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

Executive Board — Ninety-ninth Session
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For: **Review**

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

1. This report covers the deliberations of the Evaluation Committee during its sixty-second session on 1 April 2010. The four agenda items for discussion were: (i) the final report of the Peer Review of IFAD's Office of Evaluation (IEO) and Evaluation Function; (ii) the corporate-level evaluation of IFAD's capacity to promote and scale up innovation; (iii) the India country programme evaluation; and (iv) other business.
2. With the exception of Ireland, all Committee members (Brazil, Canada, Egypt, India, Indonesia, the Netherlands, Nigeria and Sweden) attended the session. Observers were present from Cameroon, Denmark, Germany, Mexico and Spain. The Committee was joined by IFAD's Associate Vice-President, Programmes, Programme Management Department; the Director of IEO; the Secretary of IFAD; and others. The chairperson of the Peer Review Panel also joined the session for discussions on the agenda item related to the peer review.¹

A. Peer Review of IFAD's Office of Evaluation and Evaluation Function

3. The Committee examined the final report of the Peer Review of IFAD's Office of Evaluation and Evaluation Function, together with IEO's and Management's comments on the document. Management was invited to present to the Executive Board, as appropriate, a revised version of its response to the report.
4. The Committee confirmed the broad agreement reached at its sixty-first session in January on the general findings and the seven recommendations proposed by the peer review. The Committee also unanimously confirmed its support for the independence of the Office of Evaluation, indicating that this independence is not negotiable.
5. As noted in the peer review, some areas of disagreement still exist between Management and the Peer Review Panel with regard to the Panel's recommendations on:
 - (a) Procedures related to the appointment, dismissal and annual performance review of the Director IEO;
 - (b) The degree of authority delegated to the Director IEO, related to the recruitment, appointment, promotion and dismissal of IEO staff; and
 - (c) The role of the Evaluation Committee and its Chair with regard to audits of the Office of Evaluation.

On these pending issues, the Committee agreed to the proposals made in the final peer review report.

6. Concerning the proposal by the Peer Review Panel to establish a working group composed of members of the Executive Board, Management and IEO, divergent views were expressed on its composition. There was however consensus on the need to establish a working group, which will be membership-driven and receive assistance from Management, IEO and an external expert, as necessary. Secretariat support will be provided by the Office of the Secretary.
7. Furthermore, the Committee will consider the draft action plan for implementing the recommendations of the report, once the Executive Board has provided its directions.

¹ Mr Bruce Murray, Chairperson, Peer Review Panel.

B. Corporate-level evaluation of IFAD's capacity to promote and scale up innovation

8. The Committee found the corporate-level evaluation (CLE) of IFAD's capacity to promote and scale up innovations a timely and useful document that raises critical issues related to the topic. The Committee also underlined its concurrence with the CLE's recommendations, in particular with the need to treat scaling up as mission-critical.
9. IFAD Management sees innovation as a key element in achieving results in rural poverty reduction. Management also found the report to be helpful and is integrating the recommendations made into its operational procedures and policies.
10. Management broadly concurs with the CLE findings, and recognizes that there have been limited incentives for staff to innovate and subsequently to document and share knowledge about innovations. Management also agrees that scaling up is mission-critical for the institution as a whole, and it is also for this reason that a grant has been provided to the Brookings Institution to assist the Fund in finding critical pathways to scale up its innovation and impact.
11. On establishing an innovation agenda, Management concurs with the CLE recommendation, although it flagged the need to maintain a two-pronged approach – working on "big bets" (e.g. private sector, value chain, and public-private partnership) while continuing to support small-scale innovations developed at the grass-roots level.
12. Several Committee members discussed the need for added clarity on IFAD's definition of innovation and scaling up.
13. Committee members also felt that, in the future, it would be useful for IEO to share the draft approach papers for all CLEs with the Evaluation Committee for their comments before the evaluation begins.
14. In addition, Committee members noted the importance for such CLEs to focus on gender issues and the role of women, as well as the field dimension and interaction with beneficiaries. In this regard, members underlined the fact that the CLE on gender could be considered as a new starting point. Furthermore, it was suggested that IFAD could make gender one of its "big bets".
15. On another issue, Committee members underlined the importance of carefully reflecting on the different partners to be mobilized throughout the innovation process, and underscored the importance of capturing and disseminating best practices generated through innovation in the field.
16. In the course of the session's deliberations, the importance of making available adequate time and resources, including dedicated training, for country programme managers to pilot innovations and their scaling up was considered essential.
17. Committee members acknowledged IFAD's comparative advantage in institutional innovations and suggested that IFAD continue to partner with other institutions to promote innovations in agricultural technology.

C. India country programme evaluation

18. The Committee welcomed the India country programme evaluation (CPE). The Committee underlined its concurrence with the CPE's recommendations, and focused its attention on the agreement at completion point (ACP), as members have previously had the opportunity to interact with IEO and Management on the CPE report per se.
19. The representative of India² conveyed his Government's satisfaction both with the CPE and with the analysis and recommendations included in the report, notably that

² Mr S.K. Pattanayak.

the future IFAD country programme for India should focus on rural smallholder farmers, women and tribal communities. He also used the opportunity to call on IFAD, as recommended by the CPE, to consider increasing loan size (within the performance-based allocation system [PBAS]), and drew attention to the need to focus on partnership with the private sector and to introduce a tighter geographic focus to the IFAD-financed programme in the country. The Committee conveyed its appreciation for the feedback comments provided by the Government of India.

20. Management also expressed satisfaction with the high quality of the CPE. One issue raised is that of the turnover of project directors, which was noted by all stakeholders. The representative of India explained that, given India's federal structure, staffing decisions are made at the state level. Having said this, he also indicated that the Government was aware of this concern and welcomed the observations in this regard in the ACP.
21. In response to a query from Committee members, IFAD Management explained that the ACP is not the new country strategy, but rather the response agreed upon by IFAD and the Government to the issues raised in the context of the CPE, which will be further elaborated in the new country strategic opportunities programme (COSOP).
22. Management indicated that there will be no stand-alone IFAD country office in India or elsewhere. It was explained to the Committee that, based on the self-evaluation of IFAD country presence, Management will revert to the Executive Board with a COSOP in 2010 and in that context the possibility of an IFAD sub-regional office in India might be considered.
23. Management informed the Committee that the PBAS allocation will be a total of US\$142 million, and the country strategy will propose that only two US\$71 million operations be financed over the coming PBAS period. This will help reduce transaction costs and increase efficiency (one of the issues raised by the CPE).
24. To clarify an issue raised by the Committee, IFAD Management also explained that it is progressing beyond "business as usual" in India, and new projects are already moving on from the more traditional operations that have been developed in the past. Further reflection on IFAD's new role in India is being undertaken in the context of the development of the new COSOP.
25. In response to concerns raised by Committee members about the proposed sub-regional office in New Delhi, Management agreed that revisions should be proposed to the Government of India in the ACP with regards to the matter of the country office and the sub-regional office, as per the discussion with the Evaluation Committee at its sixty-second session.
26. Some Committee members noted the Government of India's intention to develop an independent evaluation body and IEO's commitment to provide assistance in its establishment. IEO clarified that support provided will be consistent with the evaluation capacity development approach outlined in the paper on this topic recently reviewed by the Committee in the course of its January 2010 session.

D. Other business

27. There were no additional topics for consideration under this agenda item. Before closing the session, the Chairperson and the Committee expressed their appreciation to the Executive Director for Sweden³ for her insightful contributions, as she was attending her last session as a member.

³ Ms Amalia Garcia-Thörn.