have been disbursed.

Thematic Evaluations

2. Thematic evaluations and studies are designed to assess the effectiveness of IFAD's processes and approaches and to contribute to increasing the Fund's knowledge on selected issues and subjects. In this way, thematic evaluations are expected to provide concrete building blocks for revisiting existing or formulating new and more effective operational strategies and policies. Such evaluations not only build on the findings of project evaluations but also draw on a variety of external sources, including evaluation work done by other organizations and institutions on the same theme or issue.

Country Programme Evaluations

3. CPEs provide an assessment of the performance and impact of IFAD-supported activities in a given country. Based on such assessments, these evaluations are expected to provide direct and concrete inputs for revisiting existing or formulating new COSOPs, which are progressively assuming greater importance at IFAD. In particular, CPEs are expected to provide information on the most essential aspects of project performance and to contribute to developing strategic and operational orientation for IFAD's future activities in individual countries. They are also expected to contribute elements to IFAD's policy dialogue on rural poverty alleviation.

Corporate-Level Evaluations

4. Corporate-level evaluations are conducted to generate insights and recommendations on policies for strategic and operational issues that are relevant across regions and sectors of IFAD interventions. These results and recommendations have a wide range of applicability over the entire IFAD portfolio and policy.