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**IFAD**  
**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**  
**Executive Board – Eighty-Fourth Session**  
Rome, 18-20 April 2005

**REPORT OF THE CHAIRPERSON ON THE THIRTY-EIGHTH SESSION  
OF THE EVALUATION COMMITTEE**

1. This report covers the deliberations of the Evaluation Committee at its Thirty-Eighth Session, held on 14 December 2004. All Committee members attended the session with the exception of Cameroon, Germany and Nigeria. The Chair welcomed Mr William Carlos, who represented Ireland as the new member replacing Canada, and conveyed the Committee's appreciation for the work done by Mr Charles Parker of Canada in the past three years. The Bolivian Ambassador to Italy, Ms Moira Paz Estenssoro Cortez, participated in the session as an observer. Various IFAD staff members attended the deliberations, including the Assistant President of the Programme Management Department (PMD); the Director of the Office of Evaluation (OE); and the officer-in-charge of the Eastern and Southern Africa Division (PF). The following items were on the agenda: (i) the Bolivia country programme evaluation; (ii) the thematic evaluation of IFAD's Performance and Impact in Decentralizing Environments: Experiences from Ethiopia, Uganda and the United Republic of Tanzania; (iii) the agenda of the Evaluation Committee for 2005; and (iv) other business.
2. **Bolivia country programme evaluation.** The Chair noted that this was the first country programme evaluation (CPE) carried out in Latin America after a gap of nearly eight years and that the agreement at completion point (ACP) had been finalized on 3 December 2004.
3. OE made a presentation on the evaluation process and highlighted key results from the CPE. In terms of process, more than ten consultations had been held with multiple stakeholders at different stages of the CPE. These meetings had provided ample opportunities to discuss the CPE findings and develop an understanding of priority actions for the future. In particular, a CPE national round-table workshop had been organized in La Paz in September to discuss the main evaluation results and lay the bases for preparation of the ACP. In addition, a meeting had been held in early December at IFAD to finalize the ACP with the participation of the Deputy Minister of Agriculture and other

Bolivian authorities, the Assistant President of PMD, the Director of OE and the Director of the Latin America and the Caribbean Division. With regard to key results, the CPE commended the Government's renewed emphasis on rural poverty reduction, noting that the area-based integrated rural development project model had been successful and, with adjustments, had good potential for replication elsewhere in the country. The country programme performed well in promoting the empowerment of community organizations, for instance, strengthening economic groups established to market camelid products such as wool, clothes and meat. Another area of success had been the issuance of land titles to almost 60 indigenous groups. On the other hand, the CPE expressed serious concern about the sustainability of project impacts. Some reasons for inadequate sustainability were that projects generally failed to build in exit strategies and worked through independent management units that were not sufficiently anchored in the country's existing institutional structures. The CPE also underlined that the Fund's achievements in policy dialogue and partnership-building had been modest. Improved access to rural financial services was also urgently needed. It recommended that future country strategic opportunities papers (COSOPs) review more fully ways to reach different segments of the poor. It also underscored the importance of establishing partnerships with relevant institutions to promote, replicate and scale up successful innovative approaches, and to help ensure that migration from rural areas was non-traumatic and, to the extent possible, temporary.

4. The Committee expressed its support for the main CPE findings and recommendations, and conveyed appreciation for the work undertaken by OE. With regard to the CPE methodology, it stressed that besides the traditional performance criteria used to evaluate projects (efficiency, effectiveness, impact), an overall performance assessment was also needed. The Committee also noted that OE might wish to reflect further on the time frame CPEs should cover in order to ensure that the evaluation's outcomes were relevant and useful in the present-day context. Furthermore, it suggested that CPE recommendations should be presented in order of priority, so that areas requiring urgent attention were immediately evident. When asked to clarify what yardsticks were used for evaluating mature ongoing projects in the portfolio, OE replied that such projects were first assessed against their original objectives and the operating environment at the time of design, and then within the framework of the current development context to determine their actual relevance.

5. The Committee emphasized that IFAD-funded activities needed to establish stronger links with national processes in Bolivia, such as the poverty reduction strategy paper (PRSP) platform, and with other donor activities and sector-wide approach (SWAp) mechanisms. It highlighted the importance of communicating the CPE's results, to which OE responded that it was taking various steps to ensure that results reached concerned audiences; it was, for instance, translating the ACP and executive summary into Aymara and Quechua.

6. OE stressed that IFAD should base policy dialogue on its experiences, promoting pro-poor policies that benefit the people and communities of prime concern to the Fund. PMD added that IFAD should seek to empower the rural poor so that they had the capacity to influence policies, rather than necessarily taking a seat for itself at the policy dialogue table.

7. PMD pointed out that the ACP provided useful guidance for the preparation of the next COSOP for Bolivia, and also served as an important reference point to guide ongoing operations in the country.

8. The Committee emphasized that, to achieve greater results on the ground, it was important to work with capable NGOs and other civil society institutions that were well established at the grass-roots level and included indigenous people. Greater investments in human capital development were also needed. The Committee noted the importance of promoting, scaling up and replicating successful innovations, and finding ways to include them in national and local policies.

9. **Thematic Evaluation – IFAD's Performance and Impact in Decentralizing Environments: Experiences from Ethiopia, Uganda and the United Republic of Tanzania.** The Committee noted that this thematic evaluation would be finalized in early 2005, mainly because the country-level partners had not yet conveyed their comments. It also noted that OE would organize a

regional workshop on the topic in the first quarter of 2005, which would provide an opportunity to discuss the evaluation's results and lay the bases for the ACP.

10. OE then provided an overview of the main results of the evaluation. First, the evaluation underscored that decentralization efforts were at different stages in the three countries, which should be taken into account when interpreting the results achieved thus far. The evaluation also noted that IFAD considered the promotion of decentralization as a means of strengthening rural poverty reduction efforts rather than as an objective in itself. While decentralization was not explicitly recognized as a strategic thrust in the PF regional strategy, it was considered an important operating principle for all operations supported by the division. The COSOPs for the three countries included in the evaluation recognize the importance of decentralization, although with emphasis on different aspects. For instance, the COSOP for Ethiopia stressed the need for development of institutional capacity at the grass-roots level, whereas the COSOP for the United Republic of Tanzania called for attention to policy dialogue on decentralization. The evaluation noted that greater efforts were required to translate the decentralization objectives expressed in COSOPs into operational activities, in particular in terms of capacity-building at the local level.

11. The Committee expressed its support for the main findings and recommendations of the thematic evaluation, and commended OE on the work it had undertaken. It noted that the evaluation's executive summary needed improvement and should include all main findings. It also expressed concern about the limited prospects for sustainability of these IFAD-funded projects, as highlighted by the evaluation, and urged IFAD management to give this issue serious attention.

12. The Committee noted how important it was for IFAD to participate actively in donor harmonization efforts in the three countries covered by the thematic evaluation, especially since decentralization affected their entire institutional structures. It suggested that this matter be given greater attention in the final report. In response to the Committee's enquires, PMD recalled that IFAD was preparing – for presentation to the Board in April 2005 – a SWAp policy paper illustrating the Fund's commitment to strengthening its participation in country-level donor harmonization and coordination processes.

13. The Committee pointed out that special efforts were required to ensure that beneficiaries were sufficiently empowered to take advantage of decentralization processes. Members agreed on the need for a decentralization strategy that was centred on the needs of the rural poor. However, they cautioned that, especially in the short term, decentralization might not lead to enhanced welfare in poorer and weaker district administrations, given their generally inadequate staff resources, institutional capacities and infrastructure. Thus, these aspects should be factored in when promoting decentralization in less-endowed districts that face acute developmental constraints.

14. The Committee suggested that the final report should contain a more detailed account of the historical evolution of decentralization in the three countries. It felt that this evaluation would provide useful guidance in the eventual revision of the PF regional strategy, in which the issue of decentralization should feature as a means of helping the rural poor, in particular by promoting their greater empowerment and participation in the development process at large.

15. **Agenda of the Evaluation Committee for 2005.** In formulating its agenda, the Committee took into account the revised terms of reference and rules of procedure approved by the Board in December 2004. The dates and agenda items for the Committee's four sessions in 2005 would be as follows:

- **Thirty-Ninth Session: Friday, 8 April**  
Progress Report on the Project Portfolio  
Egypt Country Programme Evaluation
  
- **Fortieth Session: Friday, 2 September**  
Corporate-Level Evaluation on the IFAD Direct Supervision Pilot Programme  
Preview of the OE Work Programme and Budget for 2006  
President's Report on the Implementation Status of Evaluation Recommendations

- **Forty-First Session: Friday, 7 October**  
OE Work Programme and Budget for 2006  
Mexico Country Programme Evaluation
  
- **Forty-Second Session: Friday, 2 December**  
Annual Report on the Results and Impact of IFAD Operations  
Guinea Interim Evaluation of the Fouta Djallon Local Development and  
Agricultural Rehabilitation Programme  
Provisional Agenda of the Evaluation Committee for 2006

16. The Committee also decided to undertake a field visit to Mexico in the last quarter of 2005.

17. **Other business.** Responding to a member's request for interpretation, the Chair clarified that the Committee had operated in English only for about one year, and this had resulted in significant cost savings for the Fund. However, this could change in the future, depending on the circumstances and requirements of the Committee. Moreover, the Chairman's report for each session was prepared in English and always translated into all IFAD languages, before being submitted to the following Executive Board for approval. On another matter, the Director of OE announced the appointment of Ms Caroline Heider as the division's new Deputy Director and Mr Fabrizio Felloni as Evaluation Officer.

