FIFTH STATUS REPORT ON THE PROGRESS OF THE INDEPENDENT EXTERNAL EVALUATION OF IFAD

SUBMITTED BY THE DIRECTOR OF THE OFFICE OF EVALUATION

I. BACKGROUND

1. At its Seventy-Eighth Session in April 2003, the Executive Board adopted the Report of the Chairperson of the Evaluation Committee on the Independent External Evaluation of IFAD (document EB 2003/78/R.45). The Board endorsed the organizational arrangements, governance structure and other provisions contained in the report. It also decided that the director of the Office of Evaluation (OE) would provide a status report on the progress of the independent external evaluation (IEE) at each Executive Board meeting while the IEE is underway. This is the fifth such status report. The first report was tabled at the Board’s September 2003 session, the second at its December 2003 session, the third at its April 2004 session and the fourth in September 2004.

II. RECAPITULATION OF EARLIER STATUS REPORTS

2. The first four status reports submitted by OE covered the following aspects of the IEE:

   (a) constitution of the IEE Steering Committee and identification of two senior independent advisers to advise the OE director in supervising the IEE;

   (b) preparation of the IEE terms of reference and their endorsement by the IEE Steering Committee on 15 July 2003;
(c) a report on IEE resource requirements submitted by the OE director to the Executive Board at its September 2003 session, and the Board’s approval of the detailed budget amounting to USD 1,702,030, including USD 1,517,750 for the evaluation team’s contract;

(d) the international competitive bidding process used for selecting a service provider, namely Information Training and Development Ltd (ITAD) of the United Kingdom; endorsement by the IEE 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) overview of the IEE work plan and the five main deliverables required from 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) introduction to the IEE communication plan, which spans the IFAD Internet website, newsletters and the dissemination of IEE reports;

(g) a description of the ITAD team’s random selection of a sample of 21 countries and 42 projects for evaluation, through a desk study and subsequent fieldwork (in half of these countries and projects) for independent validation;

(h) reports on: (i) the submission by ITAD of the desk study; and (ii) the addition of a specialist in human resource management (HRM)1 to the original ITAD team; and

(i) progress of field studies and introduction of reports on human resource management and on governance and institutional issues.

III. A REPORT ON THE DELIVERABLES SUBMITTED IN SEPTEMBER 2004

3. ITAD completed Task 3 (field studies) and delivered the corresponding reports in September 2004. The fieldwork is described and analysed in ten country working papers and a synthesis of these papers entitled Country Visit Reports: Findings, Major Themes and Issues. At the same time, ITAD submitted two additional reports, one on human resources management and the other on governance and institutional issues, which were undertaken in continuation of the desk study completed in April 2004.

4. The field studies were undertaken in ten of the 21 countries. They focused on 20 of the 42 projects selected through random sampling during the inception phase of the IEE and reviewed during the desk-study phase. The third status report, provided by the OE director to the Executive Board in April 2004, contained the list of these projects and countries. The ten country working papers for this sample of IFAD operations focus on assessing the impact and performance of IFAD as laid down in the OE evaluation methodology adopted for the IEE. The country visit synthesis report is an interim output that brings together major findings from fieldwork, but does not as yet contain recommendations.

5. The HRM report provides a more in-depth analysis of IFAD’s human resource management than the desk study could provide with its limited resources. It looks at a broad range of HRM policies and practices at IFAD with the aid of document review, interviews and a staff survey that drew responses from 70% of IFAD staff. As for HRM aspects of the country visits, the present version of the synthesis report does not contain recommendations, as more time is required for analysing links between HRM issues and IFAD performance.

1 As per the request of the Executive Board in September 2004, the terms of reference of the HRM specialist recruited by ITAD to undertake the HRM review are included in this report (see the Annex).
6. For similar reasons, the report on governance does not provide recommendations either. The present version of this report focuses on the functioning of the Executive Board, while a revised treatment of the subject is expected to include an assessment of the replenishment process and the various committees of the Board.

7. As stipulated in paragraph 25 of the IEE terms of reference, the OE director distributed the above-mentioned reports to IFAD management and the IEE Steering Committee. Subsequently, the director forwarded comments by IFAD management to the ITAD team and also provided consolidated comments ITAD, including those provided by the two senior independent advisers and the Steering Committee, which met in Rome on 6-7 October 2004.

IV. IEE DELIVERABLES AND NEXT STEPS

8. As described in the terms of reference, the evaluation team has to complete five main, substantive tasks, each resulting in a deliverable being submitted to IFAD. The deliverables are as follows:

<table>
<thead>
<tr>
<th>Deliverable No.</th>
<th>Type of Report</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Inception report</td>
<td>Approved 30 March 2004</td>
</tr>
<tr>
<td>2</td>
<td>Desk study</td>
<td>Submitted 8 April 2004</td>
</tr>
<tr>
<td>3</td>
<td>Field studies</td>
<td>Submitted 17 September 2004</td>
</tr>
<tr>
<td>4</td>
<td>Draft final report</td>
<td>To be discussed at the Eighty-Fourth Session of the Executive Board in April 2005</td>
</tr>
<tr>
<td>5</td>
<td>Final report</td>
<td>To be presented after Executive Board discussion</td>
</tr>
</tbody>
</table>

9. The draft final report that will be presented for discussion at the Eighty-Fourth Session of the Executive Board is expected to go through the following stages: (i) a first version was submitted by the consultant on 5 November, and OE has distributed it to IFAD management and members of the Steering Committee, who are scheduled to meet in Rome on 8-9 December 2004 to review the report; (ii) OE will provide its consolidated comments on this first version to the consultant on 10 December 2004; (iii) ITAD will submit a revised version of the draft final report by 7 January 2005, which will be reviewed within one week by IFAD management, as well as by OE and the Steering Committee in light of the comments provided on the first version; (iv) by 28 January 2005, ITAD will submit the final version of the draft final report for translation and transmittal to the Executive Board; and (v) the final version will be placed before the Board, together with the management response and a statement from the director of OE regarding the responsibility entrusted to him in supervising the IEE.

V. THE FINANCIAL SITUATION

10. OE has made commitments amounting to approximately USD 1.5 million against the approved IEE budget. To date, a total contribution of USD 815 690 has been received from six countries.

VI. CONCLUDING REMARKS

11. Thus far, the IEE is proceeding in line with the provisions stipulated by the Executive Board, and in conformity with the terms of reference and the inception report. Although the IEE entails complex implementation and governance processes, it is still on schedule and within the budget approved by the Executive Board, and is expected to remain so through completion. The service
provider is performing well so far and intends to comply fully with the terms of reference, the approved inception report, the contract signed in December 2003 and the important deadlines.

12. The IEE has generated a considerable amount of interest within IFAD and the Steering Committee. All stakeholders involved in the IEE recognize that it is a complex and critically important exercise that should provide a comprehensive assessment and analysis of the Fund’s performance, including a concrete contribution to debate during the Seventh Replenishment process. IFAD management and the Fund’s supported projects have cooperated fully in the completion of IEE activities, including fieldwork. The Steering Committee and the two senior independent advisers have been fully supportive in providing advice to the OE director in order to set clear methodological and procedural directives for the IEE.
Background

1. The Information Training and Development Ltd (ITAD) is undertaking an Independent External Evaluation (IEE) of the International Fund for Agricultural Development (IFAD). Inasmuch as human resource-related issues form an important element of the IEE, an evaluation of IFAD’s human resource strategy and the institutional capacity to implement that strategy is to be undertaken in relation to the IEE objectives. In addition, the IEE is examining the linkages between corporate culture, the agenda for change within IFAD, and the commitment, morale and well-being of staff, all of which need to be examined in terms of the value they add to IFAD’s impact and performance. This involves an examination of the complement of regular and temporary staff and consultants in terms of grades, distribution within IFAD, gender, continuity, and the contribution of these human resource categories to IFAD performance, in the terms defined in the IEE terms of reference. As part of a desk study, relevant data has been collected and an initial review of human resource issues undertaken. These terms of reference are for a human resource management specialist to join the ITAD IEE team to further examine human resource management within IFAD.

Detailed Terms of Reference

2. The objective of the assignment is to evaluate how human resource policies/strategies and human resource management contribute to IFAD’s impact and performance. This will entail the evaluation of:

   a) the relevance and performance, in terms of effectiveness and efficiency, of IFAD’s human resource strategies and policies;
   b) the performance of IFAD senior management and IFAD’s Office of Human Resources in implementing IFAD’s strategies and policies;
   c) the adequacy of the infrastructure in place to support human resource management; and
   d) the adequacy of IFAD’s human resource strategies and policies in the light of best-practice policies and actions at international organizations.

3. The consultant is, however, not expected to evaluate how individual IFAD managers are managing human resources in their units.

4. In fulfilling the above-mentioned objectives, the consultant will:

   a) develop a methodology for this exercise in consultation with the ITAD team leader; this methodology is to be described in the consultant’s report;
   b) examine the implications for human resource management and the skills/mix required by IFAD’s current strategic framework, corporate objectives and proposals for institutional change, with particular attention to creativity, empathy with the poor, ability to work across institutional boundaries and professional excellence expected of IFAD by its owners;
   c) assess the extent to which human resource policies/strategies facilitate the development of IFAD as a learning organization that promotes innovations for rural poverty reduction;
(d) review IFAD’s human resource strategy and associated documentation in relation to:
   (i) the contribution of human resource policies (recruitment in the various staff categories, training and career development, promotion, managerial appointments, remuneration and performance reviews) to the achievement of IFAD’s mission;
   (ii) an analysis of current human resource issues and problems;
   (iii) the need for indicators on the progress of implementation of the strategy; and
   (iv) human resource strategies adopted by other development institutions.

(e) review the observations made by staff and collected during the desk study on the impact of corporate culture and procedures on their attitudes, goal satisfaction and morale. Validate these observations through sampling a greater number of staff, as well as consultations with senior management, human resources managers and Executive Board members;

(f) analyse the complement of regular and temporary staff and consultants in terms of grades, distribution within IFAD, gender, continuity and their contribution to corporate objectives; and

(g) identify the major constraints to successful implementation of the current human resource strategy and highlight any special needs.

The consultant will be responsible to the ITAD team leader.

**Reporting**

5. The consultant will prepare a report on findings and recommendations in a format to be agreed with the ITAD team leader. The report will be completed and made available to the director of OE for comment within the duration of the fieldwork study.

**Duration and Timing**

6. The consultant will be required for a period of up to 21 days, of which approximately 15 will be in Rome. The remaining days may, by agreement with the ITAD team leader, be in the United Kingdom, working with ITAD team members before coming to Rome in order to gain familiarity with existing information and collect any necessary background information.