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Enabling the rural poor
to overcome poverty

President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)

Volume I

Main Report

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For: **Review**

Note to Executive Board Directors

This document is submitted for review by the Executive Board.

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Abbreviations and acronyms

ACP	agreement at completion point
ARRI	Annual Report on Results and Impact of IFAD Operations
CE	completion evaluation
CLE	corporate-level evaluation
COSOP	country strategic opportunities programme
CPE	country programme evaluation
IE	interim evaluation
M&E	monitoring and evaluation
MFI	microfinance institution
NGRGP	Northern Ghana Rural Growth Programme
OE	Office of Evaluation
PMD	Programme Management Department (IFAD)
PRISMA	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions
PRODECOP	Economic Development of Poor Rural Communities Project
RIMS	Results and Impact Management System
VCSP	Village Communities Support Project

Executive summary

1.   The President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) provides the Executive Board with information on the status of the recommendations agreed at completion point of evaluations undertaken in 2005. The PRISMA report aims to support accountability and learning as stated in the IFAD Evaluation Policy. It also offers an opportunity for IFAD Management to respond to the broader issues featured in the evaluations conducted in 2005.

2.   In general, the response to evaluation recommendations agreed at completion point is satisfactory. Overall, 20 out of 23 recommendations to IFAD at the corporate level have been integrated into the new IFAD Policy on Supervision and Implementation Support, the IFAD Policy on Targeting, or the IFAD Strategy for Knowledge Management. Once the new country strategic opportunities programmes (COSOPs) and new projects are completed, approximately 90 per cent of the recommendations applicable at the country and project level will have been met.

3.   Among the strategic recommendations, targeting is the most recurrent theme – more specifically, a clear definition of the target group and expanded outreach of project activities to the most vulnerable social categories. One IFAD response involves applying the clearer definition of target groups in IFAD operations and strategies from the newly approved IFAD Policy on Targeting.

4.   Recommendations on rural finance highlight a need for IFAD to contribute more towards improving the financial viability and operational effectiveness of microfinance institutions (MFIs), and assisting in the design of the most suitable financial products for the needs of rural poor people.

5.   With respect to rural infrastructure and in line with evaluation recommendations, IFAD will focus on selecting activities with a broader impact on rural poor people and that can be sustained in the post-project phase. In keeping with evaluation recommendations, the new results-based COSOP will concentrate on flexible design and enhanced linkages of IFAD-assisted projects with national development programmes. Similarly, the recently approved IFAD Strategy for Knowledge Management aims at better knowledge-sharing through supervision and implementation support activities and the upgrading of information technology platforms such as the Rural Poverty Portal.

6.   Since sustainability and innovation continue to pose challenges, future evaluations need to focus more on these themes. IFAD is also responding to a recurring issue, monitoring and evaluation, through increased mobilization of technical assistance at the project level and enhanced commitment to align the project system with national and broader programme monitoring systems.

7.   There are more strategically oriented recommendations than in previous years. Further, the average number of recommendations has dropped significantly. These improvements need to be sustained – mainly by determining the underlying root causes of the problems identified. Such an approach would help Management take timely and effective corrective action.

8.   A higher proportion of recommendations are either extended to partner country governments or require joint responses from IFAD and the country government.

9.   This trend is expected to persist in the near future and will affect the nature of future PRISMA reports.

President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)

I. Introduction

1. The President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) provides the Executive Board with information on the status of adoption and implementation of recommendations agreed at the completion point of evaluations undertaken in 2005. This report is the fourth in the series, following the adoption of the IFAD Evaluation Policy.[1] The PRISMA report aims to support accountability and learning, as stated in the Evaluation Policy. It also offers an opportunity for IFAD Management to respond to the issues raised in the evaluations conducted in 2005 and highlighted in last year's Annual Report on Results and Impact of IFAD Operations (ARRI).[2]

2. This report adopts the same structure as previous ones. The first volume contains the statistical and thematic analysis of the entire set of evaluation recommendations and management responses. The second volume contains a detailed response to each recommendation. In line with the decision of the Executive Board in September 2006, the second volume does not include details of the operational recommendations,[3] but focuses on the strategic and policy recommendations only.

Methodology

3. The signing of the agreement at completion point (ACP) initiates the process of follow-up on the recommendations agreed and the preparation of the PRISMA report. For reporting purposes, ACP recommendations are reviewed by the Programme Management Department (PMD) and divided into three classifications. The first identifies the entity responsible for following up on the recommendations. The following categories were considered for this report:

   - Partner-country governmental authorities;
   - Cooperating institution;
   - IFAD – corporate level;
   - IFAD – country level;
   - IFAD – project level.

4. The second classification examines the nature of the recommendations according to the evaluation policy, as follows:

   - Operational, if the recommendation proposes a specific action;
   - Strategic, if it has suggested an approach or course of actions;
   - Policy, if related to the principles guiding IFAD.

5. Third, recommendations are classified on the basis of 22 thematic categories such as targeting, capacity-building, infrastructure and supervision. The theme-based classification adopted in the present report (PRISMA 2007) distinguishes partnership-building from policy dialogue; project design from project management/administration; and monitoring and evaluation (M&E) from information/communications. An additional category, infrastructure development, has been introduced to take into account the high number of recommendations

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[1] EB 2003/78/R.17/Rev.1.

[2] EB 2006/89/R.10.

[3] Details of the implementation status of operational recommendations are available through the tracking system managed by the IFAD Programme Management Department (PMD).

referring to the contracting process, supervision and sustainability of infrastructure development initiatives.

6. After review and clearance of the list and classification of ACP recommendations by the Office of Evaluation (OE), IFAD regional divisions are requested to submit a report on the status of the follow-up on each agreed recommendation and to provide evidence of the learning loop. As evaluation recommendations may also be made to entities other than IFAD, the follow-up actions are not always under IFAD's responsibility. Nonetheless, IFAD Management monitors these recommendations and reports to the Executive Board in the annual PRISMA report.

7. In accordance with the IFAD Evaluation Policy, Management discusses the PRISMA report with OE (Annex III).

II. Evaluation coverage and contents

8. The PRISMA 2007 report refers to 14 of the 16 evaluations undertaken by OE in 2005 (see box). These include: five interim evaluations (IEs), three country programme evaluations (CPEs), five completion evaluations (CEs) and one corporate-level evaluation (CLE). Of the remaining two, the thematic evaluation on decentralization in East Africa was included in PRISMA 2006. The CE of the Mongolia Arhangai Rural Poverty Alleviation Project is not included in this report as the ACP was finalized only in February 2007; it will be included in PRISMA 2008.

Evaluations undertaken in 2005

OE undertook 16 evaluations in 2005: 11 project/programme evaluations (interim or completion), three country programme evaluations, one thematic evaluation on decentralization in Ethiopia, Uganda and the United Republic of Tanzania and one corporate-level evaluation.

Project/programme evaluations in IFAD fall into two categories:
1. **Interim evaluations** are mandatory before starting a further project phase or launching a similar project in the same region. They are used to assess the extent to which a further phase is justifiable and to improve the design and implementation of the subsequent intervention. The following IEs are included in PRISMA 2007.
   - Ghana: Upper-East Region Land Conservation and Smallholder Rehabilitation Project – Phase II;
   - Ghana: Upper-West Agricultural Development Project;
   - Guinea: Fouta Djallon Local Development and Agricultural Rehabilitation Programme;
   - India: North Eastern Region Community Resource Management Project for Upland Areas;
   - Venezuela (Bolivarian Republic of): Economic Development of Poor Rural Communities Project.
2. **Completion evaluations** are normally conducted after the project has ended and after finalization of the project completion report prepared by the borrower, in collaboration with the cooperating institution. The following CEs are included in PRISMA 2007:
   - China: Southwest Anhui Integrated Agricultural Development Project;
   - Mexico: Rural Development Project of the Mayan Communities in the Yucatan Peninsula;
   - Morocco: Tafilalet and Dades Rural Development Project;
   - Mozambique: Niassa Agricultural Development Project;
   - Uganda: District Development Support Programme.

Country programme evaluations provide an assessment of the performance and impact of IFAD-supported activities in a given country and thus provide direct, concrete building blocks for formulating country strategic opportunities programmes (COSOPs). Three CPEs are included in PRISMA 2007:
   - Bangladesh;
   - Mexico;
   - Rwanda.

Corporate-level evaluations are conducted to assess the effectiveness and impact of IFAD-wide policies, strategies, instruments and approaches. The PRISMA 2007 report includes one CLE of the Direct Supervision Pilot Programme.

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9. The evaluation exercises reviewed in this report cover all IFAD regional divisions. The Near East and North Africa Division has the lowest representation, with one evaluation, while the other divisions are equally represented by three evaluations (table 1).

10. Compared with previous years, the PRISMA 2007 report has fewer IEs and consequently a higher proportion of CEs (table 2). It also contains a higher proportion of recommendations extended to governmental authorities or that require a joint response by IFAD and country authorities (table 3). Both of these factors have a significant bearing on management responses.

Table 1
Regional distribution of 2005 evaluations reviewed

	IE	CE	CPE	CLE	Total
Western and Central Africa	3				3
Eastern and Southern Africa		2	1		3
Asia and the Pacific	1	1	1		3
Latin America and the Caribbean	1	1	1		3
Near East and North Africa		1			1
Corporate IFAD				1	1
Total	**5**	**5**	**3**	**1**	**14**

11. Overall, the evaluations reviewed generated 277 recommendations: the Rwanda CPE provided the highest number of recommendations (34), while the Mozambique IE provided the lowest (8). Overall, a lower number of recommendations are provided (19) compared with last year (29).

Table 2
Types of reviewed evaluations undertaken from 2002 to 2005

	Evaluation period		
Evaluations	2003	2004	2005
Interim	8	8	5
Completion	2	1	5
Country programme	4	2	3
Thematic	2	2	
Corporate-level	1	-	1
Total	**17**	**13**	**14**

12. The bulk of the recommendations reviewed in this report are applicable to project-specific contexts (42 per cent) and are generated by IEs (38 per cent). Almost one third of the recommendations are extended to IFAD country strategies or operations (mostly resulting from CPEs).

Table 3
Evaluation recommendations by type of evaluation and level

	IE	CE	CPE	CLE	Total	
IFAD country/government		17	6		23	8%
IFAD country/cooperating institution/government			1		1	0%
IFAD country	11	12	56		79	29%
Government	5	28	2		35	13%
IFAD corporate		2	1	20	23	8%
Project	88	28			116	42%
Total	**104**	**87**	**66**	**20**	**277**	**100%**
Total (percentage)	38%	31%	24%	7%	100%	

13. In terms of the nature of the recommendations, the PRISMA 2007 report contains more strategic recommendations (53 per cent) and consequently fewer operational ones (39 per cent) (table 4). This contrasts with last year's report, which had more operational recommendations (68 per cent). In part this is explained by fewer IEs and more CEs in comparison with PRISMA 2006. Most of the strategic recommendations identify courses of action planned by IFAD at the country level.

These require formulation of new country strategies and the definition of new targeting modalities, among others. In contrast, operational recommendations apply strictly to project contexts. The present report contains more policy recommendations, generated mainly by the CLE of direct supervision.

Table 4
Distribution of evaluations by level and nature

	Operational	Strategic	Policy	Total	
IFAD country/government	5	18		23	8%
IFAD country/cooperating institution/ government		1		1	0%
IFAD country	2	77		79	29%
Government	11	24		35	13%
IFAD corporate		1	22	23	8%
Project	91	25		116	42%
Total	109	146	22	277	100%
Total (percentage)	**39%**	**53%**	**8%**	**100%**	

III. Implementation status of ACP recommendations

14. In the analyses of follow-up actions, the PRISMA 2007 report uses six implementation status categories:[4]

- **full follow-up** – recommendations fully incorporated into the new course of activities/operations;
- **not yet due** – recommendations that will be fully incorporated in projects/country programmes/COSOPs not officially approved;
- **ongoing** – actions initiated in the direction recommended during the ACP;
- **pending** – recommendations that could not be followed up;
- **partial** – recommendations not fully applied, or applied differently from what was agreed during ACP, but respecting the underlying intent;
- **not applicable** – recommendations that have not been complied with due to changing circumstances in the country development context or for other reasons.

15. A summary of the implementation status of the recommendations is presented in table 5. Annex II presents the implementation status classified by theme.

Table 5
Implementation status of evaluation recommendations

	Full follow-up	Not yet due	Ongoing	Pending	Partial	Not applicable	Total
IFAD country/government	14	8			1		23
	61%	35%			4%		100%
IFAD country	42	25	8		3	1	79
	53%	32%	10%		4%	1%	100%
IFAD country/government/ cooperating institution			1				1
			100%				100%
Government	20	8		4	1	2	35
	57%	23%		11%	3%	6%	100%
IFAD corporate	20		1			2	23
	87%		4%			9%	100%
Project	70	28	9	2	4	3	116
	60%	24%	8%	2%	3%	2%	100%
Total 2007	**166**	**69**	**19**	**6**	**9**	**8**	**277**
Total (percentage)	**60%**	**25%**	**7%**	**2%**	**3%**	**3%**	**100%**

16. A total of 166 recommendations, or about 60 per cent, have been fully incorporated into new operations, strategies and policies. This ratio is much higher in the case of

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[4] This categorization corresponds to that used in last year's PRISMA report, with the exception of the "not-yet-due" and "ongoing" categories.

recommendations applicable to the IFAD corporate level and slightly lower in the case of recommendations extended to IFAD at the country level. This is owing to the high number of recommendations that are not yet due and await formulation of new COSOPs. Fifty-seven per cent of the recommendations extended to governmental authorities have had full follow-up.

17. Some 25 per cent of the recommendations are in the "not-yet-due" category. This reflects the fact that a large proportion of recommendations derive from completion and country-level evaluations, which need to be followed by new COSOPs or new projects.[5] For example, for Mexico and Rwanda, ACP actions will be realized with approval of the new COSOPs. For Ghana, Mexico, Rwanda and the Bolivarian Republic of Venezuela, the projects in preparation will incorporate the evaluation recommendations.[6]

18. Implementation is in progress for a small proportion of ACP actions (7 per cent). These consist mainly of strategic recommendations associated with policy dialogue and donor coordination initiatives. For 2 per cent of the ACP actions (six), implementation is "pending'". In Ghana and Uganda, government authorities are expected to provide follow-up to recommendations on M&E and management of project funds. In Guinea, due to civil unrest, negotiations with governmental authorities for takeover of infrastructure maintenance have been suspended.

19. For nine recommendations, or 3 per cent, compliance has been categorized as "partial". In Ghana, the recommended partnership with NGOs to develop farmers' literacy groups could not be applied in the Northern Ghana Rural Growth Programme (NGRGP). However, these groups will be taken into consideration within the context of community-driven initiatives.

20. In Mozambique, the decentralization arrangements envisaged at ACP were partially realized: implementation, monitoring and some management responsibilities were decentralized at the provincial or district level, while coordination of IFAD programmes remained at the national level. Moreover, the Fund did not finance new area-based multisector projects.

21. The remaining 3 per cent of the recommendations have been classified as "not applicable". In Ghana, the "option" of requesting an audit of contract awarding was not considered feasible. In Mozambique, the case for an early inception review was not accepted. This evaluation concern has been addressed by the new IFAD Policy on Supervision and Implementation Support.[7]

IV. Thematic review of ACP actions

22. This section looks at the thematic classification of evaluation recommendations. On the basis of the contents of the recommendations, four thematic blocks have been identified. The first includes all ACP actions dealing with targeting, participation of beneficiaries, community organizations and gender. The second comprises recommendations in technical areas such as infrastructure development, rural finance and market development. The third block includes recommendations addressing the administration, design and supervision of project activities, human resources management and field presence arrangements. The fourth block covers cross-cutting themes such as the design of exit strategies and innovation. The remaining recommendations refer to specific implementation advice or to general strategic directions at the country or project level and are not reviewed in this section.

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[5] The instruments used to respond to evaluation recommendations are shown in annex I.

[6] The "not-yet-due" status also applies to a recommendation on field presence arrangements in Bangladesh, which cannot be addressed until the Field Presence Pilot Programme is reviewed by the Executive Board.

[7] EB 2006/89/R.4/Rev.1.

23. Targeting is the most recurring theme among recommendations of a strategic nature, which are mainly generated by CEs and CPEs. In the block of substantive technical issues, rural finance and infrastructure development recur most often (table 6). Capacity-building of beneficiaries, grass-roots organizations and public institutions is another important technical area.

24. Monitoring and evaluation is the most recurring theme in the project management block. M&E recommendations advocate a proactive IFAD role in providing technical assistance in results monitoring. Recommendations also look at the changing approach to M&E, which should rely on national statistics or be aligned with the monitoring systems of broader development programmes.

Table 6
Evaluation recommendations by theme and nature

Block	Theme	Nature			Total	Percentage	Cases[a]
		Operational	Policy	Strategic			
Targeting and gender	Targeting			15	15	5.4	8
	Gender	2		4	6	2.2	5
	Participation	1		2	3	1.1	2
	Organizations	2		5	7	2.5	3
Technical areas	Natural resource management			1	1	0.4	1
	Market development	4			4	1.4	2
	Enterprise development			2	2	0.7	2
	Rural finance	11		11	22	7.9	8
	Rural infrastructure	18		6	24	8.7	6
	Training and capacity-building	7		12	19	6.9	7
	Policy dialogue			4	4	1.4	3
	Partnership	4		8	12	4.3	8
Project management	Decentralization			5	5	1.8	3
	Project design	2		12	14	5.1	5
	Project management and administration	8		6	14	5.1	8
	Field presence			3	3	1.1	3
	Monitoring and evaluation	13	1	8	22	7.9	10
	Human resources	5		4	9	3.2	7
	Learning and information/ knowledge-sharing	4	4	8	16	5.8	9
	Supervision		17	1	18	6.5	3
Cross-cutting themes	Exit strategy	3		2	5	1.8	2
	Innovation and replication	1		3	4	1.4	3
Other	Implementation advice	19			19	6.9	8
	Strategy	5		24	29	10.5	9
Total		**109**	**22**	**146**	**277**	100.0	**14**

[a] Number of evaluation exercises in which each theme is included.

A. Targeting and gender
Targeting

25. ACPs reviewed in this report generated 15 recommendations dealing with targeting across eight evaluation reports. Most recommendations regard two categories: lack of explicit identification of the target group and inability to reach the poorest and most vulnerable groups. The need for clearer specification of project target groups was emphasized in the evaluations undertaken in India, Mexico, Morocco, Rwanda, Uganda and the Bolivarian Republic of Venezuela.

26. In most of these contexts, full follow-up will be provided after finalization of the new projects (Ghana and the Bolivarian Republic of Venezuela) or COSOPs (Mexico and Rwanda). In the Bolivarian Republic of Venezuela, new IFAD projects will concentrate on indigenous populations. This new targeting objective will require the allocation of additional resources for project implementation. In line with CPE findings, IFAD operations in Mexico will also target indigenous populations. The cases of Mexico and the Bolivarian Republic of Venezuela confirm the commitment of the Fund to apply evaluation findings to the new targeting strategy.

27. In Ghana, in response to evaluation recommendations, the new NGRGP will prioritize interventions in areas characterized by below-average socio-economic conditions.[8] In Uganda, IFAD is financing a follow-up programme in the same areas targeted during the District Development Support Programme in order to guarantee the continuation of programme benefits. Within targeted areas or communities, IFAD is actively involved in ensuring the participation of poor people in financed activities. This requires strengthening the capacities of implementing agencies and project staff regarding instruments and approaches that match the needs of the target group.

28. Further, the objective of enhancing the participation of specific social categories should be formalized in workplans and monitoring instruments. Youth activities, such as leadership training programmes, have been planned in the Bolivarian Republic of Venezuela. In Uganda, IFAD will re-examine the objectives of agricultural development activities in order to ensure their relevance to the needs of the target group.

29. Realizing that the frequent difficulties in targeting were partly related to the lack of clearly stated targeting policy, Management developed the IFAD Policy on Targeting, which was approved by the Executive Board in September 2006.[9] This policy provides a clear definition of IFAD's target group, outlines guiding principles for reaching it and provides an overview of how targeting will be addressed in the context of IFAD's operational instruments.[10]

Gender

30. Gender equality and women's empowerment are important themes in six ACP recommendations. In Mexico and Rwanda, recommendations focus on the formulation of strategies to improve the impact of country programmes on women's empowerment. In Mexico, IFAD has established close cooperation with the National Institute for Women to enhance the gender focus of project activities. In Rwanda, gender-sensitive M&E activities will help identify the factors preventing women from accessing development benefits.

31. In China, Guinea and the Bolivarian Republic of Venezuela, gender recommendations have been made in the project context. In response to these recommendations, in China training methods have been reviewed for better compliance with women's knowledge needs. A gender manual was prepared to support gender sensitivity in project design and implementation.[11] At the country level, IFAD is supporting the Women's Federation in order to strengthen its influence on policy and decision-making.

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[8] IFAD has developed identification criteria based on socio-economic indicators (literacy rate, incidence of disease), relative poverty, infrastructure assets (condition of roads, access to water and electricity, radio and mobile phone coverage) and social capital endowment (number of organizations, associations, etc.).

[9] EB 2006/88/R.2/Rev.1.

[10] "IFAD's mandate defines its 'target group' as rural people living in poverty and food insecurity in developing countries. Within this broad group, IFAD strives to proactively reach the extremely poor people (as defined by [Millennium Development Goal] 1), who have the potential to take advantage of improved access to assets and opportunities for agricultural production and rural income-generating activities."

[11] These initiatives were financed with supplementary grant funds from Japan (Gender Assessment Study and Awareness Building in IFAD-Supported Projects in China).

32. In Guinea, the evaluation of the Fouta Djallon Local Development and Agricultural Rehabilitation Programme recommended strengthening the capacities of project staff to enhance gender sensitivity. Various training sessions have been held, with emphasis on the application of M&E principles for gender mainstreaming. The examples of Rwanda and the Bolivarian Republic of Venezuela show the importance of M&E as a tool for informing project staff of the extent to which planned activities have targeted women – detecting the causes of unequal benefits to women and identifying successful practices for their empowerment.[12]

Participation

33. Three OE recommendations focus on participation. The forthcoming COSOP and future IFAD projects in Rwanda will define the strategy for promoting participation and adopting rural facilitation methods at the level of decentralized administrative bodies. In Guinea, after a long testing phase and slow start, participatory diagnostic methodologies and techniques contributed to enhancing ownership of the development process by village people, especially women and youth.

Organizations

34. Seven recommendations focus on IFAD's strategies for, among others, community organizations, interest groups and associations. In Mexico, all ongoing IFAD projects include a component to strengthen internal organization and group capacities. Approaches to group formation and strengthening are adapted to the beneficiaries involved. The new IFAD project in Mexico will build on the principle of transferring project implementation and resource administration functions to organizations and communities within the target population. In the Bolivarian Republic of Venezuela, IFAD initiatives for community organizations aim to strengthen their participation in the decision-making process and their adaptability to the changing regulatory and political/institutional context. In Uganda, recognizing the importance of ensuring the continuation and effectiveness of the role played by community groups, and in full compliance with evaluation recommendations, the new District Livelihoods Support Programme has incorporated the provision of allowances for community volunteers.

B. Technical areas

Market and enterprise development

35. There are four recommendations on market development and two on enterprise and the private sector. These focus on the general objective of improving market opportunities for smallholders while ensuring transparent and equitable transaction terms. The linkage of farmers' access to markets to development of the private agribusiness sector emerges as a key IFAD challenge. The new Bangladesh COSOP regards agribusiness as the link between rural poor people and urban and export markets. However, in order to reach IFAD strategic objectives, support to agribusiness development must be combined with initiatives to enhance the participation of smallholders in commercial agribusiness value chains. In Bangladesh, the market linkage components of the Market Infrastructure Development Project in Charland Regions and the Microfinance for Marginal and Small Farmers Project are based on these premises.

36. In Ghana, the NGRGP aims to strengthen integration and coordination among value chain stakeholders by enhancing overall value addition and ensuring conformity with urban market demand. The value chain approach incorporates the concept of power, which for agricultural commodities is concentrated at the level of market intermediaries and processing enterprises. Starting with the recognition of the power relationship in the value chain, project initiatives will support farmers

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[12] In the Bolivarian Republic of Venezuela, the review of the experience of the Economic Development of Poor Rural Communities Project (PRODECOP) in promoting women's participation was conducted with the support of the Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL).

through better access to market information and infrastructure and enhanced production capacity. In particular, the NGRGP will promote both innovative instruments for sharing market information[13] and contract farming for enhancing transparency and improving market coordination.

Rural finance

37. Building on the overall successful experiences of IFAD-assisted projects, evaluation recommendations indicate further challenges for IFAD with respect to three major issues: (a) strengthening the capabilities of borrowers in order to minimize the percentage of portfolios at risk and enhance the financial viability of MFIs; (b) assisting MFIs and banks in designing financial products suitable to the needs of rural poor people; and (c) strengthening the operational effectiveness of MFIs and participating formal banks.

38. IFAD-assisted projects have tried to respond to these challenges in a number of ways. In China, the Southwest Anhui Integrated Agricultural Development Project was characterized by remarkable success in terms of loan disbursement, but with a high 15-per-cent loan default rate. Thus rural financial services have been integrated into a programme to enhance the technical and business capacities of loan recipients.

39. The second set of recommendations refers to the design of financial services that are suitable to the needs and characteristics of rural poor people. The Bangladesh Microfinance for Marginal and Small Farmers Project is promoting innovative loan products based on customized repayment and seasonal loans, among others. In Uganda, IFAD is supporting dialogue to identify appropriate instruments for catering to demand from poor households.

40. The third set of recommendations focuses on the need to improve the operational sustainability, effectiveness and outreach of MFIs. Based on lessons learned in previous IFAD projects and the findings of the IEs, the NGRGP in Ghana includes institutional strengthening and financial support to rural and community banks willing to expand their outreach to remote areas. In Rwanda, in-depth studies are identifying the best instruments for supporting microfinance institutions. An in-depth study will also be undertaken in Uganda to identify the future strategy of the Bunyoro Toro Development Company, including its registration as a legal entity. Similarly, given the positive experience of the Economic Development of Poor Rural Communities Project in the Bolivarian Republic of Venezuela, IFAD is supporting a process of institution-building aimed at improving coordination and interaction among credit unions. In Mexico, IFAD contributed to establishing fruitful partnership arrangements between the National Commission for the Development of Indigenous Peoples and the regional funds for replicating the model in other contexts.

Rural infrastructure

41. A separate category has been created this year to take into account the high number of recommendations dealing with infrastructure development (24 recommendations in six evaluations). These recommendations concern three main topics: (a) identification of infrastructure development initiatives that have a broad and sustainable impact on rural populations and enterprises; (b) the need to ensure a transparent process of procurement and contracting that favours the employment of poor people; and (c) a strategy for effective supervision and management that would guarantee sustainability. Regarding the first topic, the evaluation recommendations have been reflected in IFAD-assisted projects. For example, in Guinea, IFAD infrastructure investments focus on facilities for agricultural production and processing. In Bangladesh, IFAD has signed a

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[13] For example, as mentioned in the IFAD Strategic Framework 2007-2010, mobile telephony can be an important instrument in reducing transaction costs and information asymmetries.

cofinancing agreement with the Netherlands to finance infrastructure development in poor rural areas. In Ghana, the NGRGP links infrastructure development to the broader objective of value chain development and improved access to markets.[14]

42. Regarding the contracting and procurement of construction/rehabilitation works, the NGRGP will reinforce the Public Procurement Act, which ensures conformity with government guidelines. Water users' associations and other community organizations will be involved in procurement and supervision. In the Sunamganj Community-Based Resource Management Project in Bangladesh, community organizations are responsible for implementing construction and rehabilitation works. Also in Bangladesh, the Market Infrastructure Development Project in Charland Regions works in partnership with the Labour Contracting Society to ensure employment of poor people during construction.

43. Finally, a significant number of recommendations deal with the long-term sustainability of infrastructure. In Ghana, during the identification of infrastructure investments, IFAD will specify post-project management responsibility for the infrastructure created in order to enhance preparedness for maintenance after project closing. In Guinea, the ongoing IFAD-financed Village Communities Support Project (VCSP) serves as a platform for dialogue with local governments to specify responsibility for maintenance of infrastructures built under the Fouta Djallon programme. In addition, efforts have been made to disseminate technical information on infrastructure maintenance. In Morocco, recommendations dealing with the sustainability of IFAD-financed investments have been extended to local or national government authorities. IFAD Management responded positively to these recommendations, although the instruments available to implement them are limited.

Training and capacity-building

44. A total of 19 recommendations concern training and capacity-building. They highlight the importance of improved technical and managerial capabilities of staff members in enhancing the quality and impact of IFAD operations. In China and Uganda, staff of project and implementing units were trained in participatory approaches to targeting poor people and to planning at the village level. In Mozambique, all ongoing projects include a capacity-building and institutional strengthening component for decentralized authorities in remote areas. In the Bolivarian Republic of Venezuela, IFAD provided support for strengthening the responsiveness of local government to demand from grass-roots and community organizations. In Guinea, IFAD mobilized available resources through the Management-Capacity-Strengthening Programme for IFAD-Funded Projects in Western and Central Africa.

45. In Rwanda, the forthcoming IFAD investment aims to improve the capabilities of farmer associations in planning and management. This will be done through innovative training methods such as learning by doing, exchange of experiences with peers and field visits. In Guinea, the regional programme for capacity-building will be involved in financing the technical training of women and young people. Recommendations have also been made for improving the effectiveness of agricultural extension. The new IFAD project in China fully responds to this recommendation: innovative instruments have been identified that are based on market mechanisms and participatory methods (see box).

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[14] For example, activities relating to feeder roads will be limited to repairing specific sections of roads in areas where supply chains will be developed, and to identifying improvements – such as construction of small culverts and crossings and drainage – of sections of road that remain waterlogged after the rainy season, causing major transportation problems.

Strengthening the effectiveness of extension services
The Southwest Anhui Integrated Agricultural Development Project in China improved the range of assistance offered to farmers by extension services. The CE recommended further improvements in the modality of service delivery and in the resources required to meet the new challenges posed by the market economy. The new Xinjiang Uyqur Autonomous Region Modular Rural Development Programme includes two innovative approaches to enhancing the effectiveness of extension services: participatory extension and the "technical envoy system". Participatory extension is based on the training of extension officers in participatory processes, participatory identification and prioritization of needs and community-based planning and evaluation. The technical envoy system operates in areas with a high incidence of poverty to ensure that the needs of poor households are addressed. The assigning of technical envoys is based on market mechanisms that include: (a) mutual selection between the envoy and the farmer/enterprise through face-to-face interaction and common interest; (b) involvement of the envoy on a benefit/risk-sharing basis; (c) government promotion through the provision of start-up funds; and (d) elimination of administrative boundaries for envoy service delivery.

Policy dialogue[15]

46. A total of four recommendations deal with policy dialogue. These were generated by the evaluations undertaken for Mexico, Rwanda and Uganda. In Mexico and Rwanda, COSOPs are gradually emerging as platforms for policy dialogue. Participation in development forums – such as the Development Partners Consultative Group in Rwanda – also offers such opportunities. Policy dialogue was identified in the Uganda CE as an instrument for ensuring follow-up on agreed measures and actions. IFAD's enhanced involvement in the country context and in policy forums will ensure that recommendations extended to local and national governments are fully implemented.

Partnerships

47. A total of 12 recommendations deal with IFAD partnership arrangements. For Bangladesh, Mexico, Morocco and Rwanda, evaluation recommendations apply to IFAD partnership at the country level and they identify a need for IFAD to establish strategic partnerships with the private sector, NGOs, donors, etc. In response to these recommendations, the new Bangladesh COSOP focuses on strategic partnerships with private enterprises to provide market opportunities to micro and small producers. IFAD initiatives support corporate investments undertaken in partnership with producers' associations, as well as with organizations such as business development centres in order to enhance their linkages with IFAD's target group. IFAD operations in Bangladesh are mainstreaming the issue of transparency in the selection of NGOs. In Mexico, the COSOP development process is considered an opportunity to enhance collaboration with NGOs and financing partners (such as the World Bank and the Inter-American Development Bank).

48. With respect to the recommendations on the potential for partnership-building at the project level, the forthcoming project in the Bolivarian Republic of Venezuela will provide IFAD with an opportunity to set up collaboration with research centres specializing in issues of indigenous peoples. In Ghana, partnership arrangements with NGOs concerning the standardization of the writing system will be applied in other ongoing projects. Evaluation recommendations on partnership have also been made to project implementing agencies. In Morocco, the CE recommended that the regional offices for agricultural development strengthen their partnership with associations, the private sector and donors. For the regional offices, project experience was an important opportunity to enhance their capacity to engage in partnership arrangements.

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[15] The PRISMA 2007 report distinguishes between recommendations aimed at enhancing IFAD involvement in policy dialogue processes and those dealing with partnership.

C. Project management

Decentralization

49. The five strategic recommendations listed under decentralization apply to the contexts of Guinea, Mozambique and Uganda. In Guinea (see box), the *gestion de territoires* approach was aligned with the government decentralization process, which is supported by the ongoing VCSP.

Decentralization in Guinea
The Fouta Djallon Local Development and Agricultural Rehabilitation Programme adopted the *gestion de territoires* approach within the country's decentralized administrative context. This approach identified agroecological areas as a basis for activity planning and implementation. The IE envisaged the opportunity to align the *gestion de territoires* approach with the administrative boundaries. To achieve this objective, it suggested exploring opportunities for cooperation between the programme and the VCSP, which uses the decentralized administrative units. During ACP negotiations, the partners agreed that, for future programmes, attention should focus on the relevance of the approach in the context of decentralization. In response to this recommendation, the second phase of the programme is currently being designed (and other future IFAD projects will be designed) to align with the Government's decentralized administrative units. This process will facilitate the flow of resources from central to local government, improve planning and foster synergies with ongoing development programmes.

50. In Mozambique, the CE of the Niassa Agricultural Development Project suggested that the implementation responsibility of forthcoming IFAD projects be assigned to provincial governments in the context of multisector, area-based programmes. IFAD could not follow up on this recommendation, as the area-based approach is no longer adopted in Mozambique. Nevertheless, IFAD is actively involved in promoting the advancement of provincial and district administrations in the framework of the decentralization process.

51. In Uganda, it was recommended that the Government consider additional measures to decentralize budgetary authority at subnational and parish levels and to assist local governments in mobilizing alternative financing resources. In compliance with these recommendations, a system of local development grants has been designed, and the Ministry of Local Government is expected to submit a financing proposal to the national Parliament.

Project design

52. Fourteen recommendations deal with project design: 12 refer to IFAD at the country level and two are operational recommendations referring to Moroccan governmental organizations. All the recommendations on design issues that refer to IFAD are strategic in nature. They relate to aspects such as enhanced flexibility of design, better coordination of project activities and enhanced linkage with country development programmes.

53. In the Ghana evaluations, the need for better sequencing and complementarity of project components was highlighted. In response to this recommendation, the components of the Northern Ghana Rural Growth Programme have been integrated using the value chain development model as an overarching theme.

54. The Rwanda evaluation recommended that IFAD adopt an approach that would enable IFAD projects to serve as pillars of wider development programmes. To ensure coordination and alignment with country development programmes, the Support Project for the Strategic Plan for the Transformation of Agriculture (PSTA) sustains the government plan for agricultural development. The issue of alignment

with country strategies will be incorporated into the new COSOP. IFAD operations in Rwanda also seek to maximize synergies among projects.[16]

55. At the IFAD corporate level, a new quality enhancement process is being developed to improve the design of IFAD projects. The process is based on identification of key success factors and application of a new template for the screening of project design issues. An added feature is the active involvement of external experts in design reviews. Preliminary testing of the new approach was positive and the approach is being fine tuned.

Project management and administration

56. Some 14 recommendations have been made under this thematic block, 11 of which have been fully implemented. In response to evaluation findings, the new District Livelihoods Support Programme in Uganda has been designed to not require supplementary application to the district chief if expenditure deviation from the annual workplan and budget (AWP/B) is less than 10 per cent. In India, a more flexible interpretation of the "cost per beneficiary" indicator is applied in order to include infrastructure projects in smaller communities. Evaluation recommendations also focus on the need to ensure a rapid approval process and minimization of delays in the flow of funds. In China, a standard AWP/B format has been introduced to accelerate the process of approval and financing. In India, new arrangements with implementation partners should avoid delays. In Rwanda, IFAD is promoting harmonization of administrative and financial procedures with the Government and the cooperating institution.

Field presence

57. Three recommendations refer to IFAD's field presence. In Bangladesh, an improved field presence arrangement is recommended. This cannot be implemented at present since the decision is related to review by the Executive Board of the Field Presence Pilot Programme. The other recommendations apply to Mexico and Rwanda, where there are no field presence arrangements. In Mexico, various COSOP missions have explored the advisability of maintaining an active presence in the country. In Rwanda, a proxy liaison office is being established in cooperation with the office of the Food and Agriculture Organization of the United Nations.

Monitoring and evaluation

58. This is clearly a weak area, as reported in both the Portfolio Performance and ARRI reports. Most of the M&E recommendations reviewed in the present report are of an operational nature and imply an enhanced IFAD role in assisting projects in setting up M&E systems. Strategic recommendations refer to the definition of M&E responsibilities, handling of M&E data, etc. IFAD's responses to these recommendations have been grouped under four headings.

59. First, as a corporate-level response following Executive Board approval of the new results-based COSOP, detailed guidelines were issued for developing results-based frameworks under all new COSOPs.[17] The framework would specify country-level strategic objectives and the indicators and information sources used to assess progress towards the stated objectives. These should provide the basis for strengthening project-level M&E systems and increase the demand for and use of national statistics. Incentives for improving the M&E system are also generated by the IFAD portfolio review process. This process increasingly relies on analysis of project completion reports, which in turn should be based on M&E data. IFAD is also reviewing the Results and Impact Management System (RIMS) and a practical handbook is in preparation.

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[16] The Support Project for the Strategic Plan for the Transformation of Agriculture (PSTA) provides implementation support to the activities performed by the Umutara Community Resource and Infrastructure Development Project.

[17] EB 2006/88/R.4.

60. Second, in compliance with the Paris Declaration on Aid Effectiveness, IFAD is promoting the alignment of project M&E systems with broader country- or sector-level results frameworks. In line with this approach, the M&E system of the NGRGP in Ghana will be adapted to the national M&E system and the sector-wide approach. In Rwanda, M&E systems of IFAD projects are already aligned with the monitoring framework of the national poverty reduction strategy process.

61. Third, in response to evaluation recommendations, new IFAD projects would include measurement of the mandatory RIMS indicators of household assets and child malnutrition as part of M&E. In Mexico, a baseline survey for a new project will be undertaken in September 2007, with an inception mission also planned for this year. In the Bolivarian Republic of Venezuela, a socio-economic assessment will be conducted of the indigenous communities involved in the new Support Project for the Warao Ethnic Group in the State of Delta Amacuro. In China, the new baseline survey will adopt the RIMS survey methodology, which will in turn support the "simplification approach" recommended by the evaluation.

62. Fourth, evaluations advocate a proactive IFAD role in providing technical assistance for strengthening the capacities of project staff and implementing agencies to handle M&E data and use information for decision-making. In response, capacity-building initiatives have been undertaken in the Bolivarian Republic of Venezuela with the support of the Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL). In Mexico, a consultant will assist IFAD projects in establishing workable methods for information collection, data analysis, reporting, information-sharing, etc. In Uganda, a review of the country M&E experience will be undertaken. This study will be used to assess the advisability of contracting out routine M&E functions (data collection, analysis, reporting), so that project management will be able to concentrate exclusively on the use of M&E data.

Human resources

63. The PRISMA report contains nine recommendations associated with human resources management. Positive feedback has been received on the compliance status of recommendations on the recruitment of project staff in China and Guinea. The response to the problem of staff attrition is less satisfactory, although a response is necessary to enhance the continuity of management and technical teams. In Mozambique and the Bolivarian Republic of Venezuela, positive achievements have been made so far, but they do not guarantee staff continuity. In India, staff attrition is continuing. Overall, IFAD's influence in enhancing staff continuity is inevitably limited. A proactive approach could be adopted by offering project staff a stimulating work environment and a transparent system of incentives, among other actions. This can be part of an improved approach to human resources management, which, as in the case of Rwanda, includes regular performance monitoring and proper use of incentives.

Learning and information/knowledge-sharing

64. Sixteen recommendations are included in this group. While they are heterogeneous in both level and nature, they can be roughly grouped into three overlapping sets. The first group refers to information-sharing initiatives within the project. In China, the sharing of experience among successful farmers and poorer households is recommended to promote dissemination of new technologies. In response to this recommendation, the new IFAD-financed Xinjiang Uyqur Autonomous Region Modular Rural Development Programme promotes participatory extension methods that rely on horizontal information-sharing.

65. The second set of recommendations looks at information-sharing in country contexts in order to disseminate the experience and achievements of IFAD operations. In Bangladesh, a newsletter is issued every six months to communicate implementation features and the results of ongoing projects. In China, visits to

successful projects in Anhui, Guangxi, Hubei and Shaanxi Provinces have been used as a means of information dissemination. In Mexico and the Bolivarian Republic of Venezuela, experience with regional funds and credit unions has been disseminated to other regions. In Morocco, IFAD has supported the dissemination of project experience through technical publications, participation in high-level policy forums and inclusion of the project in IFAD's Livestock and Rangeland Knowledgebase.

66. The third group includes recommendations related to knowledge management within the framework of the new IFAD Policy on Supervision and Implementation Support. The IFAD Strategy for Knowledge Management, approved in April 2007, fully responds to the evaluation recommendations. In particular, the strategy envisages an enhancement of IFAD's Human Resources Policy in order to provide incentives for knowledge-sharing. It also recognizes the need to identify instruments for sharing the knowledge acquired through supervision and implementation support at country and corporate levels. Accordingly, an upgrade of the information technology platforms is planned (such as the Rural Poverty Portal).

Supervision

67. Eighteen recommendations deal with IFAD supervision – most of a policy nature. All recommendations have been followed up fully, with the exception of two that originated in the Mozambique CE. The implementation of an early inception review for assessing the validity of design assumptions and introducing design modifications was regarded as no longer applicable. The rationale behind this recommendation is, however, fully reflected in the new supervision policy.

68. This policy recognizes that supervision and implementation support are two mutually supportive and operationally linked functions. Supervision is defined by the Agreement Establishing IFAD as the "administration of loans, for the purposes of the disbursement of the proceeds of the loan and the supervision of the implementation of the project or programme concerned". In compliance with evaluation recommendations, the policy confirms that implementation support functions remain IFAD's responsibility. This requires IFAD's increased involvement in implementation issues, continuous use and strengthening of local capacities, design adjustment when needed, emphasis on learning and innovation, quality assurance, and promotion of country-level partnership and policy dialogue.

D. Cross-cutting themes

Exit strategy

69. The issue of post-project sustainability features in several recommendations associated with technical themes such as capacity-building and infrastructure. In contrast, those that concern exit strategies refer to the general process of ensuring long-term sustainability of the entire project structure, which specifies post-project management responsibility at multiple levels (grass-roots organizations, governmental authorities, beneficiaries, etc.). The PRISMA 2007 report includes five recommendations on exit strategy that apply to India and Rwanda. In India, the discussion of IFAD's exit strategy began in 2006. IFAD acted as peer reviewer of the design of a new World Bank project, which scales up the North Eastern Region Community Resource Management Project for Upland Areas to ensure the continuation of benefits to villages and groups. In Rwanda, the evaluation recommendation has been partially accomplished. In the IFAD-supported Smallholder Cash and Export Crops Development Project, the planned capacity-building initiatives have been suspended, which has hindered implementation of the exit strategy agreed in the ACP.

Innovation and replication

70. According to the ARRI report, 77 per cent of the projects reviewed in 2005 were rated as substantially innovative. This confirms the Funds' commitment to seek innovative solutions to rural growth and poverty reduction. Management responses to the recommendations on innovation are commingled with those concerning

knowledge-sharing. Thus, although only a marginal number (four) of recommendations deal with innovation, the overall coverage in this PRISMA report is much higher.

71. Evaluation recommendations related to innovation apply to three contexts – China, Mexico and the Bolivarian Republic of Venezuela. In China and Mexico, the recommendations focus on the role of project partners in disseminating project experience. In response to evaluation recommendations, IFAD has encouraged the participation of partners and stakeholders in workshops and knowledge-sharing events. In China, IFAD succeeded in replicating village development plans and village implementation groups in new IFAD programmes. In Mexico, a model developed with IFAD's assistance was replicated by the National Commission for the Development of Indigenous Peoples in other indigenous communities. The Venezuela evaluation of the Economic Development of Poor Rural Communities Project in the Bolivarian Republic of Venezuela regarded the project's rural credit union model as one of the most successful microfinance experiences in Latin America. In response to evaluation recommendations, IFAD contributed to developing a database of rural credit unions as a knowledge base for organizations or agencies desiring more information in order to replicate the model.[18]

V. Conclusions and recommendations

72. Follow-up to the recommendations made by independent evaluations presents a generally satisfactory picture. Altogether, 60 per cent of the recommendations agreed at completion point have already been fully complied with. An additional 25 per cent of the recommendations will be implemented in due course, as new COSOPs or projects are developed. A small proportion of evaluation recommendations agreed at ACP were found to be inapplicable due to changes in the operating environment.

73. Overall, evaluations have contributed significantly to helping IFAD Management adapt its operations, policies and strategies to changing circumstances and the priorities of partner countries. This contribution applies particularly to targeting, market and enterprise development and institutional strengthening. Three recent IFAD policies on targeting, supervision and knowledge management made significant use of knowledge generated through the evaluation process.

74. Some challenges remain, however. The PRISMA 2007 report reconfirms the need to address critical themes such as sustainability, innovation and M&E. Future evaluations must focus more on these themes.

75. In terms of improving on previous PRISMA reports, in the past[19] IFAD Management suggested focusing on fewer recommendations and more on strategic ones. The 2005 group of evaluations shows significant progress in this respect. Between PRISMA 2006 and 2007, strategic recommendations have increased from 31 per cent to 53 per cent. Similarly, the average number of recommendations has decreased from 29 to 19 during the same period. These improvements need to be sustained in the future, in particular reducing the number of recommendations, mainly by establishing underlying root causes of the symptoms of the problems identified. Such an approach would help Management take timely, responsive corrective action.

76. As described in last year's PRISMA report, recommendations are now increasingly being addressed to national and subnational governments and other national partners. For example, 13 per cent of the evaluation recommendations were directly addressed to governments and another 8 per cent jointly to IFAD and governments. More strategic and country-level evaluations and increased

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[18] The database was set up at the Foundation for Training and Applied Research in Agrarian Reform (CIARA), which was one of the main project partners.
[19] EB 2006/88/R.9 and EB 2005/85/R.10.

importance placed on country ownership and alignment of donor instruments with national processes will intensify this process. This not only lengthens the "follow-up chain", but also reduces IFAD's influence on compliance. On the other hand, IFAD's increased involvement in supervising its projects and its presence in the field enable more timely and rigorous follow-up. These factors will undoubtedly have an impact on the nature of future PRISMA reports.

Sources of responses to ACP recommendations

Country/Project/programme evaluated	Response		
	Project level	Country level	Corporate level
Interim evaluations			
Ghana: Upper-East Region Land Conservation and Smallholder Rehabilitation Project – Phase II	• NGRGP in pipeline		
Ghana: Upper-West Agricultural Development Project			
Guinea: Fouta Djallon Local Development and Agricultural Rehabilitation Programme (PRAADEL)	• Extension of PRAADEL • Second phase of VCSP in pipeline		
India: North Eastern Region Community Resource Management Project for Upland Areas (NERCRMP)	• Extension of NERCRMP		
Venezuela (Bolivarian Republic of): Economic Development of Poor Rural Communities Project (PRODECOP)	• Extension of PRODECOP • Support Project for the Warao Ethnic Group in the State of Delta Amacuro in pipeline	• COSOP approved in September 2006	
Completion evaluations			
China: Southwest Anhui Integrated Agricultural Development Project	• Xinjiang Uyqur Autonomous Region Modular Rural Development Programme approved in December 2006 • Inner Mongolia Autonomous Region Rural Advancement Programme in pipeline		
Mexico: Rural Development Project of the Mayan Communities in the Yucatán Peninsula	• Sustainable Development Project for Rural and Indigenous Communities of the Semi-Arid North-West approved in September 2005		
Morocco: Tafilalet and Dades Rural Development Project	*No financial resources allocated to follow-up at project level*		
Mozambique: Niassa Agricultural Development Project	• New programme under design		
Uganda: District Development Support Programme	• District Livelihoods Support Programme approved in December 2006		
Country programme evaluations		•	
Bangladesh	• Market Infrastructure Development Project in Charland Regions approved in December 2005 • National Agricultural Technology Project in pipeline	• COSOP approved in April 2006	
Mexico	• New project at inception stage	• COSOP under preparation	
Rwanda	• Support Project for the Strategic Plan for the Transformation of Agriculture (PSTA) approved in September 2005	• COSOP under preparation	
Corporate-level evaluation			
Direct Supervision Pilot Programme			• IFAD Policy on Supervision and Implementation Support approved in December 2006
Cross-cutting			• IFAD Targeting Policy approved in September 2005 • IFAD Strategy for Knowledge Management approved in April 2007

Implementation status of evaluation recommendations by theme
(Percentage)

Theme	Full	Not yet due	Partial	Ongoing	Pending	Not applicable	Total
Targeting	27	60	7	7			100
Gender	83			17			100
Participation	33	67					100
Organizations	71	29					100
Natural resource management	100						100
Market development		100					100
Enterprise development	100						100
Rural finance	68	14		5	5	9	100
Rural infrastructure	50	38			4	8	100
Training and capacity-building	68	32					100
Policy dialogue	25	25		50			100
Partnership	67	17	17				100
Decentralization	60		40				100
Project design	43	50		7			100
Project management and administration	79	7		7	7		100
Field presence	33	33		33			100
Monitoring and evaluation	68	14		14	5		100
Human resources	33	33	11			22	100
Learning and information/knowledge-sharing	94	6					100
Supervision	89					11	100
Exit strategy	40		20	40			100
Innovation and replication			100				100
Implementation advice	37	37		16	11		100
Strategy	55	28	7	10			100
Total	**60**	**25**	**3**	**7**	**2**	**3**	**100**

Office of Evaluation comments on the PRISMA 2007 report

General observations

1. This is the fourth PRISMA submitted to the Evaluation Committee and Executive Board for their consideration. As specified in the IFAD Evaluation Policy, the Office of Evaluation (OE) is required to provide its comments on the President's report on the follow-up to evaluation recommendations.[1]

2. Overall, the report is well prepared, providing a useful overview of implementation of the recommendations contained in 14 evaluation reports. It broadly follows the structure of the report presented to the Committee and Board in 2006. The 2007 report makes use of six "implementation status" categories,[2] which facilitates analysis of the follow-up actions taken on evaluation recommendations.

3. The internal process for preparing the report was given more lead time this year. That is, the process was started as early as January 2007, as compared with April-May in past years. This provided Management additional time to determine more accurately the status of implementation of evaluation recommendations. As a key step early in the process, the Programme Management Department (PMD) requested that OE provide feedback on the way in which recommendations contained in the ACPs were classified (i.e. by operational, strategic or policy type). Following this step, the Office of the Assistant President PMD, which is responsible for preparing the PRISMA report, began the process of requesting inputs and feedback from PMD regional divisions and others on the status of implementation of evaluation recommendations.

4. The PRISMA 2007 report entailed reviewing 277 recommendations (as compared with 377 in PRISMA 2006), including a higher proportion of strategic recommendations (53 per cent as compared with 31 per cent in 2006). This is a reflection of OE's efforts to avoid generating numerous, and sometimes fragmented, recommendations in each evaluation. Moreover, it reflects the reduction in the number of interim evaluations, which often contribute to generating more operational recommendations to enhance the project's effectiveness.

5. In the 14 evaluation reports covered by the report, OE has made more recommendations to be implemented by partner governments (35 in PRISMA 2007, as compared with 28 in 2006). This is consistent with the fact that partner governments, which are responsible for project execution, have an important role to play in improving IFAD-funded operations.

6. Table 6 of the report reveals that 10 of the 14 evaluation reports covered include recommendations related to improving project-level M&E. This may be partly because each project is expected to include an M&E system, but it is also because, generally, the functioning of M&E systems is weak – something that is recognized by the PRISMA report itself. The current ARRI report, which is presently being prepared by OE, also identifies weak M&E systems as a recurrent theme that must be addressed on a priority basis.

7. On another point, it might be useful to provide background information on a specific statement contained in paragraph 9 of the PRISMA report.[3] It is important to note that efforts are made to ensure that all IFAD regions are adequately covered in the annual OE work programme. However, there are other factors that also determine the final selection of evaluations, such as the need to undertake all interim evaluations[4] irrespective of the requesting regional division, and the preference

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[1] See paragraph 49 of the Evaluation Policy (EB 2003/78/R.17/Rev.1).
[2] Full follow-up, not yet due, ongoing, pending, partial, not applicable.
[3] "The evaluation exercises reviewed in this report cover all IFAD regional divisions. The Near East and North Africa Division has the lowest representation, with one evaluation…"
[4] Which is required by the IFAD Evaluation Policy.

given to selecting country programme evaluations that will be followed by a new or revised country strategic opportunities programme. Thus, from year to year, the number of evaluations in each regional division will vary accordingly.

Considerations for the future

8. There are some suggestions that OE would like to provide to Management for the further development of the PRISMA report.

9. It may be useful if future editions of the report refer also to the recommendations contained in the ARRI report in reviewing the follow-up actions taken. While Management does provide the Board with a separate response to the ARRI report – and in spite of the fact that the latter is based on individual evaluations covered by the PRISMA report – the ARRI report generates its own recommendations, which normally focus on systemic issues of concern to IFAD's broader development effectiveness. Cross-referencing to the pertinent recommendations of the ARRI report is thus likely to be of interest to the Executive Board.

10. At present, PRISMA reports cover the implementation status of evaluations in a given year. As mentioned previously, they do so by using six implementation status categories. However, especially for categories such as "pending", there is no way for the Board to gain reassurance – in due time – that recommendations falling under these categories were subsequently acted upon. It is suggested that future PRISMA reports also address recommendations from previous years that fell into such categories.

11. The possibility of tracking the implementation of evaluation recommendations by the five regional divisions should be explored. This would necessitate grouping the recommendations covered by a PRISMA report by each regional division as well. OE believes that this form of benchmarking across the regional divisions could be useful in ensuring that even more attention is devoted by the divisions to implementing evaluation recommendations. However, a small sample, especially at the divisional level, would require IFAD Management to combine evaluations undertaken over a period of five or more years in order to derive meaningful conclusions. Such an exercise could be undertaken in 2008 and every five years thereafter.

12. On another topic, as underlined in paragraph 5, the number of recommendations addressed to governments has increased, with two consequences to be addressed: (i) IFAD will have to devote greater effort and time to obtaining the necessary feedback and information from countries for preparation of the PRISMA report; and (ii) ways and means will have to be developed to ensure that evaluation recommendations are more comprehensively implemented by partner countries (at the moment, according to the report, 57 per cent of recommendations extended to governmental authorities have been provided with a full follow-up). For example, for this purpose, IFAD supervision and implementation support missions could systematically follow up with governments and report on the implementation of evaluation recommendations.

13. With regard to M&E (paragraph 6), OE notes that while specific efforts are being made on a case by case basis to address these evaluation recommendations, a more institution-wide effort is required in order to address this area of recurrent weakness in a timely manner. In this regard, it is also crucial for Management to provide a strong signal to all staff of the importance they themselves attribute to the amelioration of M&E functions at the project level.

14. Finally, it may be useful to undertake a trend analysis of the implementation of recommendations in the next PRISMA report (which will be its fifth edition). This will reveal, inter alia, the opportunities in and challenges of addressing the different types of recommendations to different partners.