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Enabling the rural poor to overcome poverty

IFAD's country presence

Executive Board — Ninety-first Session Rome, 11-12 September 2007

For: **Approval**

Recommendation for approval

The Executive Board is invited to approve the decision on IFAD's country presence as described in paragraph 7, taking note of IFAD Management's commitments shown in paragraph 8, 9 and 10.

IFAD's country presence

- In approving the Field Presence Pilot Programme (FPPP) in December 2003, the Executive Board had requested IFAD's Office of Evaluation to undertake an independent evaluation to assess the results and impact on the main objective of the pilot programme.¹ The Office of Evaluation has undertaken this evaluation. Its executive summary together with the agreement at completion point which represents IFAD Management's understanding of the key evaluation findings and recommendations– are presented in document EB 2007/91/R.5.
- 2. The evaluation concludes that the achievements across the areas of implementation support, policy dialogue, partnership development and knowledge management have been markedly greater in countries with field presence than in comparator countries without field presence.² The FPPP has made IFAD more visible and effective and has allowed better and more consistent follow-up. This has had beneficial effects on the quality of country programmes and projects.
- 3. The evaluation also noted that while the outposting of country programme managers (CPMs) has shown promise in terms contributing to IFAD's development effectiveness, this conclusion by necessity was based on a very small sample of outposted CPMs.
- 4. Based on the above findings, the evaluation recommended that IFAD consolidate the evidence around the positive results that emerged and determine the most cost-effective form of field presence. Towards this end, it was recommended that IFAD's future field presence to be renamed country presence should follow two tracks:
 - (a) continue implementing the existing 15 FPPP country initiatives; and
 - (b) expand the programme to allow systematic experimentation with alternative country presence models. In this regard, the evaluation recommended that IFAD's field presence be expanded by: (i) outposting around 10 CPMs, and (ii) establishing two to three subregional offices.
- 5. IFAD Management agrees in principle with most of the evaluation's recommendations. With regard to subregional offices, however, Management would like to proceed very prudently and only on the condition that further studies find this proposition feasible.
- 6. The Evaluation Committee, after reviewing the Evaluation Report recommended that IFAD Management develop a step-by-step activity plan that outlines in a systematic manner the approach for country presence activities, including costs, baseline data and related administrative arrangements. The Committee also recommended that IFAD Management exercise caution regarding the establishment of the subregional offices.
- 7. In the light of the evaluation findings and the recommendations of the Evaluation Committee, it is proposed that IFAD continue 15 country presence initiatives, with further experimentation, within these 15, of different models, including outposted CPMs and integrate them into IFAD's normal administrative and budgetary processes.

¹ Based on the findings of the evaluation, the Board will "decide whether to continue, expand, end or otherwise modify the Field Presence Programme" (paragraph 29, document EB 2003/80/R.4).

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² Evaluation of the IFAD's Field Presence Pilot Programme, Main Report, IFAD, July 2007 (paragraph 112).

- 8. As proposed by the Evaluation Committee, Management will elaborate an activity plan (taking account of programmatic considerations such as portfolio size, the One UN Pilot, recommendations of the High-Level Panel on United Nations Reform, country demand, etc.), covering inter alia administrative arrangements, estimated total and incremental costs, baseline and expected results and submit it to the Board at its ninety-second session to be held in December 2007. In light of this Activity Plan, Management may prepare for the consideration of the Board proposals on the Fund's country presence activities including the outposting of a limited number of CPMs in 2008 and 2009.
- 9. All costs relative to the continuation of the 15 country initiatives and any possible expansion, will be fully integrated into IFAD's budgetary processes and will be fully compliant with the benchmark efficiency ratio (regular administrative budget and Programme Development Financing Facility [PDFF] as a percentage of the programme of work net of transfers to the PDFF).
- 10. In line with the evaluation recommendation, IFAD Management will undertake a self-assessment of the country presence in 2010. Based on the findings of this self-assessment and in line with the practice of international financial institutions, a country presence policy will be presented to the Executive Board in 2011.