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IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Eighty-Fifth Session
Rome, 6-8 September 2005

**REPORT OF THE CHAIRPERSON ON THE
FORTIETH SESSION OF THE EVALUATION COMMITTEE**

1. This report covers the deliberations held by the Evaluation Committee during its Fortieth Session on 2 September 2005. There were four agenda items for discussion: (a) the corporate-level evaluation on the Direct Supervision Pilot Programme (DSPP); (b) the preview of the work programme and resource issues for 2006 of the Office of Evaluation (OE); (c) the President's report on the implementation status of evaluation recommendations and management actions (PRISMA), prepared by management, together with OE's comments on the report; and (d) other business. The session was attended by all Committee members except Cameroon and Ireland. Observers from Denmark and the Bolivarian Republic of Venezuela also attended. Various IFAD staff were present during the deliberations, including the Assistant President, Programme Management Department (PMD), as well as the Director of OE and others.
2. **The corporate-level evaluation on the DSPP.** OE gave a general presentation on the evaluation, highlighting the key conclusions and recommendations. It also provided an overview of the agreement at completion point, which had been endorsed by management and reflects management's response to the evaluation.
3. The Committee expressed appreciation to OE for a well written evaluation and underscored its agreement with the main conclusions and five core recommendations. It also acknowledged the constructive cooperation between OE and PMD in the preparation of the agreement at completion point.
4. The Committee noted that the projects included in the DSPP benefited from improved implementation performance and yielded better impact than those supervised by cooperating institutions. It also agreed that direct supervision provides greater opportunities to pursue IFAD's broader objectives at the country level, such as policy dialogue and partnership-building, as well as to focus attention on IFAD-specific concerns, such as gender mainstreaming and participatory monitoring and evaluation systems.

5. Overall, the Committee recommends that the Executive Board endorse the agreement at completion point of the evaluation contained in document EB 2005/85/R.9. The Committee however emphasized the need to adequately train and develop the competencies and skills of country programme managers and others concerned as a key aspect in the expansion of direct supervision activities by IFAD. Members stressed the importance of the supervision of fiduciary aspects in the context of IFAD operations, and noted that IFAD's field presence must be considered in future direct supervision activities. As highlighted by the evaluation, the Committee recommended that in the future IFAD ensure that only staff with the required seniority and competencies are entrusted with direct supervision activities. It also underscored that the recommendations in the agreement at completion point should be treated as an integral part of the ongoing change agenda within IFAD.

6. Building on the DSPP experience with regard to the non-fulfillment of a number of key commitments by IFAD, the Committee recommended that IFAD should develop, as soon as possible, an electronic ledger system to record all decisions taken by the Executive Board and monitor the required follow-up by management. Such a system should be made accessible to all Executive Board Directors; in addition, an updated report of Board decisions and their implementation status should be made available to the Board Directors.

7. The Committee also noted that the implementation of various projects included in the DSPP would extend beyond June 2006, the date by which Governing Council Resolution 102/XX (1997) stipulated the DSPP should be ended. Hence, the Committee recommends that the Executive Board request the Governing Council in 2006 to authorize IFAD to extend the DSPP until the final closing date of all 15 projects included in the programme.

8. **Preview of the 2006 OE work programme and resource issues.** The Committee considered the preview document prepared by OE on its proposed 2006 work programme and resource issues. It supported, overall, the priorities, evaluation activities, and the estimated human and financial resource requirements of OE for 2006. The Committee expressed special appreciation for the sections on achievements and stock-taking in 2005, which informed the preparation of the 2006 proposal.

9. The Committee requested clarification on how OE's priorities had changed for 2006 as compared with 2005. In this regard, OE drew the Committee's attention to Table 2 in Annex III, noting that – as in 2005 – OE would have four priority areas in 2006. OE then pointed out that, subsequent to the completion of the Independent External Evaluation (IEE) in 2005, the IEE would not be a priority in 2006. OE further mentioned that the 2005 priority (d) “methodological development, evaluation outreach and other activities” had been split into two priorities for 2006, namely priority (c) “methodological development” and priority (d) “evaluation outreach and partnerships”. This was done in order to distinguish more clearly OE's objectives and core activities in these areas, rather than combining them under one category. On the same issue, the Committee noted that the total financial allocation for priorities (c) and (d) in 2006 was broadly similar to the allocation for priority (d) in 2005. The Committee was further informed that priorities (b) and (c) in 2005 were the same as the proposed priorities (a) and (b) for 2006, and that their financial allocations were also largely consistent with the 2005 levels.

10. Based on the rationale outlined in paragraphs 21-22 of the preview document, the Committee concurred with the topics and recommended scheduling of the various corporate-level evaluations that OE would undertake in the coming years. The Committee noted, as stated by IFAD management, that the Flexible Lending Mechanism (FLM) had low institutional priority and that this situation was not expected to change in the future; accordingly, it felt that the planned corporate-level evaluation by OE on the FLM would not yield due value. In this regard, it recommended that the Executive Board should: (a) remove the evaluation of the FLM from OE work programme; and (b) request IFAD management to undertake a thorough self-evaluation of the FLM instrument and report its findings and conclusions to the Board as soon as possible.

11. **The President's report on the implementation status of evaluation recommendations and management actions (PRISMA).** The Committee discussed the PRISMA report prepared by management together with the comments prepared by OE on the report.

12. Considerable improvements over last year's submission were acknowledged by the Committee, which also appreciated the constructive working relationship between PMD and OE. The Committee was pleased to note that the report demonstrated OE's relevance and contribution to IFAD's learning processes. The members reiterated their concern that learning needed to be built systematically into IFAD's modus operandi, and that a self-evaluation system should be developed to ensure that necessary and timely corrective action is taken before independent evaluations point to the need for such action.

13. This year's PRISMA report was also welcomed because it identified a number of issues where IFAD management needs to introduce organization-wide, systematic improvements. It was hoped that future reports would contain updated information on actual changes in such important areas as participation, rural finance and others. The Committee also highlighted the importance of adjusting ongoing IFAD-funded operations in order to bring them in line with relevant new policies developed by the Fund. The Assistant President, PMD, responded that the PRISMA report was seen as a learning tool for IFAD – used to stimulate learning across regional divisions – and that a number of issues raised in the report would be reflected in the new operating model. The knowledge management system and an improved self-evaluation system were two important tasks that PMD envisaged tackling in the new operating model.

14. In terms of presentation, the Committee requested that the annexes be made more reader-friendly, as the number of details and acronyms rendered them difficult to understand. However, a certain level of detail was necessary in order for the Committee to understand the agreed actions and follow-up in the agreement at completion point. It was thus decided that future reports, including the annexes on implementation actions, should be submitted to the Committee in a more reader-friendly format.

15. **Other business.** Under this item, the Committee endorsed OE's proposal to change the project evaluation planned for 2005 from the Family-Sector Livestock Development Programme (FSLDP) in Mozambique to the Niassa Agricultural Development Project in the same country. The proposed change in the work programme was necessitated by the fact that the FSLDP had been integrated into a national sector-wide programme (PROAGRI) in Mozambique in 2000/01, which had already been evaluated thoroughly by a multi-donor consortium in 2002/03. Hence, the Committee agreed that another separate evaluation of the FSLDP by IFAD within the context of PROAGRI would result in a duplication of efforts, and would moreover be seen as running counter to the spirit of harmonization and donor coordination in which IFAD is engaged. In addition, the Niassa project offers ample opportunities for learning that could prove valuable in the development of further IFAD-funded operations in the country as well as in the design of the next phase of the PROAGRI itself.

16. The Executive Board is invited to take note of the key issues and endorse the recommendations of the Committee as contained in this report.