IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Seventy-Eighth Session

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REPORT OF THE CHAIRMAN OF THE EVALUATION COMMITTEE ON IFAD'S EVALUATION POLICY

1.　　In accordance with the decision of the Consultation on the Sixth Replenishment of IFAD's Resources, IFAD has prepared a paper entitled IFAD Evaluation Policy, which is being presented to the Executive Board for approval at its current session. The Evaluation Committee (EC) discussed this document at its Thirty-Third Session on 7 April 2003 and agreed on the main conclusions and recommendations that follow.

2.　　Both EC members and the observers commended the high quality of the evaluation policy paper and IFAD's efforts in its preparation. There was general agreement on the need for an independent evaluation function to enhance accountability and learning from the evaluation of IFAD's operations, programmes and policies. The independence of evaluation provides a strong message about the importance that IFAD and its governing bodies attach to the evaluation function.

3.　　**Evaluation recommendations and tracking their adoption and implementation.** It was generally agreed that, as per industry best practice and international evaluation standards, evaluation reports must contain recommendations based on evaluation analysis and findings. Moreover, tracking the adoption and implementation of recommendations is an important means to internalize learning from evaluation, thus completing the institutional learning loop. The agreement at completion point (ACP) should be the starting point for devising a mechanism to ensure the tracking of evaluation recommendations. The Committee endorsed the paper's recommendation to request the President of IFAD to report to the Board on the adoption and implementation of evaluation recommendations at operational, strategic and policy levels, as appropriate (see Appendix for amended paragraph 49).

4.　　**The role of ACP within an independent evaluation function**. EC members agreed on the importance and usefulness of the ACP and the need for it to remain a key instrument of evaluation. However, they emphasized that: (i) the evaluation report and the ACP are two distinct documents, and that the latter should be initiated only on completion of the former; and (ii) the role of the Office of Evaluation and Studies (OE) in the process leading up to the ACP will, in particular, ensure the full understanding of the evaluation's findings and recommendations. OE should not be party to this agreement (see Appendix for amended paragraphs 45, 46 and 47).

5. **The role of the Evaluation Committee**. EC members raised questions regarding the Committee's role under IFAD's new evaluation policy. They also discussed whether it would be advisable for the EC to examine more evaluations each year or the same number but in greater depth. The Committee agreed that its terms of reference (TOR) and rules of procedure need to be re-examined in order to: (i) provide a clear definition of EC's role and responsibilities under the new system, including the above-mentioned issue; and (ii) clarify all issues relating to the functioning of the EC in relation to OE and the Executive Board. EC members also concurred that in the future the Committee should report to the Board on its deliberations following each EC session (see Appendix for amended paragraphs 54 and 70).

6. **Disclosure of evaluation reports**. It was agreed that OE must comply with the 2000 IFAD disclosure policy, which states that all IFAD evaluation reports and the documentation submitted to the EC should be disclosed to the public at large.

7. **Type of evaluation expected from OE**. In addition to project and country programme evaluations, OE evaluation activities should strongly emphasize the evaluation of corporate-level policies, programmes and processes. Examples given included: project-cycle processes, IFAD's supervision modalities, the Strategic Change Programme, and internal monitoring systems (see Appendix for amended paragraph 20 (i)).

8. **Monitoring of the new policy**. EC members requested that IFAD monitor the implementation of the new IFAD evaluation policy and assess its performance in terms of achievement of objectives as perceived in the policy paper.

9. **Status of the OE Director and his/her re-appointment**. The EC agreed with the policy recommendation that the OE Director should not be re-appointed to another position within IFAD following contract expiry. The view that it might be preferable for the Director not to be selected from other IFAD units was also expressed, but it was decided that this would be the Executive Board's prerogative upon recommendations by the President. Some EC members also emphasized the significant increase in the duties and responsibilities of the OE Director under the independent evaluation policy and the need to re-examine the Director's status to make it commensurate with this enhanced role.

10. **The role of senior management under the independent evaluation function.** EC members also requested clarification on the exact role of senior management in light of the new evaluation policy and asked whether management would have the right to respond to evaluation findings. It was pointed out that this right is embodied not only in paragraphs 41 and 42 of the proposed evaluation policy, but also in the process leading up to the ACP; the latter will in fact contain stakeholders' responses to the evaluation findings and recommendations.

11. **Reporting by the independent Office of Evaluation**. The EC noted that two reports are currently expected from OE: (i) the annual report on evaluation; and (ii) the annual report on the results and impact of IFAD operations (ARRI). It was agreed that there is a need to streamline OE reporting, limiting it to only one report, namely the ARRI (see Appendix for amended paragraph 48, deleted paragraph 51, and amended paragraphs 52 and 66 (iii)).

12. **Operational procedures in implementing the new policy**. EC members also raised questions about the operational implications of the new policy, in particular those concerning budgetary processes and relations with IFAD's operations units. It was clarified that a set of IFAD internal arrangements and operational procedures detailing these processes, now under preparation, will be issued in a President's Bulletin, upon Board approval of the evaluation policy.

13. **The origin of the request for the evaluation policy paper.** The EC agreed to amend paragraph 1 of the paper to highlight the collective wish of the Consultation on the Sixth Replenishment of IFAD's Resources for an independent evaluation function in IFAD (see Appendix for amended paragraph 1).

14. **Translation of evaluation reports.** EC members also discussed the possibility of translating the entire text of evaluation reports into the official IFAD languages, and not just the executive summary and the ACP, as a means of enhancing learning from evaluation. They agreed that an estimate of the costs involved should be provided and that eventually a discussion should take place on the value for money of this operation (see Appendix for amended paragraph 50).

APPENDIX

49.   The President will be responsible for ensuring that evaluation recommendations found feasible by the users are adopted at the operational, strategic and policy levels (as appropriate) and their implementation adequately tracked. The President will provide the Board an annual report on the status of adoption and implementation of evaluation recommendations and OE will provide to the Board its independent comments on this report including an inventory of recommendations not found feasible by the users, hence not implemented.

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45.   As per current practice, upon completion of each independent evaluation report by OE, relevant IFAD officials, and other stakeholders will develop a separate action-oriented document, called the understanding or agreement at completion point. The ACP is the end point of a process that aims to determine how well evaluation users understand the recommendations proposed in the ~~of~~ independent evaluation, and how they propose to make them operational. Interaction among the stakeholders working through the CLP helps deepen the understanding of evaluation findings and recommendations contained in the independent evaluation report, and elicits ownership for implementing the recommendations. The ACP illustrates the stakeholders' understanding of the evaluation, findings and recommendations, ~~and~~ their proposal to implement them and their commitment to act upon it. OE will participate in this process to ensure a full understanding of its findings and recommendations.

46.   The ACP will continue to be the outcome of the work of the CLP.[16] The two objectives of the ACP are to: (i) clarify and deepen the understanding of evaluation recommendations, document those that are found acceptable and feasible and those that are not, ~~and~~ make the former ~~them~~ more operational, and eventually generate a response by the stakeholders on how they intend to act upon them within the framework of an action plan that assigns responsibilities and deadlines; and (ii) flag evaluation insights and learning hypotheses for further future discussions and debate.

47.   The ACP will make explicit reference to the partners with whom it was concluded. ~~In addition to OE, t~~ These include all major users of evaluation results such as the relevant IFAD operational unit(s), project and borrower country authorities and other relevant stakeholders. OE's participation in the ACP process will be as explained in paragraph 45 above.

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54.   The Evaluation Committee will also continue to provide feedback to OE and report to the Executive Board on specific evaluation issues. The outcomes of each Evaluation Committee meeting will be summarized in official minutes ~~that are then consolidated in a separate chapter of the annual report on evaluation referred to in paragraph 51~~. The Committee will report to the Board on its deliberations following each and every Evaluation Committee session.

70.   The Board ~~may wish to~~ will review, or entrust the Evaluation Committee to review, the role of the Committee in light of the evaluation policy contained in this document. As indicated by the Consultation on the Sixth Replenishment of IFAD's Resources, any proposals to change the Committee's role and responsibilities shall take into account, among other considerations, the potential workload and cost implications for the Evaluation Committee and IFAD. They will also have to pay special attention to the fact that IFAD's Executive Board and its Evaluation Committee are non-resident governing bodies, and that currently the Committee meets three times every year and reviews about six of the 20-25 reports issued each year by OE.

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[16]   See Part Two, section II, paragraph 33.

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20.   These aspects of accountability will be reflected in the following operational policies:

   (i)   As in the past, every year OE will evaluate on the basis of clear criteria a sample of completed IFAD projects, a number of IFAD cooperation strategies in countries with large IFAD portfolios, as well as ~~and~~ key IFAD policies, ~~and~~ strategies, programmes and processes.

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48.   The OE Director will convey completed evaluation reports including the ACP and other evaluation documents, such as ~~the annual report on evaluation and~~ the annual report on the results and impact of IFAD operations[17] and the annual OE Work Programme, simultaneously to the Executive Board of IFAD, the President and, whenever applicable, the concerned borrowing country's authorities, the implementing agencies and cooperating institutions.

51.   ~~As is currently the case, every year OE will prepare the annual report on evaluation and submit it to the Executive Board in its April session. This report summarises OE's achievements in relation to its plans for the preceding year and presents the work programme for the current year. It also outlines the decisions and main activities of the Evaluation Committee in the preceding year.~~

52.   Every year OE will also submit to the Executive Board an annual report on the results and impact of IFAD operations ~~to the Executive Board~~ in its September session. This report presents a consolidated picture of results and impact achievement, and a summary of cross-cutting issues and learning insights on the basis of the project evaluations undertaken during the reporting year.

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   (iii)   receive directly from OE all evaluation reports, including ~~the annual report on evaluation and~~ the annual report on the results and impact of IFAD operations;[18]

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1.   The Consultation on the Sixth Replenishment of IFAD's Resources discussed a paper presented by the Fund on strengthening the effectiveness of the evaluation function at IFAD in the light of international experience. The paper was in response to a proposal made by ~~a Member State~~ the Consultation on the Sixth Replenishment of IFAD's Resources that the Office of Evaluation and Studies (OE) report directly to the Executive Board, independently of IFAD management and, as has been the case since 1994, of the President of IFAD. The paper covered international principles for evaluation of development assistance, and analysed how selected multilateral development organizations handle the issue of independence of their evaluation functions. The paper also explained IFAD's current approach to evaluation and proposed ways both to enhance independence and to improve the effectiveness of the evaluation learning loop.

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50.   All evaluation reports will be submitted to the Executive Board at the same time as they are forwarded to the President of IFAD. The reports will be issued in the original language with English translation of the executive summary and the ACP. A translation of all evaluation reports into all official languages could be considered upon verification of the cost involved relative to the benefits associated with such practice.

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[17]   ~~The contents of the annual reports are outlined in Part Two, section V.B.~~
[18]   ~~The two annual reports are described in Part Two, section V.B.~~