



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Ninth Session
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RESOURCE REQUIREMENTS FOR THE
INDEPENDENT EXTERNAL EVALUATION OF IFAD
SUBMITTED BY THE DIRECTOR OF THE OFFICE OF EVALUATION



Background

1. In April 2003, at its Seventy-Eighth session, the Executive Board adopted a report on the Independent External Evaluation (IEE) of IFAD submitted by the Chairman of the Evaluation Committee (EB 2003/78/R.45). This report outlined a number of important issues concerning the procurement, governance structure and budgetary framework for the IEE. The latter was derived from a preliminary draft of the Terms of Reference (TOR), which was prepared by a consultant selected by the Evaluation Committee in December 2002.
2. The preliminary draft of the TOR was discussed in the informal sessions of the Evaluation Committee in March and April, and in a meeting of the List Convenors on 10 April 2003. During these meetings there was a broad understanding that the preliminary draft needed further work and improvement in various areas. After fine tuning, however, elements from the preliminary draft, including a preliminary budget of USD 1.722 million, were merged into an Approach Paper aimed at outlining the main directions of the IEE. The Approach Paper was included as an attachment to the above-mentioned Chairman's Report.
3. Based on the recommendations contained in the report of the Chairman of the Evaluation Committee, the Board entrusted the Director of IFAD's Office of Evaluation (OE) with the task of preparing the detailed TOR for the IEE. These would have to be endorsed by the Steering Committee which was established for the purpose of advising the OE Director during the IEE process¹.
4. The Board decided that the IEE will be conducted under the overall supervision of the OE Director, on behalf of, and accountable to IFAD's Executive Board, and in accordance with the provisions outlined in the Chairman's Report. The Board also endorsed the provision in the Chairman's Report that if at any point during the IEE the OE Director believes that the Evaluation Team is deviating materially from the requirements of its TOR, he may require that the Team take corrective actions. The Board further endorsed, as proposed by the Chairman's Report, that the OE Director may seek the advice of the Steering Committee or any other outside experts he deems appropriate or necessary for the purpose of ensuring that the Team conducts its work in accordance with its TOR.
5. The Board endorsed the proposal in the Chairman's Report to authorize 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. The Board, however, asked the OE Director to propose for the Board's approval in September 2003 an overall budget for the IEE, subject to a ceiling of USD 1.7 million, with the expectation that the overall cost will be materially less than this estimate, unless otherwise fully justified. Furthermore, the Board authorized the OE Director to begin to expend funds as necessary prior to the September Board meeting.
6. The Board also authorized the OE Director to manage the process for selecting the external and independent Evaluation Team. The Board directed that the Evaluation Team should 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. The Board entrusted the OE Director with the responsibility of providing administrative services (contracting, payment, travel arrangements and reimbursements, inquiries, etc.) for the IEE. The services themselves would be performed by such personnel as the Director deems necessary, whether hired directly by the Director or already employed by IFAD.

¹ The final detailed Terms of Reference were prepared by OE and presented to the Steering Committee, which endorsed the same in a meeting held on 15 July 2003. The endorsed TOR are attached in Annex II of this document.



General Considerations and Consequences of the April 2003 Board Decisions

7. The preliminary draft of the TOR, which was prepared by the consultant selected by the Evaluation Committee, and which led to the preliminary budget estimate of USD 1.722 million, was based on very specific assumptions about the scope of the IEE, the procurement process, the composition of the Evaluation Team, and the role of OE in the IEE process. Several of these assumptions have been superseded by decisions taken by the Executive Board in April 2003, the consequences of these decisions as well as the endorsement by the Steering Committee of detailed TOR that differ substantially from the preliminary draft of the TOR. These decisions have an impact on the cost of acquiring the services of an Evaluation Team as well as the cost to OE of managing and supervising the IEE process as required by the Board.

8. The most important budgetary consequences are the following:

- (a) The preliminary draft of the TOR and the budget contained in them were based on the assumption that members of the Evaluation Team would be recruited on an individual basis. The Board in its April 2003 session decided that the Evaluation Team would be selected as a unit. This decision substantially increases the cost of acquiring the services of an Evaluation Team, as service providers such as commercial firms and specialized centres and organizations have higher rates than individual consultants².
- (b) The preliminary draft TOR and budget were based on the assumption that the members of the Evaluation Team would be selected by the Team Leader. The Board in its April 2003 session decided that the entire Evaluation Team would be selected through an open and international competitive bidding process. This decision adds to the IEE budget the cost of organizing and implementing the complex process of the Evaluation Team's procurement, as required under open and international competitive bidding. This is one of the tasks for which OE requires short-term consultants.
- (c) The Board in its April 2003 session gave the OE Director the option of recruiting the Evaluation Team either directly or through a professional recruiting firm. OE opted to recruit the service provider directly, as this course of action would save IFAD the high costs charged by professional recruiting firms, in comparison with the cost of short-term consultants who will be required for this purpose by OE, and would minimize the communication risk associated with procurement through a professional recruiting firm that is not familiar with the complex context of the IEE.
- (d) The preliminary budget included provisions for an Administrator and a Secretary to assist OE with the implementation of the IEE and provide administrative support to the Evaluation Team. It did not, however, include any provision for OE to engage advisers who would assist with the task of supervising the IEE. The Board in its April 2003 session gave the OE Director this option in view of the considerably enhanced role assigned to him, and he has decided to utilize this option (as reflected in the TOR endorsed by the Steering Committee on 15 July 2003) and has engaged the services of two Senior Independent Advisers to assist him in this task.

² The consultant selected by the Evaluation Committee to prepare the preliminary draft of the TOR estimated that recruiting the Evaluation Team through a commercial firm, rather than individually, would increase the cost of consulting services by 50 – 80 percent.



- (e) The TOR endorsed by the Steering Committee require the selected Evaluation Team to submit an Inception Report that would fine-tune and operationalize the scope, focus, main questions, methodology and tasks within the TOR framework endorsed by the Steering Committee. The Inception Report would need to be reviewed in detail and approved by the OE Director, before the next stage of the IEE can start. Similarly, the TOR require OE to comment on all the deliverables produced by the Evaluation Team. The commitments of time and money that these activities entail were not included in the preliminary budget.
 - (f) The Board in its April 2003 session endorsed the proposal in the report of the Chairman of the Evaluation Committee that the IEE budget should finance the travel cost of developing country members of the Steering Committee. In addition, the IEE budget has to include the other costs associated with Steering Committee meetings. Again, these costs were not included in the preliminary budget.
9. Although the factors mentioned above have generated demands on resources that were not anticipated in April 2003, the revised budget proposed here is still within the limit set by the Executive Board at that time. Obviously, it is possible to stay within the initial limit only by reducing the level of effort of the Evaluation Team. The level of effort specified in the TOR, however, is still considered adequate for undertaking the IEE without compromising its depth of analysis and overall quality.

Specific Assumptions for the Preparation of the Budget

10. The budget prepared by OE on the basis of the TOR endorsed by the Steering Committee and the decisions taken by the Executive Board in April 2003 reflects the following assumptions about the relevant quantities and unit rates:
- (a) The Evaluation Team will provide 43 person-months of high-quality consultants' time over the approximately 12-month period between the deployment of consultants and the completion of the final report.
 - (b) The rate used in the proposed budget is consistent with an informal market survey of the rates charged by relevant commercial organizations and specialized centres that provide high-quality consulting services.
 - (c) About one-half of the total level of effort of 43 person-months will be spent in the field, in order to conduct an independent validation in 10 – 12 countries in the five regions of IFAD. (The rates currently used by IFAD have also been used to estimate the travel and DSA costs of the IEE.) The proposed budget also includes a lump sum provision for engaging National Evaluation Teams for data collection and validation in the selected countries.
 - (d) It is expected that a minimum level of logistical support, including the organization of the field work, will be provided by host country governments and/or IFAD-supported projects in the countries where the Evaluation Team will carry out independent validation. The governments of the countries concerned will provide the services of National Evaluation Counterparts, who will facilitate the work of the Evaluation Team in their respective countries.
 - (e) The OE Director will require 16 days' input each from two Senior Independent Advisers who will assist and advise him in regard to the responsibilities assigned to him by the Executive Board.



- (f) OE will require about five person-months of short-term consultants from time to time, who will assist at various stages of the IEE process, in particular, with the detailed organization and implementation of the procurement process and facilitation of the Inception Phase and desk review of the IEE³.

Budget Summary

11. Based on the rationale described above, the total budget for conducting the IEE exercise has been estimated at USD 1 702 030. The breakdown of this amount is shown in Annex I and includes:

- (a) USD 1 517 750 for all costs that are expected to be reflected in the Evaluation Team's contract⁴.
- (b) USD 166 180 for the services of Senior Independent Advisers and short-term consultants that will be engaged by OE.
- (c) USD 18 100 for organizing and facilitating the work of the Steering Committee.

Recommendation

12. The decision of the Executive Board is sought to approve USD 1 702 030 as a one-time below-the-line cost in the 2003 IFAD budget, as approved by the Governing Council in February 2003, to implement the Independent External Evaluation of IFAD. As this IEE spans over 2004 with completion expected by early 2005, at each year-end, funds will be carried forward to finance this activity, net of the cumulative total of voluntary contributions received. The overall budget amount will therefore be financed by IFAD and those Member States which will provide funds for the implementation of the IEE.

³ In addition, the cost of preparing the detailed TOR and the preparatory work for organizing the entire IEE process, including open and international competitive bidding, has been financed from the OE's own budget.

⁴ The Request for Proposal issued by IFAD informs the organizations submitting proposals for conducting the IEE that a proposer's total cost must not exceed USD 1.5 million.

**Budget for the Independent External Evaluation (IEE)***All Amounts are in US Dollars***(A) Total Cost of the Evaluation Team**

A.1 Remuneration:

Team Leader	12 person-months	378 000
Senior Experts	17 person-months	433 500
All Other Personnel	14 person-months	283 500
Sub-total	43 person-months	1 095 000

A.2 Airfare:

Travel to Rome and five IFAD Regions		42 000
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A.3 DSA:

For Rome and field work in five IFAD Regions		195 750
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A.4 In-Country Expenses:

National Evaluation Teams and vehicle rental		185 000
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Total for (A) **1 517 750****(B) Total Cost of OE Advisers and Consultants**

B.1 Short-term Consultants 75 650

B.2 Senior Independent Advisers 38 080

B.3 Travel and DSA for advisers and consultants 52 450

Total for (B) **166 180****(C) Total Cost of Steering Committee**

C.1 Steering Committee Meetings 7 600

C.2 Provision for Developing Member States' Participation 10 500

Total for (C) **18 100****Grand Total: (A) + (B) + (C)** **1 702 030**



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

**INDEPENDENT EXTERNAL EVALUATION
OF IFAD**

TERMS OF REFERENCE

Endorsed by the Steering Committee on 15.07.03

Rome, 15 July 2003



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ABBREVIATIONS AND ACRONYMS

COSOP	Country Strategic Opportunities Paper
IEE	Independent External Evaluation
OE	Office of Evaluation
TAG	Technical Assistance Grant
TOR	Terms of Reference



I. INTRODUCTION

1. During its deliberations, the Consultation on the Sixth Replenishment of IFAD's Resources endorsed a proposal to have an independent external evaluation (IEE) of IFAD. Accordingly, the Governing Council decided that the evaluation should be planned and begun in 2003 and completed in 2004, in time to allow for full consideration of the IEE Report by the Executive Board, prior to its recommendation to the Governing Council on the Consultation on the Seventh Replenishment of IFAD's Resources. On 9-10 April 2003, the Executive Board considered a report by the chairperson of the Evaluation Committee; endorsed its recommendations on the governance and organization of the IEE and entrusted the Director of the Office of Evaluation (OE) with the preparation of detailed terms of reference for submission to the steering committee for its review and endorsement⁵.

2. This document contains the terms of reference (TOR) for the IEE, prepared in accordance with guidance provided by the Executive Board. It is intended to facilitate the selection of a service provider⁶ through an open and international competitive bidding, in conformity with IFAD's rules and regulations, and to guide the conduct of the IEE. Bidders will have flexibility in proposing technical approaches and allocation of consultant inputs within the parameters of the TOR.

II. OBJECTIVES OF THE EVALUATION

3. The main objective of the IEE is to determine IFAD's⁷ contribution to rural poverty reduction, the results and impact it has achieved in this area, and the relevance of the organization's mission and objectives in relation to international development goals and the national development strategies of IFAD borrowing countries. The evaluation is further expected to assess whether and what IFAD has learned from past experience and how the Fund's policies and operations have evolved in response to lessons learned from that experience, and finally, to offer recommendations on the policy directions IFAD should pursue and other steps it should take to improve its future performance.

4. The IEE is required to relate its findings and recommendations credibly to reliable evidence, in accordance with good development evaluation practice and sound professional methods and criteria. The IEE must be independent and external, and recognized as such by its client, the Executive Board, as well as by the international development community and the general public. It should meet the high-quality standards required to be able to contribute inputs to the deliberations of the Consultation on the Seventh Replenishment of IFAD's Resources.

III. SCOPE AND FOCUS

5. Given the time and resources available, the IEE is expected to focus on the assessment of the sustainable impact and effectiveness of IFAD's development initiatives, including IFAD-supported projects, policy dialogue, advocacy work, corporate policies and strategies. This would include the management processes through which IFAD formulates development policies and strategies and its management of the project cycle in co-operation with other partners.

⁵ For further information, please see the [Report of the Chairman of the Evaluation Committee on the Independent External Evaluation of IFAD](http://www.ifad.org/evaluation/iee/chairman.pdf), available at <http://www.ifad.org/evaluation/iee/chairman.pdf>.

⁶ The term 'service provider' indicates a private or public entity or firm, whereas the term 'consultant' indicates an individual service provider.

⁷ For an overview of IFAD, its mandate and activities please refer to the [IFAD Basic Documents](http://www.ifad.org/pub/basic/index.htm) (<http://www.ifad.org/pub/basic/index.htm>), and to [IFAD's Annual Report](http://www.ifad.org/pub/ar.htm) (<http://www.ifad.org/pub/ar.htm>).



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6. The IEE service provider may also extend the evaluation to other aspects of the workings of IFAD that it considers important and for which it has the time and expertise to deal with beyond the above-mentioned focus of the IEE. The service provider may recommend appropriate follow-up by IFAD if, for any subject outside its focus, a thorough and credible evaluation cannot be performed within the time and resources available to the service provider.

7. The focus of the evaluation will relate to the impact, effectiveness and national development relevance of IFAD-supported projects, programmes, strategies and policies that have been initiated or contributed to by IFAD at least over the last ten years. These include:

- (a) completed and ongoing loan projects;
- (b) non-lending activities such as technical assistance grants (TAGs)⁸, and policy dialogue and advocacy work that are not directly related to lending operations;
- (c) the country strategic opportunities papers (COSOPs) that guide IFAD's cooperation with its developing country partners;
- (d) the regional strategies⁹ that guide the operations of the five regional divisions of IFAD;
- (e) the corporate policies, the overall *Strategic Framework for IFAD 2002-2006*¹⁰ and its predecessor for 1998-2000, and the guidelines and provisions laid down by the various consultations on the replenishment of IFAD's resources¹¹; and
- (f) the contribution to policy dialogue that IFAD has made over the years through its participation in regional, international and global development forums and conferences.

8. In selecting specific countries as well as lending and non-lending operations for detailed scrutiny, the service provider will ensure that the samples used are representative of IFAD operations and free from any biases that could undermine the independence, impartiality and credibility of the evaluation. It is expected that the service provider will employ stratified, multistage random sampling methods for this purpose¹².

9. The processes employed by IFAD to formulate the IFAD Strategic Framework, regional strategies, COSOPs and corporate policies are also part of the IEE. So, too, is management of the project cycle¹³, from project identification (inception) and formulation to approval, implementation and self-evaluation, including the process through which IFAD assures quality and flexibility in project design and implementation, as well as the selection process and roles of IFAD consultants and cooperating institutions¹⁴, which are of particular importance during the project cycle. The IEE will

⁸ For further information please refer to the [IFAD Grants](http://www.ifad.org/operations/grants/index.htm) section on the IFAD corporate website under <http://www.ifad.org/operations/grants/index.htm>.

⁹ Formal regional strategy documents are available from 2002. Regional strategies are also discussed annually by the Executive Board during review of the annual work programme and administrative budget. All [regional strategy documents](http://www.ifad.org/pub/index.htm) are available on the IFAD website at <http://www.ifad.org/pub/index.htm> for viewing and downloading.

¹⁰ The [Strategic Framework for IFAD\(2002-2006\)](http://www.ifad.org/pub/index.htm) can be viewed at <http://www.ifad.org/pub/index.htm>.

¹¹ Such as the [IFAD V: Plan of Action \(2000-2002\)](http://www.ifad.org/operations/action/index.htm). This document is available at <http://www.ifad.org/operations/action/index.htm>.

¹² Attachment I lists some of the factors considered important for stratified, multistage random sampling.

¹³ Attachment II gives an illustrative list of processes that may warrant attention during the IEE.

¹⁴ For further information regarding cooperating institutions and their role in IFAD operations, please refer to the [Report of the Joint Review on Supervision Issues for IFAD financed Projects](http://www.ifad.org/evaluation/iee/gc-20-l-10.pdf) at <http://www.ifad.org/evaluation/iee/gc-20-l-10.pdf>.



also pay attention to the process through which IFAD ensures the adoption and implementation of recommendations generated by its self-evaluation¹⁵ function and by OE.

10. Finally, it is expected that the IEE will take into account the national and global context within which IFAD operates and, in particular, the consensus of the development community, the specific potentials and constraints of its borrowing Member States and the evolving role of IFAD's development partners. This is critical to ensuring that the relevance of IFAD's operations is assessed in terms of: (i) its unique mandate and comparative advantage; (ii) the priorities endorsed by the international development community (such as the Millennium Development Goals – MDGs); and (iii) the objectives embedded in poverty-reduction strategies owned by its borrowing Member States.

IV. MAJOR EVALUATION QUESTIONS

11. The IEE will address two fundamental questions: Is IFAD properly focused on its rural development mission? Are the skills and resources of IFAD used in the best possible way, given IFAD's overarching goal of supporting rural development and helping developing countries eradicate rural poverty? To answer these questions, it will use a variety of evaluation instruments and techniques adapted to IFAD's mandate and in conformity with good development evaluation practices and criteria. The following concerns and questions should be taken as the point of departure for the IEE:

- (a) What is the development relevance of IFAD's policies and programmes? What value does IFAD add to the international development community, particularly in relation to rural poverty reduction, improved food security, relevant national sector policies, national development and poverty reduction strategies, such as the PRSPs, and the international development goals, e.g. the MDGs?
- (b) What has been the sustainable—quantitative and qualitative—impact of IFAD-supported projects on the ground? (As much as possible, the IEE is expected to quantify impact and, to that end, emphasize methodologies for quantitative data collection and analysis of impact.) And to what extent has IFAD contributed to rural poverty reduction? How successful has IFAD been in improving agricultural and rural development policies and stronger institutional capacities in partner countries?
- (c) How effectively has IFAD promoted innovative approaches in relation to policy, partnerships, project implementation, technology and other aspects of IFAD-assisted operations that are meant to impact poverty? How has IFAD made use of local knowledge and technology in promoting innovative approaches? How have IFAD's innovative approaches been replicated and scaled up?
- (d) How effective has IFAD been in pursuing its objectives? How and to what extent are IFAD policies adapted to the achievement of these objectives, and how clear, explicit and measurable are IFAD's objectives?
- (e) How efficient has IFAD been in the use of lending and other budget resources and the deployment of skills? And how selective has it been in the allocation of its resources and the choice of institutions and partners? To what extent has IFAD promoted the ownership and partnership of relevant host country institutions, including those representing the poor?
- (f) What explains IFAD's performance in terms of evaluation criteria and questions such as those mentioned above?

¹⁵ Please refer to the [Progress Report on the Project Portfolio](http://www.ifad.org/gbdocs/eb/78/e/EB-2003-78-R-16.pdf) (see <http://www.ifad.org/gbdocs/eb/78/e/EB-2003-78-R-16.pdf>), and to the [stocktaking](#) of monitoring and evaluation (M&E) undertaken by OE ([M&E systems at project level](#), available at <http://www.ifad.org/gbdocs/eb/ec/e/25/EC-2000-25-W-P-3-REV-1.pdf>).



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- (g) How can IFAD enhance the impact and sustainability of its development cooperation, and contribute more to poverty-reduction efforts? What are the main recommendations that IFAD should consider adopting in the near and long term?

12. The service provider is expected to operationalise and fine-tune the questions outlined above. Within that scope, it is also encouraged to add sub-questions and issues that help address the objectives of the IEE. The outputs of the service provider, however, must be fully compliant with the letter and spirit of this TOR.

V. MAIN TASKS AND METHODOLOGY

13. The role of OE in the IEE has been defined by the Executive Board and is outlined below in section VIII on Governance and Organization. OE, which previously reported directly to the President of IFAD, now reports directly to the Executive Board by virtue of a decision made by the Board at its Seventy-Eighth Session in April 2003 and is now truly independent of IFAD management¹⁶. OE will facilitate the work of the service provider during the evaluation in a number of ways, including the following:

- (a) At the inception stage, and as often as necessary, OE¹⁷ will brief the service provider on the operations, governing bodies and organizational structure of IFAD, relevant documents and data sources, and OE's work programme of independent evaluations for 2003-04.
- (b) OE will also provide written comments to the service provider on all its deliverables in order to facilitate and enhance the compliance of the evaluation with the agreed TOR and methodology. These comments will address any deviation from the requirements of the TOR, in addition to methodological issues and any factual issues or inaccuracies concerning IFAD that OE may consider relevant to the IEE. However, OE will neither support nor contest IEE findings and recommendations.
- (c) A number of the evaluation reports contained in OE's 2003-04 work programme are being prepared independently of IFAD management as a consequence of the April 2003 Board decision¹⁸ that OE should report directly to the Executive Board. The service provider may wish to consider these OE reports as independent evaluations that augment the field-based independent validation proposed below and add value to the IEE in general.
- (d) Before commencement of the field-based independent validation, OE will identify, in consultation with the relevant IFAD regional divisions, a national evaluation counterpart for the service provider in each selected country¹⁹.

14. The IEE is conceived as a process consisting of a number of stages and tasks. The first task (*Task I*) of the service provider is to interact with OE in developing the detailed scope and final work plan of the IEE. In specific terms, the service provider will:

- (a) take into account the perspectives of the client, in this case the Executive Board of IFAD, by reviewing Board minutes and other documents;

¹⁶ At the same session, the Executive Board also approved the [IFAD Evaluation Policy](http://www.ifad.org/gbdocs/eb/78/e/EB-2003-78-R-17-REV-1.pdf), which assigns the independent evaluation function within IFAD to OE and codifies the principles, policies and main procedures for independent evaluation. The evaluation policy is available at <http://www.ifad.org/gbdocs/eb/78/e/EB-2003-78-R-17-REV-1.pdf>

¹⁷ In addition to IFAD management and staff as required.

¹⁸ For more information on OE's work programme for 2003-04 please refer to [OE's Work Programme and Budget for 2003](http://www.ifad.org/gbdocs/eb/ec/e/33/EC-2003-33-WP-3.pdf) which can be seen at <http://www.ifad.org/gbdocs/eb/ec/e/33/EC-2003-33-WP-3.pdf>

¹⁹ The national evaluation counterpart is a facilitator selected for the purposes outlined in paragraph 29. As opposed to the national evaluation teams, the national evaluation counterpart is not a member of the service provider's team.



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- (b) develop a common understanding of the TOR among the consultants and the OE Director and his two senior independent advisers, and fine-tune and operationalize the scope, focus, main questions, methodology and tasks within the TOR framework endorsed by the steering committee;
 - (c) determine those aspects of the work of IFAD that the service provider considers important but which are not part of the focus of the evaluation. Within these aspects of IFAD's work, the service provider will distinguish between those that can be addressed by the IEE, given its expertise and the time available, and those that cannot, and for which the service provider will propose appropriate follow-up by IFAD in accordance with paragraph 6 of the TOR;
 - (d) select 20-25 countries through stratified, multistage random sampling (as suggested in Attachment I) for detailed scrutiny, half of which would be selected randomly for conducting independent validation through original field research. In the same way, select 40-50 loan projects, which came into effect between 1994-2002, and 4-6 TAGs in the above-mentioned selected countries;
 - (e) prepare a list of documents and other information for use in the IEE, with inputs from OE and other IFAD units, including all corporate-level and thematic evaluations and relevant project and country programme evaluations prepared by OE;
 - (f) fine-tune the timetable of the IEE and the consultants' deployment schedule, including the total amount of person/months to be spent in the field;
 - (g) address any other issues that need to be resolved during the inception phase, including the maximum length of the final report; and
 - (h) summarize the outcome of all the preceding sub-tasks in one inception report
15. **Task 2** is to conduct a desk review, as follows:
- (a) The desk review will include the country programmes, loan projects and TAGs identified in Task 1 and other aspects of IFAD's work identified under the scope and main questions in this TOR. Half the country programmes, projects and TAGs selected for desk review will be selected randomly for independent field-based validation by the service provider. Before commencing field work, however, the service provider will conduct an evaluability assessment of the sample and determine whether the data and information required for impact analysis are available. Projects and country programmes that are not found to be evaluable to a reasonable standard of evaluability, or lack data, information or effective monitoring and evaluation required for impact assessment will be listed and reported as such. The service provider will devise an appropriate approach to evaluability and determine whether or not to replace, through an additional round of sampling, the projects and country programmes that are found to be non-evaluable.
 - (b) The desk review will consist of two parts. In the first part, the service provider will prepare a preliminary evaluation report on the IFAD strategic frameworks, replenishment consultations, regional strategies and corporate policies. This will focus on a desk review of the IFAD strategic frameworks, the guidelines and provisions laid down by the replenishment consultations that took place in the period 1994-2003, the regional strategies, and the corporate policies that IFAD has developed since 1994. The review will include an evaluation matrix²⁰ for the strategic frameworks, the replenishment consultations and the corporate policies along the lines of the matrix developed for the IFAD V: Plan of Action (2000-2002)²¹. The review will be based on IFAD documents, including OE reports, as well as interviews and meetings with IFAD management and staff. Meetings with the Food and Agriculture Organization of the United Nations (FAO),

²⁰ Containing objectives, measures, performance criteria and achievements.

²¹ The [IFAD V: Plan of Action \(2000-2002\)](http://www.ifad.org/operations/action/index.htm) can be viewed at <http://www.ifad.org/operations/action/index.htm>



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the World Food Programme (WFP) and a sample of the representatives of Member States may also be included in this task.

- (c) The second part of the desk review will focus on documents pertaining to COSOPs and country programmes for selected countries and the selected loan projects, and to non-lending activities (e.g. TAGs), including their contributions to advocacy and policy dialogue. This will include a review of all evaluation reports prepared by OE on the projects and non-lending activities selected for inclusion in the IEE. Interviews with relevant IFAD staff and management will also be part of this task. Based on this desk review, the service provider will prepare a preliminary evaluation report on IFAD projects, TAGs and other non-lending activities. This will include the selection of 10-12 countries, 20-25 loan projects and 2-3 TAGs for independent validation.

16. **Task 3** is to obtain independent validation through original research in the sample of countries, projects, and TAGs selected during the completion of Task 1 (this validation will be augmented by the independent evaluation reports prepared by OE, see paragraph 13 (c)). Task 3 will be undertaken in order to validate and enrich both parts of the desk review mentioned above and to identify new findings that may confirm or refute the conclusions of the desk review. This task also includes consultations and interviews with government representatives, civil society, the private sector, development agencies, existing in-country co-ordination groups and the rural poor and their organizations. For the independent validation in the field, the service provider will organize national evaluation teams, as required in section VII.

17. **Task 4** is to prepare the draft final report, including the incorporation of comments received on the completion of Task 3.

18. **Task 5** is to prepare the final report, reflecting comments received on the draft final report. A presentation of the final report to the IFAD governing bodies is also part of this task.

19. **Task 6** consists of the submission of bimonthly progress reports on the deployment of consultants, the completion status of the above-mentioned tasks, steps taken to solve any management problems that may have caused deviations from the plan, and the financial data required under the service provider's contract. This task includes submission of progress reports to the Executive Board according to the timetable given in Attachment III.

20. It is understood that different aspects of IFAD's development work (for example, projects, policies and advocacy work) may require different evaluation methodologies. Accordingly, service providers are free to address methodological issues in a differentiated manner in the technical approach they propose for desk reviews and field work. Their proposals are expected to be consistent with good evaluation practice and use a broad range of techniques such as triangulation, literature review, desk studies, interviews, surveys, focus groups, field investigations, and criteria such as, for example, those described by OECD/DAC and OE's methodological framework. The OE evaluation criteria are: impact²² (six domains), sustainability, innovation and replicability/scaling up, performance of the project/policy (relevance, effectiveness and efficiency), and performance of implementation partners (IFAD's management and operations, borrowing countries and implementation authorities, cooperating institutions, etc). The IEE is expected to determine IFAD's contribution to rural poverty reduction in quantitative and qualitative terms and to differentiate by gender and other target groups the results and impact achieved.

21. In the technical proposals, service providers will propose how best to undertake the above-mentioned tasks within the available time and resources. They will also provide details of the

²² For further information, please refer to OE's [Methodological Framework for Project Evaluation](http://www.ifad.org/evaluation/iee/framework.pdf) under <http://www.ifad.org/evaluation/iee/framework.pdf>.



methodology they propose to use. The methodology should be participatory and should use triangulation techniques and OE's methodological framework for evaluation as much as possible. The evaluation process should be as independent, objective and impartial as possible²³.

VI. DELIVERABLES AND MILESTONES

22. The deliverables of the IEE process correspond to the main tasks described above. These deliverables will be produced according to the following outline plan, which will be finalized at the conclusion of Task 1:

- (a) **Deliverable 1** is an inception report corresponding to Task 1, required within two months of the award of the contract. The Director of OE will approve this report.
- (b) **Deliverable 2** is a desk review as described in Task 2, required within two months of the approval of the inception report. The desk review will consist of two parts:
 - a review of IFAD strategies, regional strategies and corporate policies; and
 - a review of IFAD COSOPs, country programmes, projects and non-lending activities²⁴.
- (c) **Deliverable 3**, based on Tasks 1-3, is a complete report on the evaluation of IFAD country programmes, projects and non-lending activities, prepared after the completion of independent validation through original research in a sample of the borrowing Member States. This report will also take into consideration OE's independent evaluation reports referred to in paragraph 13(c). It will be submitted within six months of the submission of Deliverable 2 (that is, eight months after the approval of the inception report).
- (d) **Deliverable 4** is the draft final report, to be submitted no later than nine months after the approval of the inception report.
- (e) **Deliverable 5** is the final report, required within 12 months of the award of the contract.
- (f) **Deliverable 6 consists** of various progress reports required under this TOR, as described in Task 6 on page 6.

23. Each report will be as concise as possible and submitted in English. The language should be reader friendly and direct. It will avoid euphemisms when describing problems and shortcomings, but convey respect for and empathy with the people evaluated by the IEE. The consultants will provide 15 copies of each report to OE.

24. The length of the final report, which will be translated into the other three official languages by the Secretariat of IFAD, and the length of the executive summary will be determined during the inception phase. A clear rationale for annexes or appendices would also be agreed at that time. The report should be organized in such a way that it becomes clear that it provides answers for the questions and issues raised in the TOR. A convincing account of the reasons why certain issues could not be addressed should be included. The final report will be distributed widely within and outside IFAD to all partners and stakeholders and posted on IFAD's website.

25. The service provider will submit all the above-mentioned deliverables to the Director of OE. OE will share these deliverables, as described below, with the Executive Board, the steering committee and IFAD management, which will provide comments as follows:

²³ These terms may be understood with reference to the [IFAD Evaluation Policy](http://www.ifad.org/gbdocs/eb/78/e/EB-2003-78-R-17-REV-1.pdf) available at <http://www.ifad.org/gbdocs/eb/78/e/EB-2003-78-R-17-REV-1.pdf>

²⁴ Non-lending activities are defined in paragraph 7(b).



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- (a) The steering committee may comment on any aspect of all the deliverables that helps to ensure that the Evaluation Team conducts its work in accordance with its TOR.
- (b) On Deliverables 1-3, IFAD management will provide comments that relate exclusively to factual matters.
- (c) IFAD management will provide comments on factual matters as well as matters of judgment upon receipt of Deliverable 4 (the draft final IEE report). Upon receipt of Deliverable 5 (the final report), it will, in addition, provide a management response to the Executive Board that contains the management reaction to the IEE and sets forth its views on the feasibility or otherwise of the IEE recommendations. The management response will explain why certain recommendations, if any, are considered non-feasible and how management would propose to implement the recommendations that it finds acceptable. The management response will be included as an appendix to the final IEE report.
- (d) The Executive Board will receive, discuss and comment on the draft final IEE report (Deliverable 4).

26. In line with the IFAD Evaluation Policy, the service provider will decide which of the comments it receives should be incorporated in the final report. The policy sets forth the general rule, which will also apply to the IEE, that:

- (a) The final report must incorporate comments that point out factual errors or inaccuracies.
- (b) Judgements that differ from those of the Evaluation Team may be incorporated by means of a note in the report.

VII. TEAM COMPOSITION AND PROFILE

27. IFAD expects that the Evaluation Team fielded by the service provider will consist of the following key personnel: a team leader (for 12 months) and two other senior experts (for a total of 17 person-months). The bidders are expected to propose additional personnel on the basis of their approach to the TOR, and to provide individual task responsibilities and TOR as part of their technical proposal. Funds have been allocated for a total of 14 person-months for these additional personnel. Thus the service provider's core team will consist of a team leader, two other senior experts and other personnel (for a total of 43 person-months), all of whom will be evaluated at the proposal stage.

28. The team that IFAD expects to recruit for the IEE will "meet the high-quality standards required to be able to contribute inputs to the deliberations of the Consultation on the Seventh Replenishment of IFAD's Resources," an expectation that is stated first in paragraph 4 of these TOR. The selection of the team will be based on careful consideration of several factors, some of which are considered important for the core team, some for the Team Leader and others for the team as a whole. These factors will be elaborated, qualitatively and quantitatively, in the Request for Proposal that will be sent to short-listed organizations and are outlined below:

- (a) Key personnel (team leader and two senior experts). Each of the key personnel will have at least 20 years experience of diverse work in the field of development, with a considerable part of their work in developing countries. Each of them will have demonstrable leadership ability, internationally recognized achievements, and superior communication ability and conceptual and empirical analytical skills. Their evaluation experience will include complex institutional evaluations, agricultural and pro-poor rural development programmes (particularly those supported by international financial institutions), and the assessment of global, regional and national development strategies and issues and development-oriented corporate policies at the corporate, country and regional levels. Other experience will include



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working on poverty issues, the design and implementation of participatory approaches (particularly social mobilization), experience in the five IFAD regions, and working with international financial institutions, United Nations development agencies and civil society organizations.

- (b) Team leader only. Leadership and communication abilities and experience with complex institutional evaluations are vital for the Team Leader's position and considered more important for the Team Leader than for the two Senior Experts.
- (c) Other personnel of the core team. Other members of the core team will have experience in evaluation, participatory approaches (particularly social mobilization), agricultural and rural development, the five IFAD regions and the specific areas of expertise for which they are proposed by the service provider.
- (d) The team as a whole (comprising the team leader, two senior experts, other personnel of the core team and national evaluation teams). Overall team composition will be guided, in addition, by the following important and essential considerations:
 - The team will include expertise in the quantitative and qualitative methods of social and economic research.
 - The team, as a whole, will represent regional and gender balance and the required language expertise. In addition, it would be desirable for the core team to possess diverse regional experience and language skills.
 - There should be no conflict of interest. That is, the consultants selected should not have any concurrent assignments with IFAD; they should not have had any involvement (either as staff members or consultants) in the Process Re-Engineering or Strategic Change Programmes undertaken by IFAD, or in any of the earlier external assessments/reviews/evaluations of IFAD; or a work history with more than 15% of working days with IFAD.
 - The service provider and its team must demonstrate that they can organize in-country research and national resources, including national evaluation teams for the field-based part of the IEE.

29. The service provider will organize national evaluation teams in each of the countries in which the IEE will carry out independent validation. These teams may be recruited from among individuals or national service providers such as consulting firms, non-governmental organizations and academic institutions. The service providers are not expected to identify these teams at the proposal stage, but they will provide lumpsum budget estimates if invited to submit a cost proposal. The service provider will ensure that the national evaluation team members have the experience and skills required for the task assigned to them and have no conflict of interest in terms of the IEE's TOR. In addition, OE will assist the service provider, in consultation with the Programme Management Department of IFAD, in identifying a suitable national evaluation counterpart in each country, who will organize access to selected IFAD-assisted projects and relevant officials and other stakeholders.

VIII. GOVERNANCE AND ORGANIZATION

30. The evaluation will be conducted under the overall supervision of the Director of IFAD's Office of Evaluation on behalf of the IFAD Executive Board.

31. A steering committee, composed of representatives of IFAD member countries, will serve in an advisory capacity to the OE Director and the service provider, providing comments on draft documents and other issues as further described below. In specific terms, it is expected that the steering committee will: (a) review and endorse the TOR; (b) endorse the selection of the Evaluation Team, as recommended by the OE Director under procedures described below in paragraph 36; and (c) review the IEE reports, as mentioned in paragraph 25 (a).



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32. The OE Director will serve as the service provider's primary counterpart, ensuring that the Evaluation Team conducts its work in accordance with its TOR, and will facilitate the work of the service provider as specified in this TOR. In this capacity, the Director may seek the advice of the steering committee. The OE Director will be supported in his task by two senior independent advisers of international standing, who will interact with the service provider at key stages of the evaluation process and review draft interim reports and the draft final report, as mentioned in paragraph 13 (b). They will provide comments on the evaluation methods used and processes followed, as an input into a report that the OE Director will make available to the steering committee and the Executive Board, together with the final IEE report. If at any point during the evaluation the Director believes that the service provider is deviating materially from the requirements of its TOR, he may require corrective measures to be taken. 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 session during the evaluation.

33. The OE Director will not be responsible, however, for the findings, recommendations and other contents of the IEE reports. The duties and role of OE in the IEE are described in paragraph 13 above.

34. IFAD will provide adequate office space, photocopying, and telephone connections to the Evaluation Team while it is based in Rome. The service provider will make its own arrangements from the approved budget for travel, accommodation, long-distance communication, and in-country visits and work.

35. 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 cooperate actively in the IEE. The Programme Management Department of IFAD will assist the Evaluation Team in selecting a national evaluation counterpart or liaison officer in each of the countries selected for independent validation. Furthermore, IFAD management and operations will provide comments on the service provider's deliverables as described in paragraph 25 (b) and (c) above.

IX. SELECTION PROCEDURE

36. The OE Director will manage the process for selecting the external and independent service provider. The Evaluation Team will be recruited as a unit through an open and competitive international bidding process (consisting of a technical and financial proposal and presentations by the three top-ranked bidders) in accordance with the rules and regulations employed by IFAD for this purpose. From a short list of at least three qualified candidate service providers, the OE Director will recommend a selection for the steering committee's endorsement.



CONSIDERATIONS FOR CONSTRUCTING A STRATIFIED, MULTISTAGE RANDOM SAMPLE OF PROJECTS AND COUNTRIES

1. For the desk study and subsequent field validation, the IEE will consider a sample of IFAD projects (stratified by region) that came into effect between January 1994 and December 2002.
2. The IEE will conduct a detailed desk review of 20-25 country programmes encompassing 40-50 projects, as well as 4-6 TAGs. These countries and projects will be selected through stratified, multistage random sampling, as indicated below under paragraphs 3, 4 and 5. TAGs will be selected randomly, taking into account the need to represent different categories of activities financed through TAGs and their size. Half of these country programmes, projects and TAGs will be selected randomly for independent, field-based validation based on the sampling considerations given below.
3. The sample will include country programmes from the five IFAD regions, namely, Asia and the Pacific, Western and Central Africa, Eastern and Southern Africa, Latin America and the Caribbean, and the Near East and North Africa (including Eastern Europe). The number of countries selected in each region will reflect the relative importance of that region in the total IFAD portfolio of loans for 1994-2002 (the weights will be the volume of loans and/or the number of projects).
4. Once the number of countries per region has been determined, the actual selection of countries within the regions will be carried out randomly, taking into account – to the extent possible – some or all of the following criteria: (i) income classification, (ii) size of countries' portfolios in the period 1994-2002 (expressed in terms of volume of loans and/or number of projects), (iii) size of countries' rural populations, (iv) relative size of the agricultural sector, (v) IFAD lending terms to the countries, (vi) human development index ratings of the United Nations Development Programme.
5. Within each of the selected countries, projects will be chosen randomly, taking into account the need to: (i) represent the main sectors into which IFAD projects are classified, (ii) cover different financing modalities and implementation arrangements (such as cofinancing and the flexible lending mechanism), and (iii) consider implementation difficulties arising from security concerns. To allow for a more meaningful assessment of results and ensure full interaction with project management and other stakeholders, a relatively larger proportion of the sample will be assigned to projects in the last year of implementation.



PROCESSES TO BE CONSIDERED BY THE IEE

1. Formulation, approval and implementation of:
 - IFAD strategic frameworks (2002-06 and 1998-2000);
 - the five regional strategies; and
 - COSOPs.
2. Identification of the need for corporate policies, and their formulation, approval and implementation.¹
3. All stages of the project cycle, including:
 - project identification (inception);
 - formulation (including selection of project components and implementing partners, and the role of consultants);
 - appraisal;
 - loan negotiation;
 - loan approval;
 - loan effectiveness;
 - implementation (including M&E systems, supervision by IFAD and/or its cooperating institutions, and self-evaluation by the Programme Management Department).
4. IFAD's independent evaluation, and the process for tracking adoption and implementation of independent evaluation recommendations by IFAD management.

TIMETABLE FOR THE IEE

15.04.03	Request to the List Convenors to initiate proposal of members of the steering committee (SC)
04-11.05.03	Preparation of the TOR; organization of the entire IEE process
15.05.03	Deadline for the presentation of the members of the SC to OE
18.06.03	Dispatch of letter inviting expressions of interest
Jun./Jul. 2003	Preparation of detailed budget, related Board document for September 2003 and request for proposals (RFPs)
10.07.03	Deadline for submission of expressions of interest (EOIs)
15.07.03	Endorsement of the TOR by the SC
11-31.07.03	Screening of EOIs and short-listing for RFPs
01.08.03	Dispatch of RFPs to qualified respondents
08.09.03	Deadline for receipt of technical and financial proposals
08-26.09.03	Ranking of proposals
10-11.09.03	Presentation of the IEE budget proposal for approval and the first progress report to the Executive Board
06-10.10.03	Top three bidders to make presentations in Rome. Final selection by OE
17.10.03	Approval of selection by Contracts Review Committee
20.10.03	Review and endorsement of selection by the IEE steering committee.
22.10 – 10.11.03	Negotiation and award of contract
24.11.03	Start of work by the contracted Evaluation Team
17-18.12.03	Presentation of the second progress report to the Executive Board
04.04.04	Presentation of the third progress report to the Executive Board
Dec. 04	Completion of the IEE
Jan. 05	Distribution of the IEE report by the IFAD Secretariat to the Executive Board
Feb. 05	Discussion of the IEE report in a special/informal reunion of the Executive Board

**ILLUSTRATIVE ALLOCATION OF LEVEL OF EFFORT (LOE)**

Deliverable and Calendar Time	Consultants and LOE	Distribution of Time	
		Rome <u>About:</u>	Field <u>About:</u>
1. Inception report (two months)	Up to 3 consultants:		
	i. Team leader (2 months)	100%	0%
	ii. Senior consultant No. 1 (1 month)	100%	0%
	iii. Senior consultant No. 2 (1 month)	100%	0%
2. Desk review (two months)	Up to 4 consultants for 2 PM* each:		
	i. Team leader	100%	0%
	ii. Senior consultant No. 1	100%	0%
	iii. Senior consultant No. 2	100%	0%
	iv. Other personnel No. 1	100%	0%
3. Evaluation report on IFAD projects and non-lending activities (six months)	Up to 7 consultants for 3-6 PM each:		
	i. Team leader		
	ii. Senior consultant No. 1		
	iii. Senior consultant No. 2		
	iv. Other personnel No. 1	15%	85%
	v. Other personnel No. 2	on	on
	vi. Other personnel No. 3	average	average
	vii. Other personnel No. 4		
	Plus (for 2-3 months each):		
	• 11 National evaluation counterparts	0%	100%
• 11 National evaluation teams	0%	100%	
4. Draft final report (one month)	Up to 3 consultants for 1 PM each:		
	i. Team leader	100%	0%
	ii. Senior consultant No. 1	100%	0%
	iii. Senior consultant No. 2	100%	0%
5. Final report (one month)	Up to 2 consultants:		
	i. Team leader (1 month)	100%	0%
	ii. Senior consultant No. 1 (1 month)	100%	0%

*PM = person-month(s)

Note: For purposes of budgeting, it is assumed that half the total level of effort will be spent in the field. Standard IFAD travel and DSA rates apply to all work.

