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Comments of the Independent Office of Evaluation of IFAD on the Review of IFAD's Self-Evaluation Products

Note to Evaluation Committee members

Focal points:

Technical questions:

Fabrizio Felloni
Interim Officer-in-Charge
Independent Office of Evaluation of IFAD
Tel.: +39 06 5459 2361
e-mail: f.felloni@ifad.org

Hansdeep Khaira
Evaluation Officer
Tel.: +39 06 5459 2261
e-mail: h.khaira@ifad.org

Dispatch of documentation:

Deirdre Mc Grenra
Chief
Institutional Governance and Member
Relations
Tel.: +39 06 5459 2374
e-mail: gb@ifad.org

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For: Review

I. General observations

1. The Independent Office of Evaluation of IFAD (IOE) welcomes the Review of IFAD's Self-Evaluation Products undertaken by Management in response to a recommendation by the 2019 external peer review (EPR) of IFAD's evaluation function. The review outlines enhancements to existing self-evaluation products and proposes new products to capture the results of IFAD's evolving business model.
2. IOE commends the review's emphasis on learning and accountability, since accountability and learning should be a shared responsibility between independent and self-evaluations, as recommended by the EPR. IOE also commends the three new products proposed as way to capture the results of IFAD's evolving business model: the self-evaluation of non-sovereign operations, cluster project reviews and post-completion sustainability reviews.
3. IOE agrees with the review's emphasis on the complementary nature of independent and self-evaluations and collaboration between the two to promote learning. It is important to establish general evaluation principles that apply to all evaluations in the organization. These will need to take into consideration existing international standards and practices such as those adopted by the Evaluation Cooperation Group of the multilateral development banks and the United Nations Evaluation Group, and the guidance available through the Development Co-operation Directorate, which supports the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD-DAC) evaluation network.
4. The review outlines suggested changes to existing products and proposes new products. The proposals would have been further strengthened by an analysis of the quality of current products, gaps and weaknesses, and mechanisms to use evidence from these evaluations for decision-making. In addition, it would be useful to explain the value added of the proposed changes and the learning that they are expected to engender, as recommended by the EPR. Specific observations related to products and processes of self-evaluation are presented below.

II. Specific observations

5. Management and IOE have collaborated on preparing a draft revised evaluation policy. This included a reflection on the objectives of the evaluation function, which could have been reflected in section I. In addition, for the sake of accuracy, IOE is responsible for conducting independent evaluations that go beyond validation and critical reviews of self-evaluation to encompass the Fund's strategies, policies and products.
6. The review, in section II, refers to the 2016 Development Effectiveness Framework (DEF), which was an important turning point in creating a full-fledged self-evaluation system. It would be useful to clarify whether a review of the DEF has been undertaken or is planned. The document mentions Management's commitment to updating the overarching DEF. IOE stands ready to collaborate and provide inputs, as required, given that the DEF would fall under the new evaluation policy.
7. Section III, which describes the self-evaluation system, could have included an exploration of the learning loops or mechanisms whereby learning currently takes place and will take place under the self-evaluation system, to ensure that evidence is used to inform practices at all levels, including policies, guidance, strategies, action plans and operations.
8. With reference to paragraph 18, it is important to note that the Annual Report on Results and Impact of IFAD Operations (ARRI) relies on data from independent

evaluations rather than self-evaluations. The ARRI draws on ratings from project completion reports (PCRs) only for comparison with results from independent evaluations. Similarly, the evaluation architecture shown in figure 1 could be reformulated to reflect the fact that independent evaluation products support the accountability function, not only learning and knowledge-sharing.

9. **Assessing the performance of IFAD operations.** Regarding the proposed changes to the ways in which PCRs assess performance ratings, IOE emphasizes that focusing only on the achievement of development outcomes will not provide a comprehensive picture of performance. Quantitative outcomes are certainly important, but the quality of outcomes is equally critical. The efficiency, relevance, sustainability, gender empowerment, innovation, climate and natural resource management associated with these outcomes are critical to assess the quality of achievements. The specificity of IFAD and its mandate, strategic frameworks and corporate goals call for assessing these specific criteria. The underlying evidence for these criteria cannot always be quantified.
10. The distinction between objective and subjective indicators should not be overstated. Ratings should not be considered arbitrary as they are determined following a systematic process based on empirical information that is triangulated and then peer-reviewed. The quality assurance systems instituted in IOE, and the self-evaluation system's own quality assurance, can ensure that ratings are based on credible evidence. The use of OECD-DAC criteria is a common practice among all international financial institutions (IFIs), and embodied as part of the Evaluation Cooperation Group's practice standards that focus on both accountability and learning. Any discussion on streamlining the criteria will also benefit from consultation with IFAD's governing bodies.
11. **Changes proposed to PCRs.** With regard to the responsibility to prepare PCRs, the review proposes that this be assumed by IFAD in the future. IOE welcomes Management's further engagement in PCRs and notes that it is vital to ensure that governments are actively engaged in the process. Government engagement can help promote national self-evaluation capacity as well as the evaluability of IFAD interventions. On a related note, paragraph 27 states that in other IFIs, unlike in IFAD, "governments are responsible for preparing PCRs." However, paragraph 8 of appendix 1 states the opposite.
12. **Country strategic opportunities programmes (COSOPs).** IOE agrees with the proposal to better align the timing of COSOP completion reviews (CCRs). However, to strengthen the learning loop, it would be preferable to have the country strategy and programme evaluation (CSPE) workshop coincide with the launch of the preparation of the next COSOP rather than with the CCR. In IOE's experience, CCRs are often not available at the time of the CSPE. The agreement at completion point process adds value in that it fosters dialogue and agreement between the government and IFAD. However, it could be simplified and IOE looks forward to a discussion with Management in this regard. Management queries whether a product akin to a PCR validation for COSOPs might be appropriate, utilizing and validating the data available in the CCR. Drawing from the experience of other IFIs, IOE believes that a desk-based validation of CCRs would lack critical consultation with stakeholders in the country, which would limit the potential strategic value of such products. IOE already examines the CCRs, when available, as part of the CSPE exercise.
13. **Impact assessments.** The review states that during the Tenth Replenishment of IFAD's Resources (IFAD10) period, IOE noted that projects having undergone an impact assessment tended to have higher quality PCRs. IOE would like to clarify that the issue raised was that most evaluation criteria had higher average ratings (and the difference was statistically significant) and the underlying question was whether the sample selected represented the full population of projects considered

for IFAD10. IOE stands ready to participate in consultations on impact assessments for IFAD11 and beyond.

14. IOE appreciates that Management will henceforth promote open data through public disclosure of datasets collected during the course of conducting impact assessments. This is a welcome development in line with the United Nations Evaluation Group's principle of transparency and will also assist IOE in conducting their evaluations of such projects. It would also be useful to make available ex ante impact evaluations, as they would provide good learning opportunities.
15. **President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)**. The review notes that the detailed recording of all IOE recommendations makes for a comprehensive but less strategic document and proposes reporting on key IOE recommendations only. IOE recognizes the challenge of providing full PRISMA coverage with limited resources. However, this could be addressed in part by establishing a web-based platform, a proposal that Management has accepted, offering a searchable database that can be used for further analysis of recommendations and for follow-up.
16. Regarding practices among IFIs (see appendix I) it is important to note that the Inter-American Development Bank and IFAD are not the only institutions that produce annual reporting on management development effectiveness. In fact, the World Bank and the Asian Development Bank also produce annual performance reports, prepared by their independent evaluation offices as well as by management. It is worth noting that the annual reports of other IFIs on reporting on the organizational performance, equivalent to the Report on IFAD's Development Effectiveness, use independent evaluation ratings, a practice that IFAD could consider.
17. In conclusion, IOE welcomes the findings and proposals set forth in the Review of IFAD's Self-Evaluation Products and looks forward to working with Management on the revised and new products. As noted, in keeping with the spirit of the EPR recommendation, the review would benefit from clarifying the value added associated with each of the proposed changes. IOE has provided specific comments on each proposed change, and hopes that they will help enhance the utility of the new products while reflecting international evaluation practices.