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IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Eighty-First Session

Rome, 21-22 April 2004

**THIRD STATUS REPORT ON THE PROGRESS OF THE
INDEPENDENT EXTERNAL EVALUATION OF IFAD**

**SUBMITTED BY
THE DIRECTOR OF THE OFFICE OF EVALUATION**

I. BACKGROUND

1. In April 2003 during its Seventy-Eighth Session, the Executive Board adopted the Report of the Chairman of the Evaluation Committee on the Independent External Evaluation of IFAD (EB 2003/78/R.45). The Board endorsed the organizational arrangements, governance structure and other provisions contained in the report. The Board also decided that the Director of the Office of Evaluation (OE) would provide a status report on progress at each Executive Board meeting while the independent external evaluation (IEE) is underway. This is the third such status report. The first report was tabled at the September 2003 session of the Board, and the second one at the December 2003 session.

II. RECAPITULATION OF EARLIER STATUS REPORTS

2. The first two status reports submitted by OE covered the following aspects of the IEE:
- (a) The constitution of the IEE Steering Committee and the identification of two senior independent advisers (SIAs) to advise the OE Director in supervising the IEE.
 - (b) The preparation of the IEE Terms of Reference (TOR) and their endorsement by the IEE Steering Committee on 15 July 2003.
 - (c) Information on the IEE budget submitted by the OE Director to the Executive Board in its September 2003 session and the Board's approval of the detailed budget amounting to USD 1 702 030.
 - (d) The international competitive bidding process used for selecting a service provider, namely, ITAD Limited of the United Kingdom; the endorsement by the Steering Committee of this selection; and OE's negotiation and signing of a contract on behalf of IFAD on 1 December 2003 in the amount of USD 1 333 333.
 - (e) An overview of the IEE work plan and the five main deliverables required of the Evaluation Team during the course of the IEE. This included a recapitulation of the roles of the Executive Board, the IEE Steering Committee, IFAD Management and OE in reviewing and commenting on the deliverables.
 - (f) An introduction to the IEE communication plan, which encompasses the IFAD website, newsletters, staff meetings and the dissemination of IEE reports.

III. RANDOM SELECTION OF A SAMPLE OF COUNTRIES AND PROJECTS

3. One of the most important tasks elaborated in the IEE TOR is the evaluation of a randomly selected sample of countries and projects through a desk study and, subsequently, by independent validation through field investigations in half of the sampled countries and projects. In this connection, the Board had stipulated and the TOR re-emphasized that the selection of countries and projects must be free from any kind of bias. In line with this directive, the following methodology has been adopted for sampling countries and loan and grant projects:

- The number of countries to be sampled in each region is in proportion to the share of that region in IFAD's portfolio of loan projects. Four countries were sampled in all regions except Asia and the Pacific, in which five were sampled.
- Countries were sampled at random, with probability proportional to the number of loan projects.
- For country visits, a sub-sample of two countries in each region was drawn randomly, with probability of selection proportional to the number of loan projects.
- Two projects were sampled by simple random sampling for detailed study in each country. If a country had less than two IFAD loan projects, three projects were selected from another country and details recorded.

- In the sample countries, all country-specific technical assistance grants (TAGs) will be reviewed. An additional sample of four TAG projects with total costs greater than USD 100 000 was also sampled randomly.

4. During the IEE inception phase, sampling was performed by OE and the ITAD team using numbered balls that were picked at random, and the procedure was witnessed by a group of 40 or more IFAD staff, including the Assistant President of the Programme Management Department. The countries, loan projects and TAGs selected in this manner are listed below (an asterisk identifies the countries and projects selected for field work):

Western and Central Africa Region	
Countries	Projects
Burkina Faso*	South West Rural Development Project*
	Rural Microenterprise Support Project*
Ghana	Village Infrastructure Programme
	Rural Enterprise Project – Phase II
Guinea*	Smallholder Development Project in the Forest Region*
	Smallholder Development Project in North Lower Guinea*
Senegal	Village Organization and Management Project
	Agricultural Development Project in Matam – Phase II

Eastern and Southern Africa Region	
Countries	Projects
Eritrea	Eastern Lowlands Wadi Development Project
	Gash-Barka Livestock and Agricultural Development Project
Mozambique*	Nampula Artisanal Fisheries Project*
	PAMA Support Project*
Rwanda	Intensified Land-Use Management Project in the Buberuka Highlands
	Rural Small and Microenterprise Promotion Project
Tanzania*	Rural Financial Services Programme*
	Agricultural Marketing Systems Development Programme*

Asia and the Pacific Region	
Countries	Projects
Bangladesh*	Small-Scale Water Resources Development Sector Project*
	Aquaculture Development Project*
India	Maharashtra Rural Credit Project
	Jharkhand-Chattisgarh Tribal Development Programme
Mongolia	Arhangai Rural Poverty-Alleviation Project
	Rural Poverty-Reduction Programme
Nepal	Poverty-Alleviation Project in Western Terai
	Western Uplands Poverty-Alleviation Project
Pakistan*	Pat Feeder Command Area Development Project*
	North-West Frontier Province Barani Area Development Project*

Latin America and the Caribbean Region	
Countries	Projects
Bolivia*	Sustainable Development Project by Beni Indigenous People*
	Small Farmers Technical Assistance Service Project*
	Management of Natural Resources in the Chaco and High Valley Regions Project
Chile	Agricultural Development Project for Peasant Communities and Smallholders of the Fourth Region
Guatemala	Programme for Rural Development and Reconstruction in the Quiché Department
	Rural Development Programme for Las Verapaces
Peru*	Management of Natural Resources in the Southern Highlands Project*
	Development of the Puno-Cusco Corridor Project*

Near East and North Africa Region	
Countries	Projects
Armenia*	North-West Agricultural Services Project*
	Agricultural Services Project*
Egypt*	East Delta Newlands Agricultural Services Project*
	West Noubaria Rural Development Project*
Jordan	Agricultural Resource Management Project in the Governorates of Karak and Tafila
	National Programme for Rangeland Rehabilitation and Development – Phase I
Macedonia	Southern and Eastern Regions Rural Rehabilitation Project
	Agricultural Financial Services Project

TAGs
Programme for the Establishment of the Near East and North Africa Management Training in Agriculture
Global Cassava Development Strategy
Validation and Delivery of New Technologies for Increasing the Productivity of Flood-Prone Rice Lands in South and South-East Asia
Programme for Poverty Alleviation and Enhanced Food Availability in West Africa (Yam)

IV. IEE DELIVERABLES AND APPROVAL OF THE INCEPTION REPORT

5. As described in the TOR, the Evaluation Team will complete five main substantive tasks, each of which will result in a deliverable being submitted to IFAD. The deliverables are as follows:

Deliverable Number	Title of Report	Schedule
1	Inception report	Approved 30.03.2004
2	Desk study	Submitted 8.04.2004
3	Field studies	Submission by 17.09.2004
4	Draft final report – final version	Board discussion in Feb./Mar. 2005
5	Final report	Submission to Board in Apr. 2005

6. The inception report prepared by ITAD was reviewed by OE, the SIAs, IFAD management and the Steering Committee in accordance with the provisions contained in paragraph 25 of the IEE TOR. The Steering Committee met on 22-23 January 2004 with the SIAs to discuss this report. After approval by the OE Director, the report was provided to the Steering Committee, the three List Convenors and IFAD Management.

7. The inception report contains an overview of previous assessments and reviews of IFAD, and provides the essential background for understanding the role of IFAD, and its mandate, policies and strategy, in a changing global environment. It presents a comprehensive evaluation framework and list of questions aimed at evaluating IFAD's impact and performance. And it elaborates the methodology of the Evaluation Team as well as its work plan. The description of the methodology includes drafts of the survey instruments that were used during the desk study and are planned to be used for data collection during the various types of field investigations.

V. PROGRESS OF THE DESK STUDY

8. ITAD submitted the draft of the desk study to the OE Director, who shared the document with IFAD Management on 8 April 2004 for comments, in line with the provisions of the TOR. The OE Director is currently reviewing the draft, with inputs from the SIAs and the Steering Committee, in order to confirm that it does not deviate materially from the IEE TOR and the approved inception report.

9. OE and ITAD also agreed to a personnel change in the Evaluation Team during preparation of the desk study. This change entails replacement of a consultant that ITAD had proposed for field work in Asia by another consultant from the same region considered more appropriate in view of the final selection of countries.

10. OE and ITAD are also considering adding a specialist in human resource management (HRM) for a period of about three weeks. This position was not identified in the proposal that ITAD submitted during the bidding process, and only a fairly limited amount of resources was reserved for this purpose in the inception report. The inception phase and the discussion that followed among ITAD, OE, the SIAs, the Steering Committee and IFAD Management resulted in agreement among all concerned that HRM issues require a more in-depth analysis than had been proposed earlier, because the human resources engaged by IFAD have a significant bearing on how operational and other corporate processes are actually managed in relation to IFAD's strategy for rural poverty alleviation. The HRM specialist would focus on this requirement, and this is expected to result in a modest increase in the overall amount of the contract concluded between IFAD and ITAD. The revised contract value, however, would remain well within the amount allocated for the Evaluation Team's contract in the overall IEE budget approved by the Executive Board in September 2003.

VI. THE FINANCIAL SITUATION

11. To date, OE has made commitments amounting to USD 510 480 against the approved IEE budget. The following contributions have been received: Belgium USD 87 000, Canada CDN 300 000, Denmark USD 300 000, Norway USD 50 000, Sweden USD 100 000, Switzerland USD 50 000 and the United Kingdom GBP 50 000 (the latter covers costs of the consultancy for drafting the preliminary TOR of the IEE in 2003).

VII. CONCLUDING REMARKS

12. Thus far, the IEE is proceeding in line with the provisions stipulated by the Executive Board and specified in the TOR and the inception report. It is on schedule and within the budget approved by the Board. The service provider is performing well and intends to comply fully with the TOR, the approved inception report, the contract signed in December 2003 and the schedule of substantive deadlines. A plan for carrying out in-depth, independent validation through field work has been included in the desk study. The Steering Committee and the SIAs have been consistent and fully supportive in providing advice to the OE Director in order to set clear methodological and procedural directions for the IEE.