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IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Eighty-Sixth Session

Rome, 12-13 December 2005

REPORT OF THE CHAIRPERSON OF THE FORTY-FIRST SESSION OF THE EVALUATION COMMITTEE

1. The Forty-First Session of the Evaluation Committee met on 7 October 2005 and considered three agenda items: (a) the Mexico Country Programme Evaluation (CPE); (b) the work programme and budget for 2006 of the Office of Evaluation (OE); and (c) other business. All Committee members except for Cameroon, India and Ireland participated in the session. Various IFAD staff members also attended the meeting, including the Assistant President, Programme Management Department; the Director of OE; and the Director of the Latin America and the Caribbean Division.
2. **Mexico CPE.** OE made a general presentation on the evaluation, highlighting the key conclusions and recommendations. It was noted that the agreement at completion point would be formulated after the national round-table workshop, to be held in Mexico City at the end of October 2005. The Committee expressed its appreciation to OE for this evaluation and its broad agreement with the evaluation's main conclusions and recommendations.
3. The Committee noted that the CPE included conclusions that have consistently appeared in most of the recent CPEs conducted by OE, for example, the generally high relevance of IFAD's programme in the country, the limited impact it has had on poverty, limited policy dialogue, weak prospects for sustainability, and the importance of a more permanent IFAD presence in the country.
4. Members commented on the evaluation's overall results, underscoring that future CPEs should provide a more comprehensive analysis and explanation of the ratings given for the different evaluation criteria (i.e. relevance, effectiveness, efficiency and impact), including the need for greater clarity in programme efficiency issues.
5. The Committee also requested that the final version of the CPE report elaborate further on issues related to marketing and the performance of rural finance services.

6. Given the limited financial resources available to IFAD for its country programme, the Committee asked for clarification as to the role of IFAD in Mexico. It emphasized the need for realistic objectives and partnership approaches to future cooperation between Mexico and IFAD, taking into consideration the Government's priorities and IFAD's comparative advantage. On this point, according to the evaluation, OE emphasized that the Fund has a number of specific non-financial comparative advantages that could contribute to the Government's efforts in the field of rural poverty reduction. For example, IFAD's assistance is focused in areas where other institutions do not operate, and the Fund can play an important role in the cross-fertilization of experiences by making knowledge available on rural poverty reduction efforts based on its experiences in other countries.

7. On the issue of targeting, the Committee underlined that while IFAD is right to further strengthen its focus on indigenous peoples in the future, it must also find ways to support other poor people living in selected project/programme areas.

8. Members highlighted the significance of policy dialogue, especially in a large country like Mexico. In this regard, the Committee felt that IFAD should, inter alia, focus on mainstreaming agriculture and rural development issues as the engine for rural poverty reduction. The Committee felt that specific efforts should be made to promote the participation of non-governmental organizations and community-based institutions in future policy dialogue initiatives.

9. OE indicated that the final CPE report would include more information on the efficiency of IFAD operations in Mexico, building on data recently received from the Latin America and the Caribbean Division. Although OE's CPE methodology uses internationally recognized evaluation criteria, the need for a more comprehensive analysis and explanation of the performance ratings attributed to the various criteria was noted.

10. With regard to the role of IFAD and the future cooperation framework between Mexico and the Fund, OE referred to the CPE recommendation that IFAD and the Government should jointly determine the value added that IFAD can bring within the Mexican context. Moreover, it was equally fundamental to clearly identify as soon as possible the main interlocutor(s) between Mexico and IFAD, together with their respective roles and responsibilities. On the issue of targeting, there was agreement that IFAD needed to find an overall approach that would not promote exclusion of non-indigenous poor communities, especially those not benefiting from other national development programmes that operate in the same areas as IFAD-funded projects/programmes.

11. The Programme Management Department (PMD) stressed that IFAD had an important role to play in large countries like Mexico, despite the relatively limited amount of resources it brings. In the framework of the new country strategic opportunities paper (COSOP), the core issue was to build upon the context-specific nature of the political, administrative, institutional and socio-economic framework prevailing in Mexico. In this vein, PMD reassured the Committee that the CPE would form the basis for the Latin America and the Caribbean Division's forthcoming discussions with partners in Mexico to formulate the next COSOP. PMD also mentioned the usefulness of reflecting beneficiaries' priorities and requirements in IFAD efforts related to policy dialogue. Lastly, PMD stated that greater attention would be devoted during preparation of the next COSOP to determining the level of administrative resources required to achieve the objectives of the future strategy.

12. **Work programme and budget for 2006 of OE.** The Committee discussed the OE work programme and budget document for 2006, and expressed its overall support for the priorities, evaluation activities and timeframes, and the proposed human and financial resource requirements of OE for 2006. The Committee recommended that the Executive Board approve the priorities and work programme of OE and submit the OE budget proposal to the Governing Council in 2006 for approval.

13. Among other issues, the Committee felt that OE should, as appropriate, undertake evaluations of selected business and management processes that are at the core of IFAD's operating model. While

noting the Committee's interest in this area, OE underlined that some of the corporate-level evaluations undertaken in the past, such as the evaluation of the Direct Supervision Pilot Programme, and others planned in the future, such as the Field Presence Pilot Programme, already focused on key business and management processes.

14. The Committee reiterated the need for OE to ensure that its resources – in particular its human resources – are adequate to meet the overall requirements of its annual work programme. In this regard, OE informed the Committee that it had initiated a thorough workload assessment, to be completed in 2006, that would be the basis for the preparation of the OE work programme and budget for 2007. This assessment would provide, inter alia, an overview of the aggregate human resources need for the coming years.

15. **Other business.** OE provided a briefing on the proposed programme for the Committee's forthcoming field visit to Mexico in October 2005 in relation to the CPE. The Committee was in agreement with the proposal, highlighting in particular the importance for all Committee members to have the opportunity to closely interact and exchange views during the planned visit to the IFAD-funded project in the Yucatan.

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.