

Document: EB 2008/94/R.5
Agenda: 7
Date: 10 September 2008
Distribution: Public
Original: English

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Enabling poor rural people
to overcome poverty

Report of the Chairperson on the fifty-second session of the Evaluation Committee

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

For: **Approval**

Note to Executive Board Directors

This document is submitted for approval by the Executive Board.

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Recommendation for approval

The Executive Board is invited to approve the recommendations contained in the Report of the Chairperson on the fifty-second session of the Evaluation Committee.

Report of the Chairperson on the fifty-second session of the Evaluation Committee

1. This report covers the deliberations held by the Evaluation Committee during its fifty-second session on 5 September 2008. There were six agenda items for discussion: (a) the country programme evaluation (CPE) of Pakistan; (b) monitoring the effectiveness and quality of work of the Office of Evaluation (OE); (c) preview of OE's three-year rolling work programme (2009-2011) and resource issues for 2009; (d) review of the IFAD Evaluation Policy; (e) review of the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), together with comments of OE; and (f) other business.
2. All Committee members (Belgium, Germany, India, Indonesia, Mali, Mexico, Nigeria, Sweden and Switzerland) attended the meeting, with Indonesia in the chair. Observers were present from Brazil, China, Denmark, Greece, Guatemala, Japan, the Netherlands, Pakistan, South Africa and the Bolivarian Republic of Venezuela. Mr Waqar Hussain Abbasi, Deputy Secretary in the Economic Affairs Division of the Ministry of Economics and Statistics, represented the Government of Pakistan in discussions on the Pakistan CPE. The Committee was joined by the Assistant President of the Programme Management Department (PMD), Director of OE, Secretary of IFAD and other IFAD staff and consultants.

Pakistan CPE

3. The Committee members commended OE for a very high quality evaluation and expressed their broad agreement with its main findings and recommendations.
4. The representative of the Government of Pakistan expressed its appreciation to OE for a very good evaluation. The CPE had been conducted in a transparent and participatory manner based on intensive field visits, discussions with beneficiaries and other key partners, and a review of various reports and documents. He conveyed the Government's concurrence with the main evaluation findings and recommendations. Among other issues, the Government requested IFAD to further strengthen the Pakistan country presence arrangements and promised to provide the necessary support for this purpose.
5. The Executive Director for Switzerland, who had taken part in the CPE national round-table workshop held in Islamabad on 17-18 July, provided an oral report on his participation in the event, in addition to sharing a copy of his back to office report with Committee members (see annex). He underlined that the evaluation process leading to formulation of the CPE agreement at completion point had been robust and methodologically sound. Among other issues, he emphasized the importance of strengthening IFAD's partnership with the donor community in Pakistan, both to increase IFAD's aid effectiveness and to broaden opportunities for policy dialogue.
6. Committee members raised a number of issues that warrant consideration by IFAD Management when preparing the new country strategic opportunities programme (COSOP). They noted, in particular, that sustainability remains a challenge in Pakistan – as in other countries – and highlighted the important role the Governments themselves have in ensuring lasting benefits. In this regard, it was emphasized that building country ownership is essential in ensuring sustainability. The Committee noted that this recommendation featured in the majority of evaluation reports and highlighted strengthening country presence as an important way of enhancing sustainability.
7. Moreover, as highlighted by the Pakistan CPE, the Committee noted that it was important for IFAD to continue working in remote, disadvantaged and conflict-

affected areas of Pakistan. However, this requires operations to be more carefully designed than in the past, especially by ensuring that project objectives and strategy adequately build upon the special circumstances (e.g. in terms of institutional capacity, social traditions and infrastructure) prevailing in such geographic areas.

8. In relation to the evaluation findings, the Committee acknowledged the importance of exploring options for developing the full potential of the livestock sector in Pakistan and for dedicating greater attention and investment to non-farm activities, including input supply, broader market linkages and the provision of rural financial services. Overall, it was noted that IFAD should pay more attention to livestock issues and investing in non-farm activities.
9. Discussion also took place on the COSOP as both a strategy and management instrument. In this regard, the Committee noted the COSOP's importance as a strategic tool, one which should be aligned with both IFAD's and the Government's priorities for agriculture and rural development. The COSOP could also be used as a management tool to provide a framework for implementing IFAD-funded projects. The new COSOP format adopted by the Board in 2006 is an improvement over the previous format, and future CPEs should analyse the quality of the new COSOP format as well.
10. Another issue that received special attention in the discussions is the need for IFAD to adopt a more systematic approach to promote innovations in Pakistan, including closer links and a wider use of the mix of instruments available, such as loans, grants and policy dialogue. Collaboration and partnerships with other development actors were highlighted as essential, not only in generating cofinancing, but also in ensuring synergies or complementarities in relevant areas where IFAD has no or little capacity.
11. Noting the absence of the Director of the Asia and the Pacific Division, in addition to the usual participation of the Assistant President of PMD and country programme managers, the Committee recommended that PMD regional division directors should also take part in pertinent agenda items of the Evaluation Committee in the future.

The PRISMA

12. The Committee members expressed their appreciation for the opportunity to discuss this document, together with OE comments. They underlined the importance of the PRISMA as a tool for improving IFAD's development effectiveness.
13. Management highlighted that there had been improvement in implementing evaluation recommendations. In fact, 90 per cent of the recommendations had either been fully implemented or were in process. Management underlined that improvements in the rate of implementing recommendations is to a large extent the result of direct supervision and implementation support as well as a wider country presence.
14. With respect to the rate of implementation of evaluation recommendations, the Committee noted that partner governments had implemented 45 per cent of the recommendations addressed to them. Although there is room for improvement, the Committee felt this was nevertheless noteworthy, in light of the difficulties with enforcing the implementation of evaluation recommendations.
15. In relation to PRISMA, one issue that was raised and discussed extensively was the role and influence that IFAD could have in policy dialogue, including the possibility of an evaluation of IFAD's involvement in such dialogue.

Monitoring the effectiveness and quality of work of OE

16. Upon the request of the Evaluation Committee, OE presented an initial proposal to further strengthen its effectiveness and oversight. The proposal includes a number of mutually reinforcing continuous and one-time activities, including the development of a specific results framework.

17. Overall, the Committee appreciated the clear and succinct proposal, noting that it was an appropriate basis for preparing the full proposal, to be presented to the Committee at its next session on 3 October. The proposal would be included within the framework of the comprehensive three-year rolling work programme and 2009 budget document.
18. With respect to the continuous measures, the Committee supported the idea of expanding the use of: (a) senior independent advisors to provide guidance at key stages of all higher-plane evaluations (corporate and country-level evaluations); and (b) internal peer reviews within OE for all evaluations as an instrument for quality assurance and knowledge-sharing. However, the Committee asked OE to consider the implications of these useful measures for its overall resource requirements.
19. As another continuous measure, the Committee also agreed with the initial proposal for OE to develop a results framework to monitor its effectiveness and quality of work. A key aspect of the results framework will be the selection of indicators to monitor and report upon, which would provide the Committee and Executive Board with an overview of OE's effectiveness. Examples of indicators in line with those used by other evaluation offices include:
 - (i) Timely completion of evaluations in a given year;
 - (ii) Number of hits on the evaluation sub-site of IFAD's corporate website;
 - (iii) Number of evaluations conducted in full compliance with the IFAD Evaluation Policy.
20. With respect to the one-time measures, the Committee welcomed the idea of a peer review/assessment of OE in 2009. The Committee underlined that the design of such a review/assessment should consider IFAD's nature as both a United Nations specialized agency and an international financial institution. Likewise, the resources for this activity would need to be factored into OE's work programme and budget for 2009. This peer review would serve as an input for the comprehensive review of the IFAD Evaluation Policy.
21. Finally, the Committee agreed with the need for OE to finalize the new evaluation manual, for which an informal session will be held on 5 December 2008. It also noted that OE may have to introduce any enhancements to the manual following the planned peer review/assessment next year.
22. The Committee took note of OE's efforts to seek out new models of work within the office, including building a team culture, as a follow-up to the management survey.

Preview of OE's three-year rolling work programme (2009-2011) and resource issues for 2009
23. The Committee found the preview document appropriate in terms of the proposed OE objectives and work programme for 2009-2011, as well as the resource requirements for 2009. It invited OE to develop its comprehensive three-year work programme and budget for 2009, for discussion with the Evaluation Committee on 3 October.
24. In developing the comprehensive document, the Committee invited OE to consider the following issues:
 - (i) Coordinate with Management the undertaking of the planned corporate-level evaluation (CLE) on gender equity and women's empowerment, to ensure that the evaluation precedes the future IFAD gender policy and provides the building blocks for its formulation by Management;
 - (ii) Plan the undertaking of a CLE on IFAD's policy dialogue approaches and efforts;

- (iii) Find ways and means to contribute to promoting evaluation capacity-building in developing countries; and
 - (iv) Look into the possibility of factoring into the OE work programme and budget any increases in IFAD's programme of work in the coming years.
25. The Committee invited OE to carefully consider its resource levels, and to develop a budget that would enable it to effectively discharge the planned activities in a timely manner and contribute to improving IFAD's performance and impact. In this regard, Belgium and Sweden asked OE to submit proposals to help identify associate professional officers to join the Office.
 26. The Committee requested OE to provide historic OE budget figures since 2005 in the comprehensive work programme and budget document. This would allow readers to gain a quick overview of the evolution of the OE budget in the past years.
 27. It also requested that OE in the future develop a ledger of recommendations made by the Committee on all agenda items, which would allow the Office and the Committee to track their implementation on a periodic basis. This ledger could be attached to the minutes of Committee meetings produced by OE.
 28. The Committee asked for more information on the Evaluation Cooperation Group (ECG), the Network of Networks for Impact Evaluation (NONIE) and the United Nations Evaluation Group (UNEG), including the role of OE in each of these platforms. This information will be included in the comprehensive work programme and budget document to be discussed in October.

Review of the IFAD Evaluation Policy

29. The Committee agreed to divide its work on reviewing the IFAD Evaluation Policy as follows:
 - (i) Work on the procedures for appointing and reappointing the OE Director, preparing a proposal for consideration by the Executive Board at its December 2008 session; and
 - (ii) A comprehensive review of the Evaluation Policy will start in 2009. A peer review of OE will be conducted, which will include the Evaluation Policy.

Other business

30. It was agreed that the Committee would hold an informal session on 5 December to discuss the new draft OE evaluation manual, before it is finalized and fully rolled out at the beginning of 2009.

IFAD Pakistan CPE – Field visit and National Roundtable workshop, 14-18 July 2008
Permanent Representation of Switzerland to FAO, IFAD and WFP (Mission Rome)

Pakistan 2008 field visit Report

21 of July 2008/WPI

This report is based on the Country Programme Evaluation report of 1/07/2008; CPE concept note of 2/2/08; CPE Issues paper of 30/6/08; SDC cooperation strategy 2006-10; SDC annual programme 2008 as well as visits and workshop outputs.

Pakistan 2008 field visit Highlights

- 1) ***Evaluation Office's process leading to the Agreement at Completion Point (ACP) is robust and methodologically sound; the CPE report is valid and was sufficiently detailed to form the basis for the roundtable workshop.***
- 2) ***Evaluation findings have been generally validated by Pakistani national stakeholders and provide important inputs to be seriously considered by operations for the elaboration of the future COSOP.***
- 3) ***A high level meeting confirmed GOP as well as private sector interest in strengthening livestock as one of the strategic pillar where to invest in the future in Pakistan.***
- 4) ***Context analysis must be regularly conducted and influence the COSOP implementation, especially in volatile political situations as in the case of Pakistan. Since IFAD staff is reduced in number, the analysis should be based on data elaborated within donors' harmonisation processes.***
- 5) ***In order to introduce context related flexibility in projects and programmes' execution, the future COSOP has to become a much more robust management tool. This might have some methodological implications (the need for example to make use of rapid rural appraisal tools within a newly designed COSOP monitoring system).***
- 6) ***In general, only with a clear IFAD's management commitment to strengthen countries context analysis and robust COSOP management tools, a discussion might be than opened about shifting IFAD Executive Board attention from projects to strategy approval and follow up.***
- 7) ***Strengthening partnerships within the donor community should be seen more as a tool to increase effectiveness both in terms of aid delivery as well as policy dialogue, rather than simply considering it a topping up mechanism.***

Delivery as well as policy dialogue, rather than simply considering it a topping up mechanism.

Evaluation process

The Office of Evaluation (OE) indicated clearly the scope, mile stones and methodology of the evaluation process: "The evaluation of the country programme had two objectives, i.e. to: (a) assess the performance and impact of IFAD operations; and (b) develop building blocks for development of the new COSOP for Pakistan in 2008, following completion of the CPE. Field visits were conducted to assess results and impact on the ground, and to hold first-hand discussions with beneficiaries, project teams and implementers... OE also conducted impact assessment studies in two IFAD-funded projects in Pakistan based on a sample

survey of 484 respondents, equally divided between men and women, and between beneficiaries and control groups.”

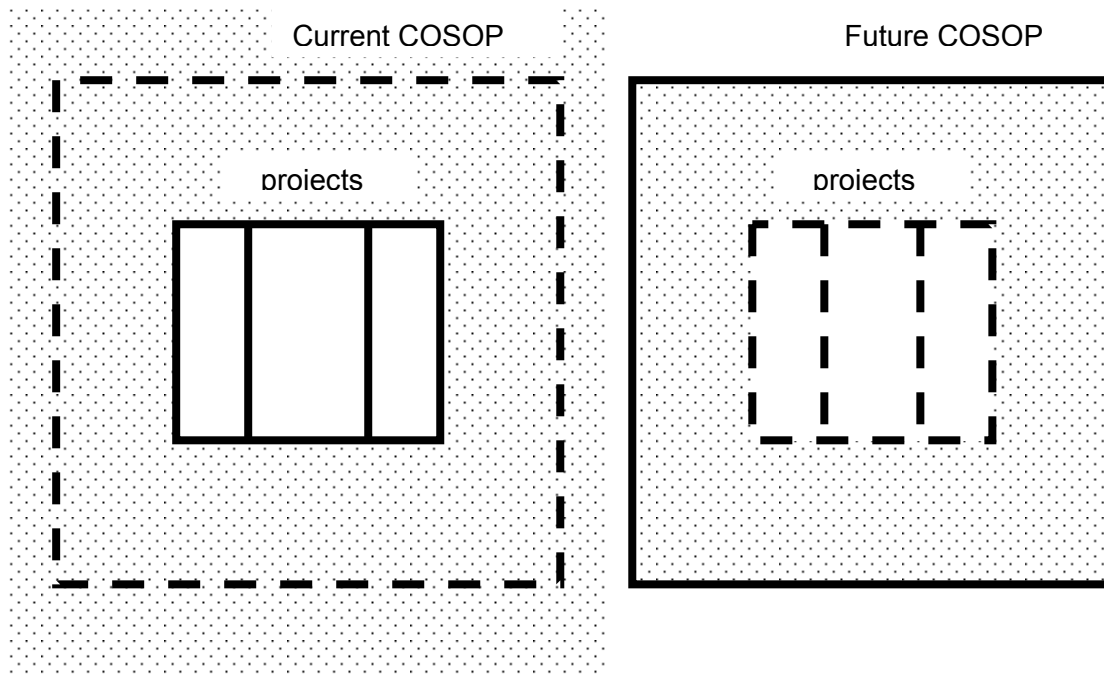
The OE also usefully gave some definitions that helped keeping focused during the entire evaluation process: “...Relevance is defined as the extent to which programme objectives are consistent with the needs of the rural poor; IFAD’s strategic framework and policies; and the country’s current policies and strategies for poverty reduction. Effectiveness is defined as the extent to which programme objectives were achieved. Efficiency is a measure of how economically inputs (funds, expertise, time, etc) are converted into outputs. Rural poverty impact assesses the changes that have occurred as the result of the programme. IFAD defines rural poverty impact as the changes in the lives of the poor intended or unintended - as they and their partners perceive them at the time of the evaluation....”

During the National Roundtable Workshop held in Islamabad with the presence of GOP, civil society, private sector and academia, questions about the evaluation process were limited to projects’ performance ratings and the proximate causes of performance. In this regard, participants underlined the importance for evaluations to clearly explain the “why factor” of good or less good performance, which is crucial for enhancing future design and implementation. It has been indicated that with more robust baseline studies undertaken at the outset of each operation, this inconvenience can be overcome in the future.

COSOP as a management tool

CPE findings were in general confirmed during the workshop. These underlined that successes and failures were principally due to design and implementation capacities at project level, while little or no strategic guidance was given from a COSOP implementation analysis. Applying flexibility with a differentiated approach in particularly difficult conditions, targeting of poorest segments of rural population, incapacity to translate project based experiences into providing pro-poor policy advice to government are all weaknesses linked to strategic management of a country programme. The weaker the strategic management, the more strict must be the project implementation to avoid losing focus.

In order to guarantee a rapid response to context changes, to include stronger implementation flexibility and to assure better sustainability of results the COSOP must become a real management tool. This has both methodological as well as human resources implications linked to IFAD country presence and HQs follow up. The strengthening of the COSOP done convincingly, this might allow to shift focus and discussions from projects to strategies at Executive Board level in the near future.



To facilitate strategic steering of a COSOP consideration might be given to few useful instruments, like a results based strategy monitoring system. This should be kept as simple as possible but linked to country's management decision making on a yearly basis. Moreover, often a focused use of rapid rural appraisal methods can sometimes replace expensive and difficult to analyse large-scale baseline studies.

Stakeholders participation and issues discussed

Organisation and participation at the workshop has been impressive both in term of openness and quality of interventions as well as in the way GOP and OE/IFAD co-organised logistics and managed the meeting.

Long discussions were held about the geographical focus of the COSOP, today limited mostly to the northern part of the country. On the one hand the (political) answer to the question has to be provided by the government. On the other hand it shows a typical problem that a relatively small development programme (at least compared to World and regional Banks ones) is facing when targeting poor rural population. It is (and will be) simply hard for IFAD to both concentrate on innovations, value chains approaches, demand driven implementation mechanisms targeting the poor while at the same time be willing to support classic area based programmes. These are usually instruments to implement national, regional or local development plans and need large scale and highly coordinated efforts among donors.

Few themes were too complex and politically sensitive to expect from the workshop clear strategic guidance for the future. This has been the case about theme III: Local governance for pro-poor local development, where the existing context is too volatile to make realistic predictions in relation to the decentralisation process

About partnerships

Having worked for quite a long period in a bilateral development agency like the Swiss Agency for Development and Cooperation (SDC), it came natural to link IFAD management to SDC one in Islamabad.

It came out quite clearly that IFAD and relatively small bilateral agencies have a lot to share beyond the mere co-financing of activities: approaches to target the poor in rural areas, the

willingness to support innovations, the need to be flexible, specific thematic expertise like in microfinance, and so on.

I would like to personally thank both GOP and OE/IFAD for inviting me to Pakistan as well as the Evaluation Committee for the non-objection given for this field visit. My thanks go also to the Swiss Cooperation Office in Islamabad that provided inputs and participated to this event.

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