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Investing in rural people

Minutes of the 102nd Session of the Evaluation Committee

Note to Evaluation Committee members

Focal points:

Technical questions:

Oscar A. Garcia
Director
Independent Office of Evaluation of IFAD
Tel.: +39 06 5459 2274
e-mail: o.garcia@ifad.org

Dispatch of documentation:

Deirdre McGrenra
Chief
Governing Bodies
Tel.: +39 06 5459 2374
e-mail: gb@ifad.org

Evaluation Committee — 102nd Session
Rome, 4 September 2018

Minutes of the 102nd Session of the Evaluation Committee

1. The deliberations of the Evaluation Committee at its 102nd session, held on 4 September 2018, are reflected in the present minutes.

2. The minutes have been approved by the Evaluation Committee. They will be shared with the Executive Board and used as the basis for the Chairperson's oral report to the Board.

Agenda item 1. Opening of the session

3. The session was attended by Committee members for France, India, Indonesia, Japan, Mexico, the Netherlands, Nigeria and Switzerland. Observers were present from Belgium, China, Dominican Republic and Italy. The session was also attended by the Director, Independent Office of Evaluation of IFAD (IOE); Deputy Director, IOE; Associate Vice-President, Programme Management Department; Associate Vice-President, Strategy and Knowledge Management Department; Director, a.i., Operational Policy and Results Division and Director, West and Central Africa Division; Director, East and Southern Africa Division, a.i.; Acting Secretary of IFAD; and other IFAD staff.

4. Joseph Eichenberger, Chief Evaluator, European Bank for Reconstruction and Development and Chair of the External Peer Review Panel of IFAD's Evaluation Function, participated in the deliberations on the related revised approach paper by videoconference.

5. Her Excellency Lineo Irene Molise-Mabusela, Ambassador and Permanent Representative of the Kingdom of Lesotho to IFAD, also participated as an observer during the discussions on the Project Performance Evaluation of the Rural Financial Intermediation Programme in Lesotho.

Agenda item 2. Adoption of the agenda

6. The provisional agenda comprised the following items: (i) Opening of the session; (ii) Adoption of the agenda (iii) Preview of the Results-based Work Programme and Budget for 2019 and Indicative Plan for 2020-2021 of the Independent Office of Evaluation of IFAD; (iv) Project Performance Evaluation of the Root and Tuber Improvement and Marketing Programme in Ghana; (v) Project Performance Evaluation of the Rural Financial Intermediation Programme in Lesotho; (vi) Revised Approach Paper of the External Peer Review of IFAD's Evaluation Function; (vii) 2018 Annual Report on Results and Impact of IFAD Operations (ARRI); (viii) Report on IFAD's Development Effectiveness (RIDE); (ix) President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA); and (x) Other business.

7. The Committee adopted the agenda as contained in document EC 2018/102/W.P.1.

Agenda item 3. Preview of the Results-based Work Programme and Budget for 2019 and Indicative Plan for 2020-2021 of the Independent Office of Evaluation of IFAD

8. The Committee considered the Preview of IOE's Results-based Work Programme and Budget for 2019 and Indicative Plan for 2020-2021 (document EC 2018/102/W.P.2).

9. The Committee welcomed the work programme for 2019, in particular the proposed corporate-level evaluation (CLE) on IFAD's support to innovation and productivity growth for inclusive and sustainable smallholder agriculture and the five planned country strategy and programme evaluations for El Salvador, Madagascar, Nepal, Sierra Leone and Sudan. Members suggested that the CLE could consider both technological and non-technological innovations and the specific challenges faced when targeting the poorest of the poor.

10. The increased focus on strengthening partnerships with the other Rome-based agencies (RBAs) through, inter alia, sharing knowledge and experience to enhance

evaluation of projects and programmes focused on agriculture, food security and rural development was welcomed by members. A national round-table jointly organized by IOE and the Office of Evaluation of the Food and Agriculture Organization of the United Nations (FAO) would be held in the context of the country strategy and programme evaluation in El Salvador and a similar event could be considered for the presentation of the findings of the ongoing country strategy and programme evaluations in Mexico. On a related note, members appreciated the planned joint evaluation on country-level collaboration among RBAs to be carried out in 2021 and encouraged IOE to ensure mutually defined objectives and consensus with FAO and the World Food Programme.

11. Clarification was provided with regard to the nominal increase of 1.37 per cent against the 2018 approved budget and, specifically the increases in staff costs. It was noted that this nominal increase is below the assumption of a 1.7 per cent price increase in the preview of the work programme and budget of IFAD for 2019 submitted by IFAD Management. This would entail a real decrease for IOE's budget. Regarding staff costs, it was explained that IOE does not benefit from an IFAD buffer for unexpected costs or cost increases. Clarification was also provided with regard to the efforts being made to ensure better outreach and dissemination of evaluation materials.

12. In conclusion, the Committee expressed its broad agreement with the proposals set out in the document and looked forward to considering the final proposals at its 103rd session.

Agenda item 4. Project Performance Evaluation of the Root and Tuber Improvement and Marketing Programme in Ghana

13. The Committee reviewed the Project Performance Evaluation of the Root and Tuber Improvement and Marketing Programme in Ghana, document EC 2018/102/W.P.3, the related presentation and Management's response.

14. The Committee noted the important progress made in improving the productivity of roots and tubers in Ghana, but also the shortcomings in fostering processing and marketing. The imbalance between production and marketing during implementation had led to an oversupply of produce and local market saturation. Although progress had been made on the marketing side, after the midterm review, when the Ministry of Food and Agriculture had strengthened the focus on agricultural commercialization, little time was left for implementation and the programme had thus fallen short of the related objectives. Members welcomed the recommendations regarding the marketing and supply chain development components and highlighted the potential for lessons learned to be applied in other countries.

15. At the request of the members, additional clarification was provided with respect to private sector engagement and the proposed alternative financing mechanisms.

16. In conclusion, the Committee expressed appreciation for the high quality of the report and support for the recommendations contained therein. The Committee congratulated the Government of Ghana for its frank response and strong commitment to addressing the issues identified in the evaluation, which was evident from the statement presented by the Chair on behalf of Her Excellency Paulina Patience Abayage, Ambassador and Permanent Representative of the Republic of Ghana to IFAD (who was unable to participate in the session). Members also commended Management on its commitment to retrofitting lessons learned into ongoing operations and into the country strategic opportunities programme (COSOP) being developed in 2019.

Agenda item 5. Project Performance Evaluation of the Rural Financial Intermediation Programme in Lesotho

17. At the 100th session of the Evaluation Committee, held on 23 March 2018, the Committee reviewed the Project Performance Evaluation (PPE) of the Rural Financial

Intermediation Programme in the Kingdom of Lesotho, contained in document EC 2018/100/W.P.3/Rev.1.

18. As a result of the subsequent discussion, the Committee emphasized the need to make a fundamental change to the project design and to ensure that future projects achieved better results. Management therefore prepared an update on the steps taken to address the issues raised in the PPE, contained in document EC 2018/102/W.P.4, and IOE provided its response thereon in an addendum.

19. The Committee welcomed Management's efforts to take on board the recommendations made in the evaluation and found Management's response to be sound and practical. The Government's commitment to engage with IFAD in improving performance was also welcomed. In that regard, the statement made by Her Excellency Lineo Irene Molise-Mabusela, Ambassador and Permanent Representative of Lesotho to IFAD was highly appreciated by members of the Evaluation Committee.

20. The Committee noted that Management had: addressed issues related to overambitious design and implementation arrangements; adopted a more streamlined and participatory approach; employed new instruments such as the multidimensional poverty assessment tool; strengthened monitoring and evaluation and placed a greater emphasis on knowledge management.

21. Members further noted that in order to adopt a more programmatic approach in Lesotho, Management had focused on ensuring synergies and linkages within the ongoing portfolio. IFAD's work on strengthening partnerships in the country was evident in the two operations being implemented with the World Bank and Global Environment Facility. These partnerships were expected to strengthen the sustainability of the operations and promote scaling up.

22. Management reiterated the importance of rural finance activities and the need for such activities in Lesotho. This would be taken into consideration in developing the new COSOP in 2019.

Agenda item 6. Revised Approach Paper of the External Peer Review of IFAD's Evaluation Function

23. The Evaluation Committee considered the Revised Approach Paper on the External Peer Review of IFAD's Evaluation Function, document EC 2018/102/W.P.5, which incorporated the feedback provided by members at the Committee's session in June.

24. The Committee took note of the clarifications provided by the Chair of the External Peer Review Panel with regard to the budget for the exercise, which included activities in 2018 for preparation and data collection by the panel and consultants as well as an allocation for 2019 to cover further analysis, drafting, revision and presentation of the peer review report.

25. Members welcomed the clarifications provided on the scope of the exercise, which would include consideration of evaluation products and services, the feasibility of evaluations in terms of scalability and replicability, and the value-for-money aspect. Management proposed that the latter be specifically referenced in the approach paper.

26. In response to requests for further details regarding the proposed methodology, the Chair of the External Peer Review Panel clarified that targeted interviews with the Member State representatives, stakeholders, members of Senior Management and operational staff best placed to comment substantively on the evaluation function, its usefulness and value for money were foreseen in the revised approach paper. The members of the Evaluation Committee – among other Member States – will be contacted in relation to these interviews.

27. Additional clarification was requested about the use of the US$100,000 foreseen in the budget for 2018. At the Committee's 101st session, it had been stated that the

preparation of the paper would entail no costs; nonetheless, the US$100,000 has been maintained for 2018.

28. The revised approach paper will be submitted to the Executive Board in September 2018 for approval.

Agenda item 7. 2018 Annual Report on Results and Impact of IFAD Operations (ARRI) and agenda item 8. Report on IFAD's Development Effectiveness (RIDE)

29. The Committee reviewed the ARRI, contained in document EC 2018/102/W.P.6 with Management's response thereon, and the RIDE as contained in document EC 2018/102/W.P.7, with IOE's comments thereon.

30. The Committee welcomed the reports, and congratulated both IOE and Management. Members complimented IOE on the clear, rigorous and comprehensive report, which was an important tool for Management in promoting development effectiveness and institutional efficiency. Members also commended Management on the quality of the RIDE, the self-critical and transparent presentation and the broad convergence with the findings of the ARRI despite the differences between the sources of information of the two reports. Members noted greater similarity between the reports in the way that IFAD's performance was presented than had been the case in the past.

31. Members noted the ARRI's finding that overall, from 2007 to 2016, 76 per cent of IOE ratings were moderately satisfactory or better but that there had been a decline in recent periods, which required IFAD projects to improve performance in order to "leave no one behind".

32. The Committee took note of Management's response to the ARRI, in particular that Management welcomed the findings and agreed with the recommendations presented.

33. Noting that IFAD's performance seemed to have reached a plateau and that a slight decline could be seen in the ARRI, members concurred with the need to improve, inter alia, project-level efficiency, sustainability of benefits and more effective use of non-lending activities.

34. Members welcomed the activities being undertaken by Management and looked forward to seeing the impact of the ongoing reform process – including improved project design that foresaw early identification of exit strategies, and decentralization – on sustainability and project-level efficiency. The importance of leveraging local knowledge and engaging target populations in project design and monitoring and evaluation was highlighted as key to sustainability and ownership.

35. There was broad consensus around the recommendations contained in the ARRI. Members particularly welcomed the focus on the learning theme of targeting strategies for reaching rural poor people, which had given rise to useful lessons and recommendations. The Committee appreciated Management's commitment to revise the targeting guidelines in order to clarify and better support country teams in the design of new projects. Members underscored the importance of ensuring that efforts to increase efficiencies were not made to the detriment of targeting the poorest. The need to strike a balance between focusing on market orientation and income generation and targeting the poorest was also underscored, as was the importance of finding synergies between IFAD's mandate and the policies of borrowing governments.

36. There was recognition of the challenges posed by engagement in fragile situations and contexts, where tailored, country- and context-specific, programmatic approaches were necessary. Members called upon Management to redouble its efforts to find innovative solutions.

37. Noting the ambitious targets set for the Eleventh Replenishment of IFAD's Resources (IFAD11), Management confirmed that work had been undertaken to assess the

drivers of cofinancing and that this would inform the strategy to be submitted to the Executive Board.

38. The Committee endorsed the proposal that the 2019 ARRI consider the learning theme of quality at entry of project design.

Agenda item 9. President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)

39. The Evaluation Committee reviewed the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), as contained in document EC 2018/102/W.P.8/Rev.1, and IOE's comments thereon, provided in an addendum to the document. Members welcomed the fact that 86 per cent of the recommendations had been followed up by Management and that the remaining recommendations were pending due to the portfolio suspension in the Democratic Republic of the Congo and would be followed up on as soon as the situation was resolved.

40. The Committee welcomed the report and the IOE comments, and thanked Management for the detailed information provided on specific country contexts, which members had found very useful in understanding the difficulties encountered in implementing the recommendations. Members noted that this year's PRISMA also reported on the implementation status of recommendations made to government authorities, as recommended by IOE in 2017, and highlighted the insights that this provided into Management's engagement and partnership with governments.

41. The PRISMA revealed persistent challenges at the country level in the form of targeting issues, sustainability and project management issues, overambitious design and the need to improve partnerships and policy engagement. In this regard, members appreciated the role of the report as an accountability and learning tool.

42. Noting that 80 per cent of the recommendations recorded in the 2018 PRISMA matched commitments made by Management for the IFAD11 period, members recognized the relevance of Management's actions in response to key issues identified by IOE and also the important role of the independent evaluation function in improving IFAD's effectiveness and efficiency.

Agenda item 10. Other business

43. In closing, the Chair thanked participants for their active engagement in the discussions, and the interpreters and all support staff for a successful session.