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Investing in rural people

## **Results-based Work Programme and Budget for 2021, and Indicative Plan for 2022-2023, of the Independent Office of Evaluation of IFAD**

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**For: Review**

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## Abbreviations and acronyms

ARRI	Annual Report on the Results and Impact of IFAD Operations
CLE	corporate-level evaluation
COSOP	country strategic opportunities programme
CSPE	country strategy and programme evaluation
DMR	divisional management result
ECD	evaluation capacity development
ECG	Evaluation Cooperation Group
ESR	evaluation synthesis report
FAO	Food and Agriculture Organization of the United Nations
GIS	geographic information system
IE	impact evaluation
IOE	Independent Office of Evaluation of IFAD
OSB	Office of Strategic Budgeting
PCE	project cluster evaluation
PCR	project completion report
PCRV	project completion report validation
PMD	Programme Management Department
PoLG	programme of loans and grants
PPE	project performance evaluation
PRISMA	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions
SO	strategic objective
SRE	subregional evaluation
RBA	Rome-based agency
RIDE	Report on IFAD's Development Effectiveness
TE	thematic evaluation
UNEG	United Nations Evaluation Group
WFP	World Food Programme

## I. Introduction

1. **A year of change.** The external peer review of IFAD's evaluation function undertaken in 2018-19 (EB 2018/124/R.8) provided recommendations to further improve the processes and product range of the Independent Office of Evaluation of IFAD (IOE). IOE committed to revising its product range to include new products such as thematic evaluations (TEs), to be reflected in the IOE work programme and budget for 2020. This was the first transitional work programme towards implementing the recommendations of the peer review. During 2021, IOE's actions to implement the recommended changes will become fully effective. Thus, 2021 will be a year of change, positioning IOE more strategically to meet the accountability and learning needs of the governing bodies and IFAD Management in the context of progress towards achieving the targets set under Sustainable Development Goals (SDGs), especially those relating to SDG 2. Similar to the work programme and budget for 2020, this work programme and budget is also transitional in nature. It will be followed by IOE undertaking a multi-year evaluation strategy<sup>1</sup> for the medium term that will firmly anchor its contribution towards IFAD's development effectiveness in the context of the sustainable development agenda.
2. **Developing the work programme and budget.** This document was informed by extensive consultations carried out by IOE with IFAD's governing bodies and Management and IOE staff. In addition, it was enriched by the external peer review of IFAD's evaluation function and the subsequently agreed IOE joint action plan with IFAD Management presented to the Evaluation Committee at its 108<sup>th</sup> session.<sup>2</sup>
3. This document illustrates the priorities for IOE in 2021 and beyond, and how they are linked with its work programme and resource requirements. In addition, the document provides an update on the progress made in 2020, budget utilization up to September 2020 and projected 2020 year-end budget utilization. It also provides figures on actual expenditures for 2019. In line with the IFAD Evaluation Policy,<sup>3</sup> the IOE budget is developed independently of IFAD's administrative budget. The proposed budget is based on the same budgeting principles and parameters (e.g. exchange rate, standard costs for staff positions) used by IFAD Management in preparing its own administrative budget for 2021.<sup>4</sup>

## II. Progress of activities in 2020

### A. Carrying out evaluations in the context of COVID-19

4. The outbreak of COVID-19 has affected the implementation of the IOE's work programme. IOE presented an oral update to the Evaluation Committee at its 109<sup>th</sup> session on plans to adapt individual evaluations. For instance, adjustments have been made to standard approaches to data collection, analysis and stakeholder consultations, and new practices are being adopted. IOE is collecting data through document reviews, remote stakeholder consultations by telephone, Zoom and Skype, and is performing further analysis using project monitoring and evaluation data. In addition, efforts are under way to explore the use of local consultants for short, targeted missions where conditions allow. IOE is also exploring the use of geographic information systems (GIS), cooperating with the Environment, Climate, Gender and Social Inclusion Division to identify the inventory of projects that have

<sup>1</sup> IOE envisages that a medium-term strategy could cover a period of 3-5 years.

<sup>2</sup> <https://webapps.ifad.org/members/ec/108/docs/EC-2020-108-W-P-5.pdf>.

<sup>3</sup> See IFAD Evaluation Policy (<https://webapps.ifad.org/members/eb/102/docs/EB-2011-102-R-7-Rev-3.pdf>). Currently a new evaluation policy is being drafted for approval at the 131<sup>st</sup> session of the Executive Board in December 2020.

<sup>4</sup> New parameters for 2021 such as updated standard staff costs and the standard US\$/EUR exchange rate will be made available to IOE in September 2020.

geo-referenced their intervention sites. Overall, IOE has identified a number of principles that it is committed to following, as outlined below:

- (i) Respect the health safety priorities and guidance provided by the World Health Organization, IFAD and the concerned countries, and abide by the international and local travel restrictions applicable to the programme countries.
- (ii) Respect the health and well-being, ethical principles and cultural values of the evaluation stakeholders and IOE staff when conducting evaluations.
- (iii) Minimize international travel. Carry out evaluation events and data collection remotely (including by virtual meetings), to the extent possible. Optimize the use of existing documents, databases and other secondary data.
- (iv) Pursue technologies amenable to remote data collection and validation to the extent feasible, such as analysis of geospatial data for geo-referenced interventions when relevant.
- (v) If considered safe and allowed by national rules, have national consultants conduct selected field visits to triangulate findings from other sources. National consultants will be required to abide by all local travel restrictions and health guidance.
- (vi) Collaborate with other evaluation offices, networks and professional organizations to foster exchange of experiences and practices. Draw lessons from this collective wisdom on good practices, risks and pitfalls to promote efficiency gains during the crisis. Use this crisis experience as an opportunity to reflect on and inform future evaluation practices.

## **B. Progress of select evaluation activities in 2020**

5. The progress made on selected evaluation activities is outlined below:

- **Finalization of the corporate-level evaluation (CLE) on IFAD's support to innovation and productivity growth for inclusive and sustainable smallholder agriculture.** The evaluation findings and recommendations were presented to the Evaluation Committee at its 110<sup>th</sup> session and the Executive Board at its 130<sup>th</sup> session held in September 2020. An internal learning event for IFAD staff and the other United Nations Rome-based agencies (RBAs) was held in late September 2020.
- **Thematic evaluation on IFAD's contribution to smallholder adaptation to climate change.** The approach paper<sup>5</sup> for the TE was presented to the Evaluation Committee at its 108<sup>th</sup> session held in April 2020. The evaluation is now in progress, with case studies being prepared and stakeholder consultations and interviews having begun. Field visits will be undertaken by national consultants if allowed by United Nations and local authorities.
- **Evaluation synthesis on rural infrastructure.** IOE has finalized the approach paper. Data collection and analysis have begun. In consideration of the COVID-19 restrictions, the selected field visits planned to complement desk-based evidence will not be undertaken.
- **Joint CLE with the evaluation offices of the World Food Programme (WFP) and the Food and Agriculture Organization of the United Nations (FAO) on collaboration among the RBAs.** The CLE terms of reference were drafted jointly by the evaluation offices of all three RBAs and were presented to the Evaluation Committee at its 110<sup>th</sup> session in September 2020. Following an inception phase, data collection and analysis

<sup>5</sup> See <https://webapps.ifad.org/members/ec/108/docs/EC-2020-108-W-P-4.pdf>.

are expected to start in the second half of 2020. The evaluation will be completed in 2021.

- **Country strategy and programme evaluations (CSPEs).** National round-table workshops for Ecuador, Madagascar and Sudan were completed, of which those for Madagascar and Sudan were undertaken remotely. The CSPE for Sierra Leone was presented to the Evaluation Committee at its 108<sup>th</sup> session held in April, and those for Ecuador and Nepal were presented to the Committee at its 109<sup>th</sup> session held in June. IOE is undertaking desk work and stakeholder consultations for the ongoing CSPEs in Burundi, Morocco, Niger, Pakistan and Uganda. IOE is constantly monitoring travel restrictions in the countries and has undertaken short and targeted missions through national consultants where the situation permitted.<sup>6</sup>
  - **Project performance evaluations (PPEs).** PPEs are progressing as planned. However, no international missions are foreseen for most of the PPEs. Instead, IOE will triangulate desk reviews through remote interviews with stakeholders, field visits by national consultants (national regulations permitting) and use of other sources of data such as GIS where applicable. In 2020, IOE is undertaking PPEs in Bangladesh, Dominican Republic, Indonesia, Senegal, Tajikistan and Uganda. In Bangladesh IOE has used data from GIS to triangulate information on the effectiveness of infrastructure construction.
  - **Impact evaluations (IEs).** The IE of the Ethiopia Community-based Integrated Natural Resources Management Project, begun in 2019, will be completed in the second half of 2020. As to the new IE planned to commence in 2020, IOE proposes not to undertake it. Travel restrictions remain in place in most countries. While IOE has considered alternative options for IE, it has concluded that, in the absence of field visits and field interviews, it would be very challenging to design a credible sampling strategy and undertake quality control to a satisfactory level. In addition, undertaking extensive field interviews would generate health risks for beneficiaries, stakeholders and IOE staff. Instead, IOE will advance part of the activities related to the joint CLE on RBA collaboration from 2021 to the second part of 2020.
6. **Follow-up on the external peer review.** Activities in this domain pertain to: (i) preparation of a draft revised evaluation policy, in consultation with Management; (ii) provision of input to the discussion on the updated terms of reference of the Evaluation Committee; and (iii) preparation of a note on the IOE product range. To this end, IOE has worked in consultation with IFAD Management and the governing bodies. Related outputs are slated for presentation to the Evaluation Committee at its 111<sup>th</sup> session in October 2020.
7. IOE has published and disseminated to internal and external audiences: eleven evaluation reports, five Profiles, five Insights, two press releases, one media alert, three overviews, one learning brief, five infographics, two quarterly newsletters and three podcasts. IOE also organized two in-house learning events on the evidence-based results framework of the International Rescue Committee and on a tool for managing gender-sensitive evaluations during the COVID-19 pandemic, which was delivered by the evaluation office of the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women). IOE published two blog posts on the evaluation of community-driven development and value chain approaches. It published an article in the June issue of UN Women's *Transform* magazine; and an article in the first quarter 2020 issue of *Evaluation Matters*, an electronic magazine of the African Development Bank. IOE participated in several external events, mostly remotely, namely the Evaluation Cooperation Group (ECG) spring meeting; the gLOCAL event, organized jointly by IFAD, FAO and WFP

<sup>6</sup> The missions will be conducted by national consultants, under the close supervision of the IOE lead evaluator and international consultant(s). As of the time of drafting this document, one such mission has been undertaken in Uganda.

evaluation offices; the Annual Bank Conference on Development Economics hosted by the World Bank and the University of Arizona; a conference of the Evaluation Community of India; a meeting of the Global Evaluation Initiative, led by the Independent Evaluation Group of the World Bank; the Independent Evaluation Office of the United Nations Development Programme; and the 2020 Asian Evaluation Week.

8. IOE has also developed and launched an app called IFAD Leaf for smartphones and tablets. IFAD Leaf is a compact reference hub holding all of IOE's reports in a format optimized for mobile use and contains customized filters to search through IOE evaluations quickly and accurately.
9. **Cooperation with other evaluation offices.** IOE is engaging with other United Nations evaluation offices through the United Nations Evaluation Group (UNEG) on exchanging information and drawing evaluative evidence on development interventions that support smallholder farmers and small producers during the time of crisis. The Evaluation Cooperation Group of the multilateral development banks, of which IOE is a member, also organized a virtual seminar in April 2020 on collecting evidence for evaluations during COVID-19.
10. IOE has been invited to collaborate in a joint rapid synthesis exercise, with the evaluation offices of the RBAs and the United Nations Industrial Development Organization, on identifying evidence on the kind of interventions that have been effective in protecting rural livelihoods and food security in times of crisis. This exercise will cover not only the operations of the RBAs and other United Nations organizations but also a number of other development partners and organizations.
11. IOE has been invited to cooperate in the Global Evaluation Initiative led by the evaluation offices of the World Bank and United Nations Development Programme. The initiative is expected to strengthen demand as well as institutional and technical capacity for evaluation in developing countries, and will be implemented in collaboration with international financial institutions and United Nations agencies. It will provide IOE with an opportunity to share its evaluative knowledge as well as draw on other practices.

### **C. 2020 budget utilization**

12. Table 1 reports on IOE budget utilization in 2019 and 2020 up to September 2020, and the projected rate at year-end. Budget utilization in 2020 will be affected by a decrease in travel costs as a result of COVID-19 travel restrictions and some staff vacancies that have arisen during 2020, including that of the Director, IOE.

Table 1  
**IOE budget utilization in 2019 and projected utilization in 2020 (as of September 2020)<sup>7</sup>**

<i>Evaluation work</i>	<i>Approved budget 2019</i>	<i>Budget utilization 2019</i>	<i>Approved budget 2020</i>	<i>Commitment as of Sept 2020</i>	<i>Expected utilization as of year-end 2020</i>
<b>Non-staff costs</b>					
Travel costs	840 000	684 704	820 000	158 303	200 000
Consultant fees	1 400 000	1 517 371	1 390 000	1 610 206	1 700 000
Evaluation outreach, staff training and other costs	270 390	287 742	270 390	322 033	350 000
<b>Subtotal</b>	<b>2 510 390</b>	<b>2 489 817</b>	<b>2 480 390</b>	<b>2 090 542</b>	<b>2 250 000</b>
<b>Staff costs</b>	<b>3 473 221</b>	<b>2 542 136<sup>8</sup></b>	<b>3 388 338</b>	<b>2 801 434<sup>9</sup></b>	<b>3 050 000</b>
<b>Total</b>	<b>5 983 611</b>	<b>5 031 953</b>	<b>5 868 728</b>	<b>4 891 976</b>	<b>5 300 000</b>
<b>Utilization (percentage)</b>		<b>84.10<sup>10</sup></b>		<b>83.3</b>	<b>90.3</b>
<b>External peer review</b> (2019 portion of total cost)	<b>200 000</b>	<b>115 392</b>	-	-	-
<b>Recruitment of IOE Director</b>			<b>137 000</b>	<b>0<sup>11</sup></b>	<b>100 000<sup>12</sup></b>
<b>Evaluation Policy</b>			<b>50 000</b>	<b>50 000</b>	<b>50 000</b>
<b>Total budget</b>	<b>6 183 611</b>	<b>5 147 345</b>	<b>6 055 728</b>	<b>4 941 976</b>	<b>5 450 000</b>

### III. IOE strategic goals

13. As a part of the follow-up to the external peer review, IOE has revised its divisional goals for 2021 to better reflect the wide variety of activities that it undertakes. The goals place increased emphasis on IOE's role in promoting a learning and results culture within and outside IFAD and contribution to evaluation debate at the global level and at regional and country levels. This is in line with the external peer review's recommendation that IOE play a more strategic role within and outside IFAD. The goals are:
  - (i) Ensure credible and independent evidence to promote accountability and improve IFAD's performance and partnerships at corporate, regional, country and project level;
  - (ii) Contribute to enhanced evaluation dialogue within IFAD and at the global, regional and country level; and
  - (iii) Strengthen a culture of results and learning from evaluations within IFAD.
14. IOE will reflect further on its strategic goals as part of the process of drafting a multi-year strategy planned for 2021.

<sup>7</sup> The format of this table is expected to be superseded by potential changes in the budget reporting process whereby staff and non-staff costs may be reported separately. This table will be discontinued as of next year to simplify reporting, as suggested by the external peer review.

<sup>8</sup> IOE had several staff vacancies throughout the year, which were filled on an ongoing basis. As per IFAD standard practice, staff costs are budgeted based on standard costs provided by the Office of Strategic Budgeting (OSB). Actual utilization may be lower than standard costs.

<sup>9</sup> OSB commits funds only against those positions that are filled or have a person charged against them. As of the time of drafting this document, IOE had 1 D-2, 3 P-3s and 1 P-2 positions vacant. Recruitment of the D-2, 2 P-3s and the P-2 position was ongoing as of the time of writing this document, and a P-3 staff member currently on secondment is expected to return to the position later in the year.

<sup>10</sup> The utilization rate for staff costs was 73 per cent while that for non-staff costs was 99.18 per cent. Staff costs are budgeted at the standard rates determined by OSB. Actual utilization depends on the EUR/US\$ exchange rate, the contractual terms of incumbent staff and any vacancies that may occur. The actual utilization figures for staff costs were made available by OSB in February 2020. The utilization rate reported here is therefore different from the utilization rate reported in the work programme and budget document for 2020 submitted to the Governing Council at its forty-third session.

<sup>11</sup> IOE has reached an agreement with the Human Resources Division whereby the actual expenditure for recruiting the IOE Director will be transferred in its entirety to the Human Resources Division at the end of the process.

<sup>12</sup> As candidates may not be able to travel to Rome in light of COVID-19, a smaller amount is expected to be spent on the process. However, actual utilization will only be known at the end of the process.



## IV. 2021 work programme

15. The external peer review also recommended that the IOE work programme and budget document's structure and reporting be simplified. This document for 2021 has therefore been simplified and made more concise.

### A. Proposed work programme for 2021

16. As recommended by the external peer review, IOE will prepare, in consultation with the Evaluation Committee, the Executive Board and IFAD Management, a multi-year evaluation strategy to be presented to the Evaluation Committee in 2021. It will orient the selection of evaluations for 2022 and beyond (the list of evaluations for 2022 onwards in annex IV of this document is tentative).
17. Based on the findings and recommendations of the peer review, on its own internal review and feedback received from the governing bodies and Management, priorities for evaluations in 2021 and beyond will include:
- (i) Undertaking evaluation topics that represent major challenges for rural development and reflect key structural changes and reforms at IFAD. IFAD has undertaken significant changes and reforms in, inter alia, the institutional structure (including the decentralization process) and financial architecture in the past years and is expected to continue undertaking reforms in the medium term. IOE will carry out evaluations on topics that pertain to these reforms and changes in IFAD and are of significance for the achievement of rural transformation and the SDGs;
  - (ii) Piloting new evaluation products. The external peer review had recommended that IOE consider introducing newer products to meet accountability and learning needs beyond country and project level. IOE will enhance the methodological rigour of its existing products and also introduce newer products to meet the evolving evaluation needs of IFAD and its stakeholders;
  - (iii) Responding to accountability and learning needs from governing bodies and Management at the strategic and project levels. IOE will consult on an ongoing basis with IFAD's governing bodies and Management to undertake evaluations that feed into thematic, organizational and geographic areas of priority;
  - (iv) Consolidating findings on IFAD's portfolio performance and results. IOE will make efforts to systematically summarize findings across evaluations to provide an overarching view of organizational performance or performance in a given thematic area of interest;
  - (v) Contributing to enhancement of the quality of self-evaluation. IOE will provide feedback to enhance IFAD's corporate and project-level self-evaluation function through its products and by providing inputs for organizational policies and processes based on lessons from past evaluations.
18. In terms of topics representing **major global rural development challenges**, in 2021, IOE plans to complete the TE on IFAD's contribution to smallholder adaptation to climate change. This TE will: (i) assess IFAD's performance and results in supporting smallholder farmers' climate adaptation efforts (summative component); and (ii) identify key lessons and make recommendations concerning ways in which IFAD can enhance its approach and improve its performance in this area (formative component).
19. In terms of informing structural **changes and reforms**, in 2021, IOE will begin a CLE of IFAD's decentralization reform, to be completed in 2022. This will be a follow-up to the CLE on the same topic completed in 2016 and will cover the changes that have taken place in the past five years, in terms of both organizational changes, and impact on engagement with partner countries and

support to operational and strategic work (including non-lending activities) and their results.

20. Organizational changes also involve corporate partnerships with other agencies. In 2021, the joint CLE with the evaluation offices of WFP and FAO and IFAD on collaboration among RBAs, started in 2020, will be completed.
21. In terms of **piloting new evaluation products**, in 2021 IOE proposes to undertake a subregional evaluation (SRE) of small countries with situations of fragility in West Africa. SREs are meant to assess IFAD strategy, approaches and organizational set-up in countries sharing salient characteristics and generate recommendations and lessons for IFAD operations in that subregion. They are expected to have a strategic or thematic focus and cover organizational aspects. The list of countries to be included in this evaluation will be decided at the start of the evaluation, in consultation with the regional division. The Programme Management Department (PMD) has expressed interest in this evaluation, in light of the high prevalence of countries with fragile situations in West and Central Africa and hence the relevance of this theme for the department and IFAD as a whole.<sup>13</sup>
22. A project cluster evaluation (PCE) on rural enterprise development projects is proposed in 2021. This evaluation will cover IFAD projects working on the development of on and off-farm enterprises and may cover projects that share similar characteristics such as geographic region, similar stage of implementation and linkages to value chains. The choice of the topic reflects the priority accorded by IFAD to rural transformation in its Strategic Framework 2016-2025 under strategic objective 2. PCEs can cover ongoing projects and generate findings and lessons that are of wider relevance than individual project evaluations.
23. As to responding to **learning needs**, IOE will work on CSPEs, which inform country strategies. In 2021, IOE will conclude the CSPEs in Pakistan and Burundi started in 2020. Five new CSPEs are planned, for Bolivia, Eswatini, Indonesia, Malawi and Uzbekistan.<sup>14</sup> No CSPEs are foreseen in the West and Central Africa region in 2021, given that an SRE will be conducted there. In the future, IOE may undertake more than one CSPE in a regional division in a given year depending on new country strategic opportunities programmes (COSOPs) and demand from PMD regional divisions. CSPEs will be structured more strategically, with a new format and more selective application of evaluation criteria.
24. IOE will undertake a new evaluation synthesis report (ESR) on government performance in IFAD projects. This topic has been chosen in light of the findings in the Annual Report on the Results and Impact of IFAD Operations (ARRI) 2020, which show a decline in the ratings for government performance in IFAD projects. This is particularly important as the ARRI finds a correlation between government performance, effectiveness and overall project achievement.
25. At the project level, IOE will continue to undertake PPEs, albeit in lesser numbers than in previous years. This is part of the rebalancing between project-level and more strategic evaluations, as recommended by the 2019 external peer review. IOE proposes to undertake four PPEs in 2021, which will be finalized towards the end of the year. This reduction also takes into account the surge in work needed on the evaluation manual, evaluation strategy and introduction of new products.
26. As to **consolidation of findings** on IFAD's portfolio performance and results, IOE will undertake the nineteenth edition of the ARRI in 2021. In the future, the ARRI may contain standard chapters (e.g. on the project portfolio performance and non-lending activities), as well as chapters that vary year by year and contain new analysis or synthesis of findings of more strategic evaluations. This will help better respond to organizational learning needs and provide more actionable evaluative

<sup>13</sup> The IFAD Strategy for Engagement in Countries with Fragile Situations was approved in 2016.

<sup>14</sup> In the case of Bolivia, only an approach paper is expected for 2021.

lessons. Further reflection on the ARRI content, structure and methodology will be part of the revision of the evaluation manual.

27. Finally, in its support to **enhance the quality of self-evaluation**, IOE will undertake project completion report validations (PCRVs) on an ongoing basis. PCRVs are expected to become shorter, with a focus on criteria with disconnect between PMD's self-rating and IOE's rating. In the future, PCRVs may also be integrated with the Operational Results Management System to ensure that the results of IFAD's self-evaluations and independent evaluations are reported in an integrated manner. IOE will also interact with PMD on the revision of self-evaluation products and will be available for consultations on methodology.
28. The revision of the product range, with the introduction of new products and newer approaches adopted for existing evaluation products, requires IOE to draft a new evaluation methodology. IOE plans to start the drafting of a new evaluation manual in 2021. The methodology will account for the changes to existing products and introduction of new products. The endeavour will include consultations with the governing bodies, IFAD Management and international evaluation networks.
29. The proposed list of IOE evaluation activities for 2021 is shown in annex III and the indicative plan for 2022-2023 is presented in annex IV.

## V. 2021 resource envelope

### A. Staff resources

30. IOE undertook a strategic workforce planning exercise to assess the nature of skills and staffing level that it will require in the future. In light of the external peer review recommendations, IOE is expected to place increased emphasis on higher-plane and theme-focused evaluations in place of project-level evaluations. IOE concludes that it has the necessary staffing level to meet the accountability and learning needs of IFAD's governing bodies and Management in the foreseeable future. However, the staffing matrix will require changes to meet the anticipated demand for higher-plane evaluations. To that end, IOE proposes the upgrading of an existing P-2 position to P-3. No increase in staff budget is envisaged in 2021 as a result of such upgrade and IOE will absorb the incremental costs, if any, into its proposed budget envelope.

Table 2

**Staffing in 2020 and proposed staffing in 2021**

<i>Category</i>	<i>2020</i>	<i>2021 (proposed)</i>
<b>Professional staff</b>		
Director	1	1
Deputy Director	1	1
Lead evaluation officers	3	3
Evaluation officers	7	7
Evaluation research analyst	2	1
Evaluation knowledge and communication officer	-	1
<b>Subtotal Professional staff</b>	<b>14</b>	<b>14</b>
<b>General Service staff</b>		
Administrative assistant	1	1
Assistant to Director	1	1
Assistant to Deputy Director	1	1
Evaluation assistants	3	3
<b>Subtotal General Service staff</b>	<b>6</b>	<b>6</b>
<b>Grand total</b>	<b>20</b>	<b>20</b>

## B. Budget requirements

31. The peer review's recommendations and their implementation will have implications for the product and process matrix and for the budget. In 2021, IOE will be undertaking new products such as SREs and PCEs. Resource requirements reported for these evaluations are based on best estimates by IOE. The actual level of resources required to undertake these new products in the future will become clear towards the end of 2021.
32. The proposed budget is presented by type of activity or evaluation in table 3 and by divisional goals in table 4. IOE has simplified the budget presentation and reduced the number of annexes, in line with the recommendations of the external peer review. Where applicable, the tables compare the relevant budget for 2021 with that of the previous year(s). Table 5 contains the IOE gender-sensitive budget, which identifies the budget distribution for gender-related activities.
33. **Assumptions.** The parameters used to develop the current proposed 2021 budget are the same as those used in 2020. They are as follows: (i) no increase in the salary levels of Professional and General Service staff is anticipated for 2021; (ii) inflation will be absorbed to the greatest extent possible; and (iii) an exchange rate of US\$1=EUR 0.885. The parameters are subject to change once OSB provides IOE with the updated exchange rate and resultant change in standard staff costs.
34. **Budget by type of activity.** IOE proposes to decrease the total number of PPEs from six in 2020 to four in 2021 and maintain the number of ESRs at one. IOE will also undertake five new CSPEs in 2021, the same number as in 2020. On the other hand, IOE will undertake one SRE and one PCE, both new products to be introduced in 2021. In line with the recommendations of the external peer review, IOE intends to maintain some flexibility in its budgeting so that it can respond better to emerging organizational needs. To this end, IOE proposes to start with a buffer of US\$70,000 for unforeseen evaluation work as reflected in table 3 below.

Table 3  
**Proposed budget for 2021 by type of activity and comparison with previous budgets**

Type of activity	Approved 2018 budget (US\$)	Approved 2019 budget (US\$)	Approved 2020 budget (US\$)	Absolute number 2020	Level of effort 2020	Proposed 2021 budget (US\$)	Absolute number 2021	Level of effort 2021
<b>Non-staff costs</b>								
ARRI	80 000	80 000	80 000	1	1	80 000	1	1
CLEs	430 000	430 000	100 000	2	1	210 000	2	1
TE	-	-	300 000	1	0.7	50 000	1	0.3
CSPEs	1 000 000	1 000 000	1 000 000	7	5.2	840 000	7	5
SREs	-	-	-	-	-	300 000	1	0.7
ESRs	110 000	55 000	55 000	1	1	60 000	1	0.5
PCEs	-	-	-	-	-	130 000	1	1
PPEs	320 000	320 000	240 000	6	6	160 000	4	4
PCRVs	30 000	30 000	45 000	30	30	50 000	35	35 <sup>15</sup>
IEs	200 000	200 000	200 000	-	-	-	-	-
Evaluation manual	-	-	-	-	-	80 000	-	-
IOE multi-year strategy	-	-	-	-	-	10 000	-	-
Knowledge-sharing, communication, evaluation outreach and partnership activities	200 000	260 000	260 000	-	-	270 000	-	-
Evaluation capacity development (ECD), training and other costs	135 390	135 390	120 390	-	-	120 000	-	-
Buffer for unforeseen evaluation work	-	-	80 000	-	-	70 000	-	-
<b>Total non-staff costs</b>	<b>2 505 390</b>	<b>2 510 390</b>	<b>2 480 390</b>	-	-	<b>2 430 000</b>	-	-
<b>Staff costs</b>	<b>3 307 259</b>	<b>3 473 221</b>	<b>3 388 338</b>	-	-	<b>3 388 338</b>	-	-
<b>Total</b>	<b>5 812 649</b>	<b>5 983 611</b>	<b>5 868 728</b>	-	-	<b>5 818 338</b>	-	-
<b>External peer review</b>	<b>100 000</b>	<b>200 000</b>	-	-	-	-	-	-
<b>Recruitment of IOE</b>								
<b>Director</b>			<b>137 000*</b>	-	-		-	-
<b>New Evaluation Policy</b>			<b>50 000</b>	-	-		-	-
<b>Total budget</b>	<b>5 912 649</b>	<b>6 183 611</b>	<b>6 055 728</b>	-	-	<b>5 818 338</b>	-	-

\* Estimate based on discussions with IFAD's Human Resources Division, assuming that a head-hunting agency will be employed. In 2013, an amount of US\$189,000 was approved for recruitment of the Director, IOE.

35. **Cost drivers.** One of the fundamental cost drivers in 2021 will be the implementation of peer review recommendations, given the new products and processes being introduced and changes in methodology as a result. IOE's costs are largely determined by the number and kind of evaluations it undertakes in a given year.
36. **Budget by divisional goals.** Table 4 shows the allocation of the total IOE proposed budget for 2021, including both staff and non-staff costs, against IOE's divisional goals.<sup>16</sup>

<sup>15</sup> This number is purely indicative of the number of project completion reports (PCRs) that IOE receives each year. The actual number of PCRVs undertaken may differ.

<sup>16</sup> For 2021 IOE has revised its strategic goals/objectives.

Table 4  
**Proposed 2021 budget allocation by strategic goal**

<i>Strategic goals</i>	<i>Budget</i>	<i>% of total budget</i>
Ensure credible and independent evidence to promote accountability and improve IFAD performance and partnerships at corporate, regional, country and project level	3 869 282	66.5
Contribute to enhanced evaluation dialogue within IFAD and at the global, regional and country level	677 603	11.6
Strengthen a culture of results and learning from evaluations within IFAD	1 271 453	21.9
<b>Total</b>	<b>5 818 338</b>	<b>100</b>

Note: percentages are rounded up.

37. **Gender-sensitive budget.** IOE's methodology for constructing a gender-sensitive budget entails determining the proportion of staff and non-staff costs devoted to analysing and reporting on gender issues in its evaluations. It is important to note that IOE has a dedicated criterion on gender equality and women's empowerment that is applied in all ARRIs, CSPEs, PPEs, PCRVs and IEs. The same criterion will be used in the new products, PCEs and SREs. Attention is also paid to gender issues in other evaluations such as CLEs and ESRs. Table 5 shows that 7.1 per cent of the total proposed IOE budget for 2021 is directly allocated to the examination of gender issues.

Table 5  
**IOE 2021 gender-sensitive budget**

<i>Type of activity</i>	<i>Proposed 2021 budget</i>	<i>Gender component (percentage)</i>	<i>US\$</i>
<b>Non-staff costs</b>			
ARRI	80 000	10	8 000
CLEs	210 000	10	21 000
TE	50 000	10	5 000
CSPEs	8 40 000	10	84 000
SREs	300 000	10	30 000
ESRs	60 000	7	4 200
PCEs	130 000	7	9 100
PPEs	160 000	7	11 200
Evaluation manual	80 000	7	5 600
IOE multi-year strategy	10 000	5	500
PCRVs	50 000	5	2 500
Knowledge-sharing, communication, evaluation outreach and partnership activities	270 000	7	18 900
ECD, training and other costs	120 000	5	6 000
Buffer for unforeseen evaluation work	50 000	5	2 500
<b>Total non-staff costs</b>	<b>2 430 000</b>	<b>8.6</b>	<b>210 200</b>
<b>Staff costs</b>			
Gender focal point	161 400	20	32 280
Alternate gender focal point	105 700	10	10 570
All evaluation staff	3 247 400	5	162 370
<b>Total staff costs</b>	<b>3 388 338</b>	<b>6</b>	<b>205 220</b>
<b>Total</b>	<b>5 818 338</b>	<b>7.1</b>	<b>415 420</b>

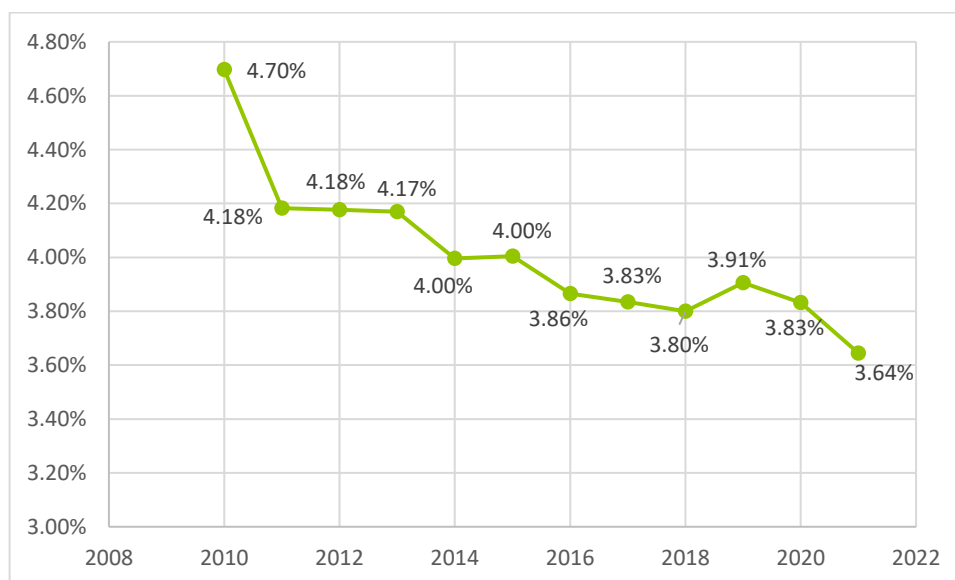
## VI. IOE budget proposal and considerations for the future

38. **Current proposal.** The proposed 2021 budget totals US\$5.81 million. The proposed budget is US\$50,390 less than the approved budget for 2020, which was

US\$5.86 million. The proposed budget for 2021 shows a nominal reduction of 0.85 per cent from IOE's approved budget for 2020, driven by a small reduction in non-staff costs. This is the second consecutive budget proposal entailing a nominal decrease in IOE budget.

39. In 2021, IOE may benefit from a budget carry-over from 2020 in the percentage of carry-over authorized by the Executive Board for IFAD's administrative budget for 2020.
40. **Streamlining processes and promoting efficiency.** IOE's budget as a percentage of IFAD's administrative budget has witnessed a consistent decline over the last decade (see figure 1). A similar trend is projected for 2021, with IOE's budget expected to be 3.64 per cent of IFAD's proposed administrative budget of US\$159.41 million. This decline has come about in spite of the increasing complexity of IFAD's operations and resultant increase in complexity of evaluations in recent years. Over the years IOE has sought to streamline processes and products and absorb cost increases to the extent possible.

Figure 1  
IOE budget as a percentage of IFAD regular administrative budget (2010-2021)



41. **Compliance with Executive Board mandated budget cap and future considerations.** IOE's budget cap is fixed at 0.9 per cent of IFAD's programme of loans and grants (PoLG). The projected PoLG for 2021 is US\$679 million. Thus, IOE's proposed budget is 0.86 per cent of the PoLG, due to the fact that IFAD has front-loaded most of its PoLG for the Eleventh Replenishment of IFAD's Resources (IFAD11) in the years 2019 and 2020. This trend may become more pronounced in the future as IFAD progressively moves towards larger projects and any uneven distribution of number of projects approved within a replenishment period may result in IOE breaching the budget cap in one or more of those years. If the sum of IOE budgets for the IFAD11 period (2019-2021) is considered over the total PoLG for the same period, the ratio would be 0.5 per cent, which is well below the cap set by the Executive Board.
42. In view of the practice of front-loading as described above, IOE proposes that, in any IFAD replenishment period, the ratio of 0.9 per cent be calculated on a three-year average of the PoLG.<sup>17</sup>

<sup>17</sup> If, for example, the PoLG is US\$3.3 billion, the annual ratio of IOE budget would be computed on a denominator of US\$1.1 billion, which is the three-year average of the PoLG.

## IOE Results Management Framework for 2021<sup>18</sup>

Table 1  
IOE key performance indicators for 2021

<i>Divisional goals</i>	<i>Key performance indicators</i>	<i>Target (per year)</i>	<i>Means of verification</i>
<b>Goal 1:</b> Ensure credible and independent evidence to promote accountability and improve IFAD performance and partnerships at corporate, regional, country and project level	1. Adoption rate of recommendations from CLEs, CSPEs, ESRs and PPEs	90%	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) and IOE work programme and budget
	2. Number of outreach products for all evaluations disseminated through social tools and the internet	60	
	3. Number of in-country learning events co-organized by IOE with governments	5 <sup>19</sup>	
	4. Number of page views for IOE reports	55 000	
	5. Number of people receiving IOE newsletters	2 500	
<b>Goal 2:</b> Contribute to enhanced evaluation dialogue within IFAD and at the global, regional and country level	6. Number of evaluation events with participation of IOE staff	5	IOE records
	7. Piloting and introduction of new evaluation products	2	
	8. Draft evaluation manual	1	
	9. Draft guidance on new evaluation products: PCEs, SREs and TEs	3	
	10. Staff sabbaticals and exchanges with evaluation offices of other United Nations agencies and international financial institutions	1	
<b>Goal 3:</b> Strengthen a culture of results and learning from evaluations within IFAD	11. Number of events attended by IOE staff related to self-evaluation and ECD	3	IOE records
	12. IOE multi-year strategy document	1	
	13. Budget cap	< 0.9% of IFAD PoLG	
	14. Ratio of Professional to General Service staff	1:0.46	
	15. Budget execution rate at year-end	97%	

<sup>18</sup> These indicators may be revised in the future when the multi-year strategy is prepared.

<sup>19</sup> Health situation and travel regulations permitting.



## IOE's progress on targets for Results Management Framework of 2020

Table 1  
Reporting on IOE key performance indicators (January to September 2020)<sup>20</sup>

Strategic objectives	Divisional management results (DMRs)	Key performance indicators	Achievements as of September 2020	Target (2020)	Means of verification		
<b>SO1:</b> Generate evidence through independent evaluations of IFAD's performance and results to promote accountability	DMR 1: Corporate policies and processes are improved through independent evaluations	1. Adoption rate of recommendations from CLEs, CSPEs, ESRs and PPEs	99 <sup>21</sup>	90%	PRISMA and IOE work programme and budget		
	DMR 2: Country strategies/COSOPs are enhanced through country-level evaluations						
	DMR 3: Systemic issues and knowledge gaps in IFAD are addressed						
	DMR 4: IFAD-supported operations are improved through independent project evaluations						
<b>SO2:</b> Promote evaluation-based learning and an enhanced results culture for better development effectiveness	DMR 5: The evaluation manual is implemented and new evaluation methods and products are piloted	2. Range of new methods and designs applied	2 <sup>22</sup>	2	IOE evaluations		
		3. Evaluations with quantitative analysis	1 <sup>23</sup>	3	IEs and CSPEs		
	DMR 6: Awareness and knowledge of evaluation-based lessons and quality of products are enhanced and increased	4. Number of outreach products for all evaluations disseminated through social tools and the internet	147	70	IOE records		
		5. Number of in-country learning events co-organized by IOE with governments	3 <sup>24</sup>	5			
		6. Number of in-house and external knowledge events organized by IOE	2	5			
		7. Number of page views for IOE reports	37 822	55 000			
		8. Number of people receiving IOE newsletters	2 403	2 500			
		DMR 7: ECD in partner countries	9. Number of ECD seminars/workshops organized in partner countries	1		1	IOE records
			10. Number of events attended by IOE staff related to self-evaluation and ECD	6		3	
		<b>SO1 and SO2</b>	DMR 8: Efficiency of the independent evaluation function and liaison with governing bodies are ensured	11. Budget cap		0.54% of IFAD PoLG	< 0.9% of IFAD PoLG
12. Ratio of Professional to General Service staff	1:0.46			1:0.46			
13. Budget execution rate at year-end	83.3%			97% <sup>25</sup>			
14. Execution rate of key evaluation activities	70%			95%			

Note: Based on IOE's 2016-2018 Results Management Framework, the following reporting matrix provides an overview of IOE achievements as of June 2019 against key performance indicators as agreed upon with the Executive Board.

<sup>20</sup> As at 10 September 2020.

<sup>21</sup> PRISMA 2020.

<sup>22</sup> GIS and remote missions through phone interviews.

<sup>23</sup> In light of the outbreak of COVID-19, field visits are not foreseen for most evaluations. Thus, quantitative methods of data collection such as surveys are not possible. The IE scheduled to start in 2020 has been cancelled. However, data collection for the IE in Ethiopia was completed before the travel restrictions were put in place.

<sup>24</sup> Remote CSPE national workshops took place in Madagascar and Sudan. A national workshop for Ecuador was held in February 2020 in Quito.

<sup>25</sup> This is the target set by IOE in 2019 for its 2020 budget. However, it is unlikely that it will be met in light of COVID-19 related disruptions. This is reflected in table 1 where it is indicated that, in the absence of mission travel, budget utilization is expected to be 90.3 per cent in 2020.

## IOE proposed evaluation activities for 2021

Table 1  
Proposed IOE work programme for 2021 by type of activity

<i>Type of work</i>	<i>Proposed activities for 2021</i>	<i>Start date</i>	<i>Expected finish date</i>
1. CLEs	Joint CLE with the evaluation offices of WFP and FAO on collaboration among RBAs	June-20	Dec-21
	Progress of IFAD's decentralization reform	June-21	Dec-22
2. TE	IFAD's contribution to smallholder adaptation to climate change	Jan-20	June-21
3. SREs	Small countries with situations of fragility in West Africa	Jan-21	March-22
	Burundi	May-20	May-21
4. CSPEs	Pakistan	May-20	May-21
	Bolivia	Sep-21	Sep-22
	Eswatini	Jan-21	Dec-21
	Indonesia	Jan-21	Dec-21
	Malawi	May-21	May-22
	Uzbekistan	Jan-21	Dec-21
	5. PCRVs	Validation of all PCRs available in the year	Jan-21
6. ESRs	Government performance	June-21	June-22
7. PPEs	Four PPEs	Jan-21	Dec-21
8. PCEs	Rural enterprise development projects	Jan-21	Dec-21
9. Engagement with governing bodies	Review of implementation of IOE's results-based work programme and budget for 2021 and preparation of results-based work programme and budget for 2022 and indicative plan for 2023-2024	Jan-21	Dec-21
	19 <sup>th</sup> ARRI	Jan-21	Sept-21
	IOE comments on the PRISMA	Jan-21	Sept-21
	IOE comments on the Report on IFAD's Development Effectiveness (RIDE)	Jan-21	Sept-21
	IOE comments on policies and strategies by IFAD Management	Jan-21	Dec-21
	Participation in Evaluation Committee, Executive Board and Governing Council sessions, selected Audit Committee meetings and the 2021 Board country visit	Jan-21	Dec-21
	IOE comments on COSOPs when related CSPEs are available	Jan-21	Dec-21

<i>Type of work</i>	<i>Proposed activities for 2021</i>	<i>Start date</i>	<i>Expected finish date</i>
10. Communication and knowledge management activities	Evaluation reports, <i>Profiles, Insights</i> , website, etc.	Jan-21	Dec-21
	Organization of in-country CSPE learning workshops and learning events in IFAD	Jan-21	Dec-21
	Participation and knowledge-sharing through selected external platforms such as learning events and meetings of evaluation groups	Jan-21	Dec-21
	Attendance at all Operational Strategy and Policy Guidance Committee meetings that discuss corporate policies, strategies, COSOPs and selected projects recently evaluated by IOE. Attendance at meetings of Operations Management Committee and IFAD Management Team	Jan-21	Dec-21
11. Partnerships	ECG, UNEG	Jan-21	Dec-21
	Contribution as external peer reviewer to evaluations by other multilateral and bilateral organizations as requested	Jan-21	Dec-21
12. Methodology	Drafting of new evaluation manual	Jan-21	March-22
13. Strategy	IOE multi-year strategy	Dec-20	Sept-21
14. ECD	Engagement in ECD in the context of regular evaluation processes	Jan-21	Dec-21
	Organization of workshops in partner countries (as per request) on evaluation methodologies and processes	Jan-21	Dec-21

## IOE's indicative plan for 2022-2023

Table 1  
IOE indicative plan for 2022-2023 by type of activity\*

Type of work	Indicative plan for 2022-2023	Year
1. CLEs	Follow-up on IFAD's decentralization reform	2022 (carry-over)
	Follow-up on IFAD's efficiency evaluation	2023
2. TE	Gender equality	2022
	Options: (i) Nutrition and food security in IFAD operations; or (ii) IFAD's support to the private sector and non-sovereign operations; or (iii) IFAD's partnership and international visibility	2023
3. SRE	SRE in Near East, North Africa and Europe Division	2023
	Bolivia (carry-over)	2022
4. CSPEs	Malawi (carry-over)	2022
	Benin	2022
	India	2022
	Kyrgyzstan	2022
	Djibouti	2023
	Rwanda	2023
	Vietnam	2023
	Zambia	2023
5. ESRs/Synthesis note	Government performance (carry-over)	2022
	Rural Stimulus Facility /COVID-19 response	2022
6. PCEs	Rural finance projects	2022-2023
7. PCRVs	Validate all PCRs available in the year	2022-2023
8. PPE	About 4-5 PPEs per year	2022-2023

<i>Type of work</i>	<i>Indicative plan for 2022-2023</i>	<i>Year</i>
9. Engagement with governing bodies	20 <sup>th</sup> and 21 <sup>st</sup> ARRIs	2022-2023
	Review of implementation of results-based work programme and budget for and preparation of results-based work programme and budget for 2022, and indicative plan for 2023-2024	2022-2023
	IOE comments on the PRISMA	2022-2023
	IOE comments on the RIDE	2022-2023
	IOE comments on selected IFAD operational policies, strategies and processes prepared by IFAD Management for consideration by the Evaluation Committee	2022-2023
	Participation in all sessions of Evaluation Committee, Executive Board and Governing Council, and the annual country visit of the Board	2022-2023
	IOE comments on COSOPs when related country programme evaluations/CSPEs are available	2022-2023
10. Communication and knowledge management activities	Evaluation reports, <i>Profiles</i> , <i>Insights</i> , website, etc.	2022-2023
	Attend all Operational Strategy and Policy Guidance Committee meetings that discuss corporate policies and strategies, COSOPs and selected projects evaluated by IOE; attend meetings of Operations Management Committee, IFAD Management Team and selected country programme management teams	2022-2023
11. Partnership	ECG, UNEG	2022-2023
	Implement joint statement by FAO, IFAD and WFP to strengthen collaboration in evaluation	2022-2023
	Contribute as external peer reviewer to key evaluations by other multilateral and bilateral organizations as requested	2022-2023
12. ECD	Implement activities in partner countries related to ECD	2022-2023

\* The topics and number of TEs, CLEs, CSPEs, PCEs, SREs and ESRs are tentative; actual priorities and numbers of activities to be undertaken in 2022 and 2023 will be confirmed or determined in 2021 and 2022, respectively.