



EC109 - Results from IFAD10 Sensitivity Analyses: Implications for IFAD11

Stefano Gagliarducci

University of Rome Tor Vergata & EIEF

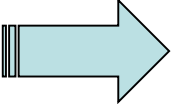
Sara Savastano & Alessandra Garbero

IFAD



Motivation

At the 127th Session a decision was made to conduct a sensitivity analysis to check the robustness of the Impact Assessment results and to verify whether a bias between the sample and IFAD's projects portfolio existed.

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1. Management hired an **external expert** who provided advice
 2. A number of systematic sensitivity analyses were conducted to assess overall **IFAD10 methodology & robustness of results**
 3. Sensitivity analyses were also conducted to validate the **IFAD11 selection process** for the upcoming impact assessments

Background

1. In **IFAD9**, the IA methodology used a stratified random sample of IFAD's portfolio. **Implementation challenges** resulted in a failed process. Nine projects could not be included and had to be changed and many had data issues.
2. Learning lessons from the IFAD9 experience, IFAD's Development Effectiveness Framework (DEF) updated the approach (EB Dec 2016 - p. 14 paragraph 58): **Protocol and purposive sample** are used for **IFAD10 and IFAD11**.
3. By construction the sample is not random, since randomization—as seen in numerous clinical trials—is difficult with a **small sample**.
4. With a purposive sample, the solution is to do the analysis and then conduct **sensitivity analysis** and to adjust the impact using weights.



Summary of the Sensitivity Analyses

1. **In-depth descriptive assessment** of IFAD10 IAs sample & test of difference in means
2. **Bias “check”** in implementation performance ratings rather than PCR ones to account for EB comments
3. **Sensitivity analysis for IFAD10**
4. **Validation of IFAD11** sample of IAs



Conclusion

- By construction the IFAD10 **sample is not random**
- Econometric analysis to reweight the IFAD10 sample and the representativeness of the portfolio: **corporate impacts were recomputed** → **magnitude and direction of the impacts are confirmed**
- **Validation of IFAD11 sample**, and for the future: sensitivity analysis included and be more explicit about the limitations of the analysis for IFAD11
- For **IFAD12**: we will be **updating the Development Effectiveness Framework** and reconsider the approach. Further external support will be used to verify the sampling strategy.
- **COVID-19 may change the status quo**: Numbers in the IA sample & universe likely to change due to extension of completion dates & COVID-19 delays

