

Document:	<u>EB 2008/94/R.30</u>
Agenda:	<u>14</u>
Date:	<u>13 August 2008</u>
Distribution:	<u>Public</u>
Original:	<u>English</u>

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Enabling poor rural people
to overcome poverty

Revised structure and content of the Report on IFAD's Development Effectiveness

Executive Board — Ninety-fourth Session
Rome, 10-11 September 2008

For: **Information**

Note to Executive Board Directors

This document is submitted for information to the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

Gary Howe

Director, Strategic Planning and Budget Division
telephone: +39 06 5459 2262
e-mail: g.howe@ifad.org

Queries regarding the dispatch of documentation for this session should be addressed to:

Deirdre McGrenra

Governing Bodies Officer
telephone: +39 06 5459 2374
e-mail: d.mcgrenra@ifad.org

Revised structure and content of the Report on IFAD's Development Effectiveness

I. Introduction

1. The Action Plan for Improving IFAD's Development Effectiveness was approved by the Executive Board in December 2005. In accordance with its provisions, in December 2007 IFAD submitted the Report on IFAD's Development Effectiveness (RIDE)¹ to the ninety-second session of the Executive Board and the fiftieth session of the Evaluation Committee. The Portfolio Performance Report (PPR) 2006/07 and the Annual Report on Results and Impact of IFAD Operations (ARRI) evaluated in 2006, produced by IFAD's independent Office of Evaluation (OE),² were also presented at these same sessions of the Executive Board and the Evaluation Committee, in addition to the RIDE report. While appreciating the high quality of the reports, Board Directors urged the Secretariat to consider options for streamlining the number of performance reports it produces in the interests of a more efficient use of the Fund's resources and more effective fulfilment of the functions of the Executive Board and the Evaluation Committee.
2. Responding to the suggestion of the Executive Board, the PPR report will be integrated into the RIDE report and will be presented to the December sessions of the Evaluation Committee and the Executive Board in this form from 2008 onwards. This modification will require that the RIDE report be expanded, compared with the 2007 edition, in order to incorporate specific dimensions previously reported on in the PPR report. In light of the independence of OE, and its direct accountability to the Executive Board, the ARRI report will remain separate.
3. Merging the PPR and RIDE reports into a single performance report is expected to yield the following benefits:
 - (a) More effective use of Executive Board Directors' time for document review and subsequent discussion at the Evaluation Committee and Executive Board meetings; and
 - (b) Significant efficiencies for IFAD, as the number of documents to be produced would be reduced from two to one.

II. Proposed revisions to the structure and content of the RIDE report

4. The revised report will continue to focus on, and be structured around, the same three broad areas addressed in the first edition of the RIDE report. However, it will pass beyond a high-level synthesis of performance in these areas to a comprehensive and exhaustive assessment, reporting on the indicators in the IFAD Results Measurement Framework (RMF) approved by the Executive Board in September 2007.³ These broad areas comprise:
 - (a) Relevance of IFAD's mandate (reduction of rural poverty and food insecurity) and operations in the context of the changing framework of international development assistance;
 - (b) Effectiveness of IFAD-financed operations in generating development results that support national and global efforts to reduce rural poverty and fulfil the first Millennium Development Goal;
 - (c) Organizational effectiveness and efficiency of IFAD in delivering those results through improved internal performance management.

¹ Document EB 2007/92/R.9/Rev.1.

² Documents EB 2007/92/R.8/Rev.1 + Add.1 (PPR) and EB 2007/92/R.7 + Add.1 (ARRI)

³ Document EB 2007/91/R.2.

5. Thus the revised RIDE report will be structured as follows:
 - Chapter 1. Relevance
 - Chapter 2. Development effectiveness
 - Chapter 3. Organizational effectiveness and efficiency
 - Chapter 4. Conclusions
 - Annexes
6. The annex to this document illustrates the planned integration of relevant sections of the PPR report into the RIDE report. A summary of the main changes from the 2007 report is provided in paragraphs 7-10. No change is proposed to the approach and length of chapter 1 on Relevance, which remains a broad-brush scan of the evolving rural poverty problematic and aid architecture – and IFAD’s relevance within this context.
7. Chapter 2 on development effectiveness will focus on country programme and project effectiveness, reporting on ‘during implementation’ and ‘at completion’ indicators in the RMF, and aggregated results on project outputs generated by the Results and Impact Management System (RIMS). The main underpinning of this chapter will be analysis of project completion reports by strategic objective, impact domain and overarching factors.
8. Chapter 3 on organizational effectiveness and efficiency will report performance by corporate management result (CMR). Reporting on the operational CMRs will focus on management of country programmes and the loans and grants portfolio, including operation of the recently established quality management systems. Reporting on the institutional support CMRs will remain unvaried. As in the 2007 RIDE report, performance against IFAD’s corporate key performance indicators (KPIs) will be reported on, with indications of relevant budgetary patterns that bear on future realignment of resources.
9. A birds-eye view follows of the expected content of reporting for the operational CMRs in chapter 3:
 - (a) **Better country programme management** reports on the ‘at entry’ indicators for country programmes in the RMF and other corporate KPIs associated with this CMR. Performance on the ‘partnership commitments’ and monitoring indicators of the Paris Declaration on Aid Effectiveness will be reported here.
 - (b) **Better project design** reports on the ‘at entry’ project indicators in the RMF. It will also include highlights on operation of the new quality assurance system.
 - (c) **Better implementation support** follows the analysis of the ongoing portfolio presented in section III of the PPR report 2006/07, which assesses quality of supervision and implementation support as measured through relevant corporate KPIs, such as the proactivity index and percentage of projects at risk.
 - (d) **More strategic international partnership and engagement** incorporates reporting on international-level policy and advocacy activities and results that previously appeared in section II of the 2007 RIDE report.
10. Annexes previously contained in the PPR report will be incorporated as appropriate, along with OE’s comments on the RIDE report itself.

Planned integration of the PPR report into the revised RIDE report

<i>PPR report 2006/07^a</i>	<i>Revised 2008 RIDE report</i>
I. Introduction	Chapter 2. Development effectiveness <i>Incorporations from PPR report:</i>
II. Projects entering into the portfolio	Section IV. The completed portfolio
A. The investment portfolio	A. <i>Quality of initial design and implementation</i>
B. The grants portfolio	B. <i>Partner and IFAD performance</i>
III. The ongoing portfolio	C. <i>Project performance and overarching factors</i>
A. The investment portfolio	D. <i>Impact on rural poverty (including increased food production and reduced malnutrition)</i>
B. The grants portfolio	E. <i>Comparison of PPR and ARRI findings</i>
C. Implementation performance of ongoing loans and grants	Section V. Progress against the Results Measurement Framework
D. Portfolio at risk and proactivity	Annex II: Summary of RIMS first- and second-level results
IV. The completed portfolio	Chapter 3. Organizational effectiveness and efficiency <i>Incorporations from PPR report:</i>
A. Quality of initial design and implementation	Section II. Projects entering into the portfolio
B. Partner and IFAD performance	A. <i>The investment portfolio</i>
C. Project performance and overarching factors	B. <i>The grants portfolio</i>
D. Impact on rural poverty (including increased food production and reduced malnutrition)	Section III. The ongoing portfolio
E. Comparison of PPR and ARRI findings	A. <i>The investment portfolio</i>
V. Progress against the Results Measurement Framework	B. <i>The grants portfolio</i>
VI. Improved processes and instruments	C. <i>Implementation performance of ongoing loans and grants</i>
A. Results and Impact Management System	D. <i>Portfolio at risk and proactivity</i>
B. Direct supervision	Section VI. Improved processes and instruments
C. Flexible Lending Mechanism	A. <i>Results and Impact Management System</i>
D. Field Presence Pilot Programme	B. <i>Direct supervision</i>
E. Private-sector development	C. <i>Flexible Lending Mechanism</i>
VII. Conclusions	D. <i>Field Presence Pilot Programme</i>
A. Information systems management	E. <i>Private-sector development</i>
B. Portfolio management	Chapter 4. Conclusions
C. Outcome and impact management	One set of conclusions for the whole report.
Annexes	Annexes
I. OE comments on the Portfolio Performance Report 2006/07	OE comments on the RIDE report
II. Summary of RIMS first- and second-level results	Plus relevant annexes from PPR and PRISMA reports
III. Portfolio at risk and proactivity	
IV. List of project completion reports reviewed	
V. Template for assessing project performance	
VI. Progress against Strategic Framework results	
VII. Projects financed under the Flexible Lending Mechanism	
VIII. Projects directly supervised by IFAD	

^a Shading indicates the sections of PPR report that will be merged into the revised RIDE report.