



**IFAD**  
**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**  
**Executive Board – Seventy-Eighth Session**

Rome, 9-10 April 2003

**REPORT OF THE CHAIRMAN OF THE EVALUATION COMMITTEE**  
**ON THE**  
**INDEPENDENT EXTERNAL EVALUATION OF IFAD**

1. This report contains a summary of the discussions held during (a) three informal sessions of the Evaluation Committee that took place on 26 March, 7 and 9 April; and (b) a meeting of the List Convenors and Friends on 10 April to discuss the draft Terms of Reference (TOR) of the Independent External Evaluation (IEE) of IFAD.
2. There was a broad understanding that the draft TOR, as prepared by Mr Peter Smith (the consultant selected by the Committee in December 2002 and entrusted with the responsibility for preparing the TOR), still needed further work and improvement in various areas. These TOR have been since fine-tuned and transformed into an approach paper for the IEE. The approach paper was not discussed during the above-mentioned meetings, and therefore there was no opportunity to build a broad-based consensus on the paper as yet. However, it was felt that the approach paper, as attached to this report, can be a useful reference for the production of more specific and detailed TOR, and therefore for the recruitment of the consultants' team.
3. Additionally, the Committee noted the pressing time factor for conducting the IEE. In this regard, Committee members agreed that the specific and detailed TOR, required for the consultants' recruitment, should be finalised urgently to enable the commencement of the IEE soonest after the April 2003 Executive Board. This would allow adequate time for conducting and completing the IEE by September 2004, as agreed by the consultation process of the sixth replenishment of IFAD.
4. The discussions on 26 March, 7 and 9 April covered all those aspects of the TORs that are now reflected in the approach paper.



5. During its various deliberations, the Evaluation Committee reached a consensus on numerous issues that are now contained in the approach paper. It was agreed that the Executive Board is the key client of this multistakeholder IEE, and that the main focus of the exercise should be on the impact of IFAD field operations and selected corporate/management processes. The Committee also highlighted the importance of recognising that the IEE will face the challenges well known to all evaluators in assessing and attributing impact. Unless otherwise fully justified by the evaluators, there was consensus that the time span of the evaluation should be in principle approximately the past ten years, as this would allow the assessment of impact and its sustainability without too much emphasis on the early features of IFAD interventions. It was felt that the selected time span would ensure the relevance of the IEE's outcome and contribute effectively to the further development of the Fund.

6. The Committee agreed that the elaboration of the methodology should be proposed by the team of consultants that will eventually be selected for the exercise. It was also felt that random sampling techniques should be applied in the selection of projects and countries that will form part of the IEE exercise. This would enable a more objective and unbiased representation of IFAD operations to be assessed. In this regard, it was considered important to conduct an 'evaluability' assessment of the projects and countries selected, in order to ensure the availability of robust data and information for meaningful and cost-effective impact analysis. However, the evaluation is expected to highlight those projects and programmes that lack the data, information and monitoring and evaluation systems required for impact analysis. The need for the IEE to include a reasonable number of IFAD-supported projects that are co-financed by other donor was also considered important by the Committee. There was also consensus that the IEE should review ongoing as well as closed projects.

7. The Evaluation Committee agreed that the detailed TOR for the recruitment of the Evaluation Team should contain a limited number of overarching evaluation questions to serve as a guiding framework for the evaluators. These evaluation questions should be built on international evaluation criteria, *inter alia*, those that are recognised by the OECD/DAC Working Party on Aid Evaluation and the multi-lateral development banks. These evaluation criteria include, *inter-alia*, impact, sustainability, relevance, effectiveness, efficiency and performance. There was also recognition that further emphasis should be devoted in the detailed TOR for the evaluation team to evaluating the work of IFAD co-operating institutions, given the critical role they play in the implementation support and loan administration of IFAD-assisted projects. The Committee agreed on the importance for the IEE to assess the performance of key partners towards achieving impact.

8. Several important areas required further discussion among Committee members during its various informal sessions. These included, as mentioned above, the governance and organisational arrangements for the IEE, the modalities for selecting the evaluation team of consultants, and the budgetary requirements for the evaluation. To facilitate the discussions on the aforementioned topics, a written proposal was prepared by List A, which formed the basis for discussion at the informal session of the Evaluation Committee on 9 April.

9. The Committee reviewed the List A proposal favourably and made some modifications to the proposed text. The revised proposal including the Committee's suggestions are outlined in the below paragraphs 10 to 15, which supersede the corresponding sections in the approach paper.



## Organisational Arrangements/ Governance of Evaluation

10. The Evaluation will be conducted under the overall supervision of the Director of IFAD's Office of Evaluation (OE), on behalf of, and accountable to, the IFAD's Executive Board, and in accordance with the provisions outlined in the present Chairman's report.

11. In accordance with the IFAD Evaluation Policy, approved by the Executive Board on 9 April 2003, IFAD management will ensure that IFAD officials and IFAD-assisted projects promptly provide all documents and other information required and participate and co-operate actively in the IEE. Furthermore, before the IEE report is issued, it will be shared with IFAD management, and whenever applicable with concerned borrowing countries for their comments. IFAD management will also have an opportunity to comment on the final report and provide its management response, which will be included as an appendix to the final IEE report.

12. A Steering Committee, composed of representatives of IFAD member countries, will serve in an advisory capacity to the Evaluation Team and the OE Director, providing comments on draft documents and other issues as further described below. In addition, the Steering Committee will endorse the selection of the Evaluation Team, as recommended by the OE Director under procedures described below.

13. The OE Director's responsibilities will include, inter alia:

- (a) *Selection of the Evaluation Team:* The OE Director will manage the process for selecting the external and independent Evaluation Team. The Evaluation Team will be recruited as a unit through an open and competitive international bidding process conducted either through a professional recruiting firm or directly by the OE Director. From a short list of at least three qualified candidate teams, the OE Director will recommend a selection for the Steering Committee's endorsement. The Team will be selected taking into account, inter alia, regional balance, language and gender of professionally qualified team members. The Steering Committee members will have access to all information related to the selection of the evaluation team.
- (b) *Administration and Budget:* The OE Director will oversee the provision of administrative services (contracting, travel arrangements and reimbursements, inquiries, etc.) to the Evaluation Team. The services themselves will be performed by such personnel as the Director deems necessary, whether hired directly by the Director or already employed by IFAD in such capacities. The Director will also propose for the Executive Board's approval in September, 2003, an overall budget for the Evaluation, subject to a ceiling of USD 1.7 million (including bilateral contributions) as preliminarily estimated in the approach paper. (It is expected that the overall cost will be materially less than this estimate, unless otherwise fully justified.) The Director may begin to expend funds as necessary prior to the September Board meeting.
- (c) *Overall Supervision and Liaison:* The OE Director will serve as the Evaluation Team's primary counterpart, ensuring that the Team conducts its work in accordance with its TOR and will be available to answer inquiries and solve problems encountered by the Evaluation Team during the course of its work. In this capacity, the Director may seek the advice of the Steering Committee or any other outside experts he deems appropriate or necessary. If at any point during the evaluation the Director believes that the Evaluation Team is deviating materially from the requirements of its TOR, he may require that the Team take corrective measures. He will inform the Steering Committee and Executive Directors/Alternates of any such actions. He will also provide a status



report on the progress of the evaluation at each Executive Board meeting while the evaluation is underway.

14. The Steering Committee will be established as soon as possible but no later than 15 May and consist of representatives of nine (9) IFAD member states, chosen by Lists A (4 members), B (2) and C (3). To the extent possible, Committee members should not also be members of the Executive Board. In any event, it is expected that, in reviewing and commenting on draft documents and other issues, Committee members will seek the input of their respective national experts. The Evaluation Committee also agreed that financial support from the IEE budget should be made available for Steering Committee members from developing countries to participate in the Steering Committee.

15. Steering Committee members will be available to provide comments and advice, upon request, to the Evaluation Team and the OE Director. At a minimum, Committee members will be requested to provide comments on the Evaluation Team's Inception Report, Phase One Report (prepared after desk studies and prior to field studies) and first draft of the Final Report. (The penultimate draft will be submitted to Executive Directors/Alternates for comments and discussion.) Upon request, all Executive and Alternate Directors will have free access to documents reviewed and comments provided by members of the Steering Committee.

16. The Evaluation Committee recommends to the Executive Board the endorsement of the organisational arrangements and governance structure, as well as all the other provisions contained in the present Chairman's report. It also recommends to the Board to entrust the OE Director with the preparation of the detailed TOR, which will be the basis for the international competitive bidding, and submit it to the Steering Committee for review and endorsement by the end of May 2003. If no consensus is reached by that date, the Director OE in conjunction with the Chairman of the Steering Committee shall finalize the TOR taking into account the comments received.

17. Finally, the Committee proposes to the Board to authorise the funding of the IEE and its disbursements up to a level of USD 1.7 million as a one-time below-the-line cost in the 2003 IFAD budget, as approved by the Governing Council in February 2003.

