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Enabling poor rural people
to overcome poverty

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

Executive Board — Ninety-fifth Session
Rome, 15-17 December 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 from the fifty-third session of the Evaluation Committee.

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

1. This report covers the deliberations held by the Evaluation Committee during its fifty-third session on 3 October 2008. There were two agenda items for discussion: (a) the Annual Report on Results and Impact of IFAD Operations evaluated in 2007 (ARRI); and (b) the Office of Evaluation's three-year rolling work programme (2009-2011) and budget for 2009.
2. All Committee members (Belgium, Germany, Indonesia, Mali, Mexico, Sweden and Switzerland) except India¹ and Nigeria attended the meeting, with Indonesia acting as chair. Observers were present from Denmark, France, Guatemala, and the Netherlands. The Committee was joined by the Assistant President of the Programme Management Department (PMD), Director of the Office of Evaluation (OE) and other IFAD staff.

ARRI

3. OE presented the sixth edition of the ARRI to the Evaluation Committee for its consideration. Among other issues, the Committee noted that IFAD is one of the few multilateral development organizations that produces an annually consolidated report of this kind, that is, a report illustrating the performance of the operations supported by IFAD, in addition to IFAD's own performance and that of its borrower governments. The ARRI also underlines lessons and systemic issues that deserve attention by Management.
4. The Committee took note of Management's agreement with the findings and recommendations contained in the document. Management concurred with the assessment that further improvement is needed in enhancing the efficiency of IFAD's operations. The move towards direct supervision and implementation support, enhanced country presence, and more rigorous and systematic quality enhancement and quality assurance is expected to lead to greater efficiency in this area.
5. Committee members thanked OE for the excellent document, and congratulated IFAD on the improved performance reflected in the report. The Committee discussed areas where there was room for further improvement, for instance in the areas of efficiency, sustainability, access to markets, and environment and natural resource management. The Committee also appreciated the efforts to underline the causes for both good and less satisfactory performance, and suggested that future editions of the document devote even more space to outlining the reasons behind the different levels of performance.
6. A discussion also took place on benchmarking. In terms of internal benchmarking of results across the five IFAD geographic regions, the Committee requested OE in the future to present data disaggregated across the five regions for all the evaluation criteria included in the ARRI, rather than comparing results using just one criterion (i.e. overall project achievement). The Committee acknowledged the challenges involved in benchmarking IFAD operations with those of other development organizations, given that few other organizations make data on their performance and impact available to the public. The Committee felt that IFAD should be commended for its forward-looking and transparent disclosure policy in this regard.
7. IFAD's limited analytical work and capability were considered a constraint on the Fund's overall development effectiveness. However, it was acknowledged that IFAD may not be in a position to develop all the necessary skills and may lack the resources for conducting wide-ranging analytical work. The Committee

¹ The member for India could not attend because of a scheduling conflict with another meeting – organized on the same day – of the governing bodies of the Food and Agriculture Organization of the United Nations (FAO). This member, however, sent his written comments, which were distributed to Committee members.

recommended therefore that IFAD explore the possibility of tapping into the capacity of other institutions, using the partnerships that it has developed.

8. The Committee expressed its appreciation for the two dedicated sections on the learning themes included in this year's ARRI, namely country context and project-level monitoring and evaluation (M&E) systems. With regard to country context, as noted in the ARRI, the Committee underlined the importance for the Fund to take a differentiated approach in designing and implementing projects and programmes, particularly in middle-income countries and fragile states, as these two sets of countries have different requirements and expectations from the Fund. Concerning M&E, among other issues, the Committee emphasized the need for IFAD to strengthen the M&E capacity of partner countries.
9. The Committee invites the Board to approve the recommendations in the ARRI contained in paragraph 142. These are for the 2009 ARRI to include an in-depth discussion of two learning themes namely: (i) access to markets; and (ii) environment and natural resource management. Moreover, the Board is invited to approve the learning themes suggested for 2010: (i) social capital and empowerment; and (ii) institutions and policies.
10. Finally, the Committee expressed appreciation for the inclusion of the ARRI for discussion at the fourth session of the Consultation on the Eighth Replenishment of IFAD's Resources, in October 2008.

Office of Evaluation's three year-rolling work programme and budget for 2009

11. OE presented its comprehensive three-year rolling work programme (2009-2011) and budget for 2009. Overall, the Committee found the proposal appropriate in terms of priorities, work programme and budget.
12. The Committee voiced some concern about the increase of the proposed budget with respect to the preview presented at the September session. Following a detailed explanation by OE, the Committee acknowledged the reasons why the proposed increase in resources was not fully captured in the September preview document. This was mainly because: (i) the Committee requested OE in April 2008 to outline a proposal to be presented to the Committee/Board in September on the measures that could be introduced for enhancing the division's effectiveness and quality of work, as well as the oversight and monitoring by the Evaluation Committee; (ii) this outline was discussed by the Committee/Board in September and agreement was reached on the recurrent and one-time measures that OE proposed to introduce, such as the deployment of a results measurement framework specific to OE, the systematic undertaking of internal peer reviews within OE for all evaluations, and so on; and (iii) in September, the Committee/Board also asked OE to estimate the human and financial implications of implementing the measures to enhance its effectiveness. In sum, based on the aforementioned considerations, the Committee provided its broad agreement with the proposed level of resources for 2009, which is deemed essential for implementing all activities in the work programme in a timely manner.
13. The Committee discussed the approach to OE's external peer review in 2009, which will include a review of the IFAD Evaluation Policy, in addition to an assessment of OE. The Committee concurred with OE's proposal for the peer review to be conducted by the Evaluation Cooperation Group and also expressed satisfaction with the proposed scope of the exercise.
14. The Committee discussed the priorities and the pipeline of corporate-level evaluations to be undertaken by OE in the coming years. The Committee recommends that the Executive Board agree to the following:
 - Undertake the evaluation of IFAD's approaches and efforts in promoting gender equity and women's empowerment in 2010, with some background

work for the evaluation being undertaken at the end of 2009. This would require the deferral by Management of the submission of the IFAD gender policy until 2011, following the completion of the evaluation, to allow the policy to be appropriately informed by the evaluation, as per the mode of work agreed upon by the Executive Board as preferred practice.

- Undertake the private-sector development and partnership strategy evaluation in 2011.
 - Cancel the evaluation of the IFAD policy on sector-wide approaches, to enable OE to undertake the gender equity evaluation in 2010 and the private-sector development evaluation in 2011.
15. The Committee appreciated OE's proposed involvement in evaluation capacity development (ECD) but requested the division to provide more information on its overall approach, and to focus on ECD next year. In this regard, it was decided that OE would include an annex on the topic in its final proposal for the Board's consideration in December 2008.
16. The Committee invites the Board to approve the OE work programme for 2009-2011, and recommends the approval of the OE budget by the Governing Council in 2009 with the understanding that: (i) OE will reassess the need for the additional research analyst at the end of 2009; (ii) a one-time cost allocation, below-the-line, will be included in the 2009 budget for undertaking the external peer review of OE; and (iii) OE will introduce a cap on its annual budget, of about 0.9 per cent of the IFAD programme of work. The usefulness of the cap will be reassessed when developing OE's budget for 2012, allowing for an initial period of implementation.

Other business

17. Under this agenda item, the Committee agreed that the scheduling conflict that occurred, whereby the fifty-third session of the Committee and a FAO governing body meeting took place on the same day, needs to be taken up formally by IFAD Management with FAO to avoid the recurrence of such overlaps in the future. Finally, the Chairperson recalled that there would be an informal session of the Committee on 5 December to discuss the new evaluation manual, before it is finalized and rolled out in 2009.