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**IFAD**  
**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**  
**Executive Board – Eighty-Sixth Session**  
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**REPORT OF THE CHAIRPERSON OF THE EVALUATION COMMITTEE**  
**ON THE**  
**FORTY-SECOND SESSION OF THE EVALUATION COMMITTEE**



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1. This report covers the deliberations of the Evaluation Committee held during its Forty-Second Session on 5 December 2005. Four agenda items were considered during the meeting: (a) the Annual Report on Results and Impact of IFAD Operations (ARRI) evaluated in 2004; (b) the evaluation of the second phase of the Ghana Land Conservation and Smallholder Rehabilitation Project; (c) the Agenda of the Evaluation Committee for 2006; and (d) other business. All Committee members except for Ireland participated in the session. Also, representatives from China, France, Ghana, Pakistan and the UK participated in the session as observers. Various IFAD staff members also attended the meeting, including the Assistant President, Programme Management Department (PMD); the Director of the Office of Evaluation (OE); the Director of the Western and Southern Africa division; the Director of the Policy Division; and the Secretary of IFAD.
2. In his opening comments, on behalf of the Committee, the Chairman expressed deep appreciation to Mr Sunggul Sinaga, the Evaluation Committee member from Indonesia, for his constructive and valuable contribution to the work of the Committee over the past 3 years. He informed the participants that Mr Sinaga has already returned to Jakarta to take up a new assignment in the Government of Indonesia.
3. **Annual Report on the Results and Impact of IFAD Operations (ARRI).** OE presented the third ARRI to the Committee. This year's ARRI is based on the results and impact reported by OE evaluations conducted in 2004. It also includes a consolidation of evaluation results generated over the period 2002-2004. Overall, the Committee commended OE for the ARRI, and conveyed its consensus with the results, key issues and recommendations contained in the document.
4. The Committee highlighted that by and large the results and many of the issues contained in this year's ARRI are similar to those raised in previous ARRIs and in the Independent External Evaluation of IFAD.
5. Much debate took place on the subject of targeting, which is a theme that has been repeatedly highlighted in the previous ARRIs and specific OE evaluations. In this regard, the Committee recommends for IFAD to define its overall approach to targeting under the overall framework of the Action Plan, which would among other issues serve to clarify the prime target groups to be supported by IFAD.
6. The participants underscored their concern about the weak performance in the areas of participation and social capital formation, in which IFAD's performance as reported in previous ARRIs has been stronger. On this matter, among other issues, the Committee recommended that it would be useful to develop a better understanding of the political processes and power-structures at the local level that excluded the poor and that could not be easily addressed or changed through project interventions.
7. On another finding of the ARRI, the Committee suggested that more efforts need to be made to enhance ownership and strengthen partnerships, as these two are fundamental areas for impact achievement and ensuring sustainability. Moreover, the participants underscored the importance of ensuring sound project design overall, which is a crucial element in ensuring successful implementation performance. On the issue of policies, among other issues, the Committee noted the need to devote attention to aligning ongoing IFAD operations to ensure they are in compliance with new policies developed by the management. Similarly, ongoing operations should, wherever feasible, be retrofitted to bring them in line with new insights and learning acquired by IFAD over the years.

8. As reported in the ARRI, some Committee members highlighted the differences in results from self-evaluation and independent evaluation systems. On this issue, both OE and PMD gave examples and reassured the Committee that concerted efforts are underway to ensure greater streamlining and harmonization of the methodologies, processes and reporting mechanisms between IFAD's self and independent evaluation systems. This is a fundamental step in strengthening the overall evaluation activities of the Fund. Finally, on methodology, some members conveyed the need to take stock of the experiences with the methodological framework for project evaluation (MFE) introduced by OE in 2002. On this issue, the Director of OE highlighted that the division has made concerted efforts in 2005 to enhance both its MFE and CPE methodology based on experiences and international good practices. He also informed the Committee that following review by a panel of international experts in evaluation, the revised methodologies will be issued by the end of 2005.

9. The Assistant President of PMD informed the Committee that the Management's formal response to this year's ARRI would be provided to the Executive Board in April 2006 within the framework of the Portfolio Performance Report. The Assistant President expressed his overall satisfaction with the process that led to the preparation of the ARRI and with the results contained in the document, however, he also mentioned the need to work further in understanding and analyzing issues related to social capital building. He further mentioned that the Action Plan being submitted to the forthcoming meeting of the Executive Board will address most of the recommendations made in the ARRI. He also took the opportunity to orally provide an overview of how the management is already addressing the key issues and recommendations raised in the ARRI in the context of the Action Plan and the consultation process. More generally, with regard to the management response on the ARRI, the Assistant President mentioned that in future the IFAD management will work towards providing their written response to the Evaluation Committee and the Executive Board at the same time when the ARRI document is discussed by the corresponding governing body. In this regard, PMD and OE will discuss and define a process that will lead to a satisfactory outcome.

10. **Ghana project evaluation.** The Committee discussed the interim evaluation of the second phase of the Ghana Upper-East Region Land Conservation and Smallholder Rehabilitation Project. The Committee expressed its overall appreciation for the evaluation, and conveyed its consensus with the main findings and recommendations contained in the report. The Committee noted that the evaluation's Agreement at Completion Point is currently being finalised in co-operation with PMD and the Government of Ghana.

11. As per the evaluation's assessment, the Committee agreed that the project was highly relevant as a vehicle for rural poverty reduction, especially given its focus on agriculture, soil protection and irrigation development in the upper east region of the country, which is characterised by high malnutrition prevalence and serious environmental degradation. Additionally, the Committee appreciated that the project successfully introduced some innovations in the area of soil management and income-generation activities that can be replicated elsewhere.

12. However, the Committee expressed concern about targeting as some project activities, such as dam rehabilitation, were not likely to be of direct benefit to the poorest living in the project area. Moreover, the Committee was concerned about the prospects for sustainability, especially with regard to the maintenance of dams, the functioning of water users' associations and rural financial services. On this note, it recommended that IFAD pay attention to developing exit strategies as early as possible before project closure, which would lay out the operational, institutional and financial framework in the post-project period.

13. Among other issues, PMD informed the Committee of their satisfaction with the evaluation process, noting that the lessons learned are being included not only in their future operations in the country, but also in the new Ghana country strategic opportunities paper that is being currently prepared.

14. **Agenda of the Evaluation Committee for 2006.** The Committee discussed the dates and provisional agenda for its four sessions in 2006, and in this regard took the following decisions:

- Forty-Third session would be held on 7 April 2006 to discuss: (a) the Portfolio Performance Report submitted by the IFAD management, together with OE comments on the same document; and (b) the Completion Evaluation of the Tafilalet and Dades Rural Development Project in Morocco;
- Forty-Fourth session would be held on 8 September 2006 to discuss: (a) the preview of the work programme and resource issues for 2007 of OE; (b) the evaluation of IFAD's Regional Strategy for Asia and the Pacific (EVEREST); and (c) the President's Report on the Implementation Status of Evaluation Recommendations and Management Action, together with OE comments on the same document;
- Forty-Fifth session would be held on 10 October 2006 to discuss: (a) the work programme and budget for 2007 of OE; and the (b) Annual Report on Result and Impact of IFAD Operations based on evaluations undertaken in 2005; and
- Forty-Sixth session would be held on 8 December 2006 to discuss: (a) the corporate-level evaluation of IFAD's Rural Finance Policy; (b) the Mali country programme evaluation; and (c) the provisional agenda of the Evaluation Committee for 2007.

15. Moreover, it was agreed that the Committee's field visit to Mexico (which was previously to be undertaken in October 2005, but had to be postponed due to compelling climatic conditions in the Yucatan peninsula) would now be undertaken in early March 2006. The Mexican authorities are shortly expected to provide a confirmation of the specific dates for this event.

16. On another issue, given that this is the first evaluation of its kind and in light of the importance of IFAD regional strategies in the context of the Action Plan and new operating model, the Committee recommends for the Executive Board to discuss the evaluation of IFAD's regional strategy for Asia and the Pacific during the Board's session in September 2006.

17. Finally, while recognising that OE has undertaken some such evaluations in the past, some members of the Committee encouraged OE to emphasise further the undertaking of the evaluation of key corporate business processes given their importance in enhancing any IFAD's performance. Additionally, as for concerned policy proposals, the Committee discussed the feasibility to review corporate business processes developed by the management subsequent to the corresponding OE evaluation of the same, before the proposal is discussed by the Board. The Committee felt that the matter should be taken up at its next session as a formal agenda item.

18. Another issue discussed by the Committee was related to the mechanism for identifying policy proposals to include in the Committee's agenda before they are considered by the Board. In this regard, as a standing procedure and in consultation with ES, the Committee decided that OE would inform the Committee chairman, on a periodic basis, of any pertinent operational policies that the management plans to present to the Board.

19. In closing, the Board is invited to take note of the issues raised and adopt the recommendations of the Committee as contained in this report.