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Second Corporate-level Evaluation of IFAD's Decentralization Experience

Approach Paper

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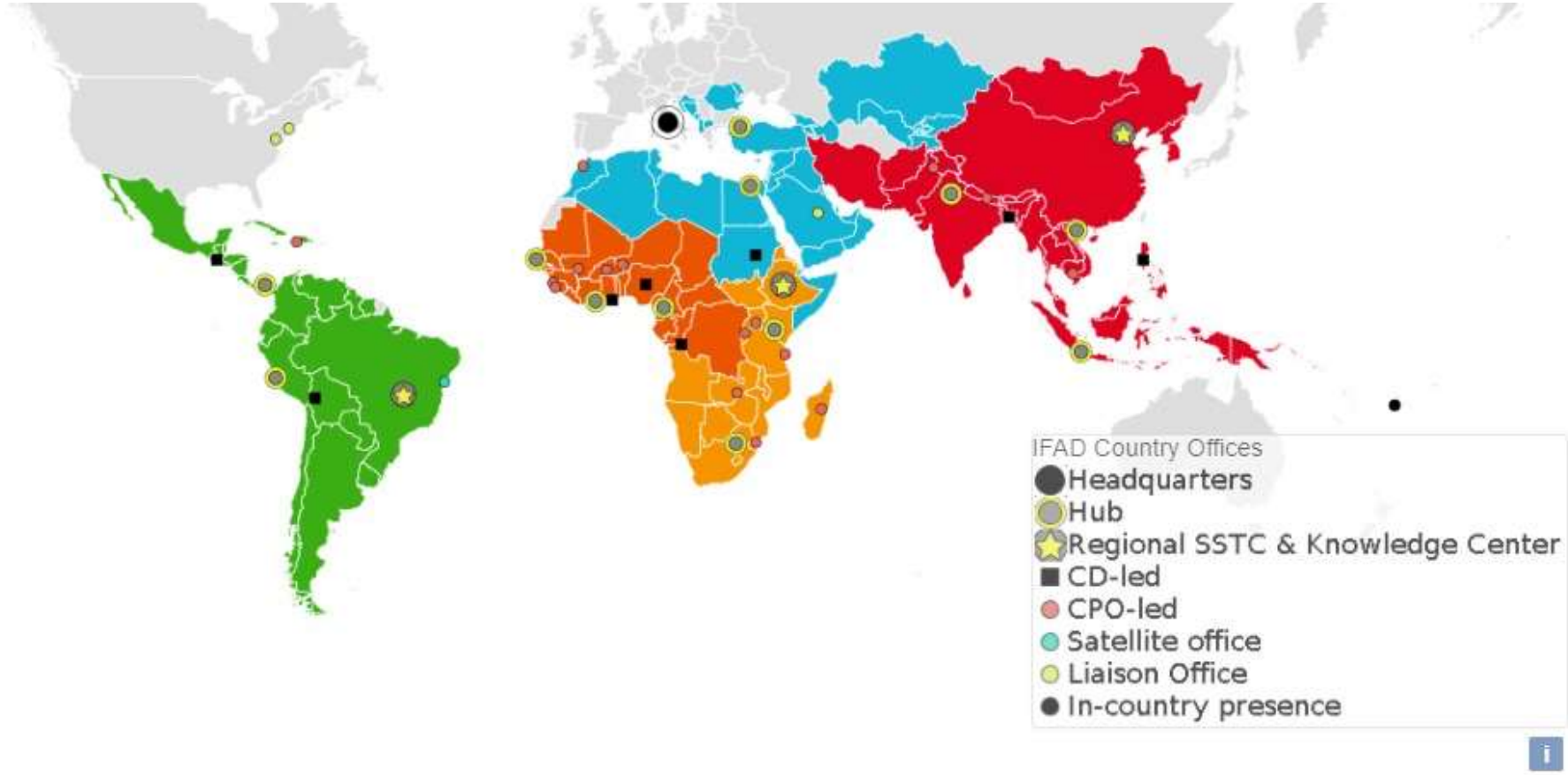
Contents

Abbreviations and acronyms

AfDB	African Development Bank
APR	Asia and the Pacific
ADB	Asian Development Bank
CD	country director
CDI	Change, Delivery and Innovation Unit
CLE	corporate-level evaluation
CLP	core learning partnership
COSOP	country strategic opportunities programme
CPM	country programme manager
CPO	country programme officer
CSD	Corporate Services Department
ESA	East and Southern Africa
FAO	Food and Agriculture Organization of the United Nations
FMD	Financial Management Division
FOD	Financial Operations Department
FSU	Field Support Unit
GRIPS	Grants and Investment Projects System
HRD	Human Resources Division
ICO	IFAD Country Office
ICT	information, communications and technology
IMT	IFAD Management Team
IOE	Independent Office of Evaluation of IFAD
LAC	Latin America and the Caribbean
MDB	multilateral development bank
NEN	Near East, North Africa and Europe
NLAs	non-lending activities
OpEx	Operational Excellence for Results
OPV	Office of the President and Vice-President
PCR	project completion report
PMD	Programme Management Department
PMI	Sustainable Production, Markets and Institutions Division
PoLG	programme of loans and grants
PoW	programme of work
QAG	Quality Assurance Group
RIDE	Report on IFAD's Development Effectiveness
SDG	Sustainable Development Goal
SKD	Strategy and Knowledge Department
SSTC	South-South and Triangular Cooperation
UNSDCF	United Nations Sustainable Development Cooperation Framework
WCA	West and Central Africa
WFP	World Food Programme

Figure 1
Map of IFAD Decentralization (as of 2021)



Source: IFAD Intranet 2021.

I. Background and rationale for the evaluation

1. **IFAD's transformation to a decentralized organization has had profound impacts on how IFAD is organized and managed, both at headquarters and in client countries, and on IFAD's business model.** Organizational decentralization is predicated on the assumption that proximity to clients will enable IFAD to better contribute to development results. Because of the strategic importance of IFAD's decentralization and the steps that have been taken to implement it, in October 2020 the 111th session of the Board's Evaluation Committee approved the inclusion of a second corporate-level evaluation (CLE) of the decentralization experience in the workplan of the Independent Office of Evaluation of IFAD (IOE). The CLE will generate findings, lessons and recommendations to fine-tune IFAD's decentralization, consistent with the adaptive management practices used under the Twelfth Replenishment of IFAD's Resources (IFAD12), and to inform the planning for IFAD13. The evaluation will assess the decentralization process, what has worked well, areas where changes are required and whether evidence suggests that decentralization has helped to improve IFAD's capacity to efficiently and effectively deliver better development results through projects, non-lending activities (NLAs) and cross-cutting/thematic work.

2. **This evaluation follows the 2016 CLE of IFAD's decentralization experience** and will assess decentralization efforts since 2016 (annex II presents the key conclusions and recommendations of that CLE). Global developments since 2016 (e.g. the COVID-19 pandemic,[1] IFAD's increasing focus on the Sustainable Development Goals [SDGs], 2017 United Nations reforms, the United Nations Sustainable Development Cooperation Framework [UNSDCF] and the Food Systems Summit 2021) have implications for, and will have impacts on, IFAD's decentralization and the roles of IFAD Country Offices (ICOs), particularly in the areas of programmatic decisions, local donor coordination and cofinancing.

3. **The evaluation will cover** decentralization-related organizational changes, procedures and processes; engagement with partner countries; support for developing country strategic opportunities programmes (COSOPs); preparing and supervising projects; and NLAs and cross-cutting/thematic work. The CLE will identify plausible contributions of decentralization to improving development results.

4. **IFAD's organizational decentralization.** Making IFAD a decentralized organization was a key feature of IFAD10, IFAD11 and IFAD12. Since 2016, IFAD has accelerated decentralization (see annex I) by:

   - Approving the IFAD Strategic Framework 2016–2025;
   - Using the 18-month Operational Excellence for Results (OpEx) exercise that ended in 2018 to accelerate IFAD's transition to a decentralized organization and increasing the number of staff in ICOs;
   - Formulating and beginning implementation in 2020 of "Decentralization 2.0", which included locating regional directors and most technical staff in ICOs, empowering ICOs and restructuring headquarters;
   - Re-engineering business processes and IFAD's business model; locating more staff in ICOs; changing operational, financial management and human resource management policies and procedures; and revising the delegation of authority and accountability systems.

5. **Closer proximity to clients is expected to result in a more efficient and effective IFAD that achieves better development results on the ground.** The

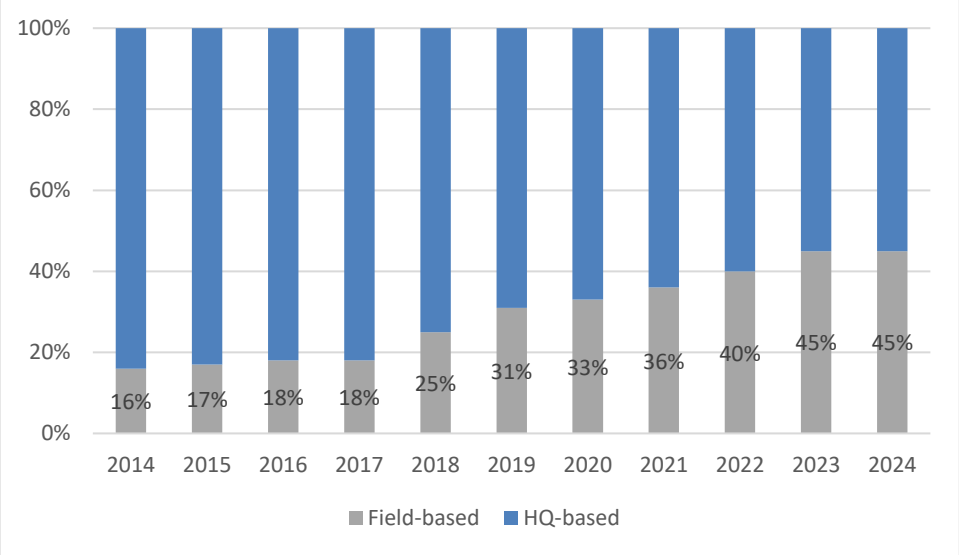
[1] As a result of COVID, some data for 2020/21 will be atypical and may need to be excluded from the analysis.

IFAD Strategic Framework 2016–2025 views decentralization and closer proximity to clients and partners as essential for:

- Improving portfolio performance through better supervision and implementation support;
- Increasing partnerships, resource mobilization and policy engagement;
- Sharing country programme knowledge;
- Streamlining business processes.

6. **Decentralization targets** include ICOs managing about 70 per cent of projects and over 80 per cent of total IFAD financing. The proportion of staff in ICOs nearly doubled from 18 to 33 per cent between 2016 and 2020. The target is to base 45 per cent of IFAD staff in ICOs by 2024 (figure 2).

Figure 2
Percentage of IFAD staff in ICOs versus headquarters: 2014-2024 (projected)



Source: IFAD. Report of the Consultation on the Twelfth Replenishment of IFAD's Resources, and Report on IFAD's Development Effectiveness 2020 (RIDE).

II. Evolution of decentralization in IFAD

7. **IFAD views decentralization as an organizational transformation.** IFAD's initial, gradual approach to decentralization focused largely on the Programme Management Department (PMD). The 2016 IFAD Corporate Decentralization Plan envisaged decentralization as a corporate transformation that would fundamentally change IFAD's business model. Since 2016, Management has accelerated and deepened IFAD's transition to a decentralized organization.

A. Brief summary of decentralization from 2003 to mid-2016

8. **IFAD's gradual decentralization has extended over many years**, similar to the decentralization process in multilateral development banks (MDBs). When IFAD was established in 1974, consistent with the Agreement Establishing IFAD, there were no country offices. Under the 2003 Field Presence Pilot Programme, IFAD had established a field presence in 15 countries by 2006.

9. **2011–2015: Rapid increase in the number of ICOs**. The Board approved the Country Presence Policy and Strategy (2011–2013) and the Country Presence Strategy (2014–2015). These policies increased the maximum allowable number of ICOs to 50, although by 2016 there were only 39. IFAD took initial steps to review financial, human resource and administrative policies and practices to support ICOs and created the Field Support Unit (FSU) in 2013.

10. **The main conclusion of the 2016 CLE of IFAD's decentralization experience** was that decentralization needed to be deepened and strengthened to improve operational performance and development results (annex II). Key findings were:

- The overall objectives and evolving design of the decentralization process were relevant to improve IFAD's contribution to development results but there were significant areas for improvement;
- Decentralization and the establishment of ICOs contributed to significant improvements at the portfolio level and to better alignment of IFAD's country strategies and programmes with local needs and priorities;
- Decentralization provided less support to NLAs;
- IFAD expanded its country presence and avoided cost escalation, but not all opportunities for cost-efficiency gains were explored.

B. IFAD 2016 Corporate Decentralization Plan

11. **Decentralization during IFAD10**. Drawing on the 2016 CLE of the decentralization experience, the IFAD Corporate Decentralization Plan was formulated to guide decentralization during IFAD10. There were to be three types of ICOs,[2] and IFAD would have South-South and Triangular Cooperation (SSTC) and Knowledge Management (KM) Centres in Brazil, China and Ethiopia. The plan was to increase the grouping of country programmes under hubs and country programme groups, reduce single country offices and stabilize the number of ICOs at about 45. Decentralization was expected to contribute to:

- **Better project design and implementation**, thus increasing portfolio efficiency (i.e. improved procurement, financial management and speed of disbursement);
- **Better results for NLAs**;
- **Innovation, scaling up, enhanced government capacity and SSTC**.

12. **IFAD viewed decentralization as a corporate transformation that involved the entire organization**. Strengthening the ICOs and devolving greater responsibility to the field was expected to change the way that IFAD worked and require adjustments to IFAD's business processes. By the end of IFAD11, Management expected most major products and services to be planned and delivered at the country and subregional levels and programmatic and financial decision-making to be increasingly devolved to ICOs. The Corporate Decentralization Coordination Group provided strategic guidance for planning, implementing and monitoring the decentralization plan.

13. **From a PMD-centric to an organizational approach to decentralization.** Initially, decentralization focused on putting PMD staff in ICOs and on project supervision. IFAD11 and IFAD12 viewed organizational decentralization as essential for IFAD to work effectively and efficiently; deliver a larger programme of work (PoW); improve client engagement; strengthen project selection, design and implementation; and improve NLAs (e.g. knowledge management/SSTC, policy engagement, capacity development, partnerships). Transforming IFAD into a decentralized organization involved:

- Restructuring both headquarters and ICOs;
- Making changes in all departments to support a decentralized organization;

[2] (i) Subregional hubs headed by a country programme manager (CPM); (ii) country programme groups headed by a CPM; and (iii) single country offices headed by a CPM or a country programme officer (CPO). IFAD also had small in-country presences in Angola and Fiji and a satellite office in Brazil.

- Re-engineering business processes;
- Redeploying staff to ICOs;
- Empowering ICOs while maintaining appropriate accountability.

C. Operational Excellence for Results (2017–2018)

14. **The IFAD Strategic Framework 2016-2025 and the IFAD11 consultation papers stated that operational capacity had plateaued** and the latter noted that IFAD needed to "embrace a stronger culture of results and innovation across all its operations" to increase the size of the PoW and scale up IFAD's contribution to the SDGs. The 2017–2018 OpEx exercise was an 18-month initiative designed to accelerate IFAD's organizational decentralization.

15. **A corporate approach to decentralization.** OpEx reforms focused on: (i) re-engineering the country-based model to cover both projects and NLAs; (ii) making organizational changes at headquarters, including shifting technical staff from PMD to the Strategy and Knowledge Department (SKD); (iii) streamlining business processes; (iv) delegating more authority to ICOs; (v) strengthening accountability; (vi) strengthening project design; (vii) addressing staff capacities and incentives; (viii) addressing client needs and obtaining feedback on IFAD's performance; and (ix) fostering partnerships.

16. **Assigning staff to ICOs accelerated** according to metrics that determined staffing by type of ICO and new human resource guidelines for reassigning staff to ICOs. There was a mixed reaction among some staff to being assigned to ICOs. Other OpEx work covered: (i) revising the organizational structure to support a decentralized organization; (ii) recalibrating the project design process to improve efficiency and effectiveness; (iii) revising the delegation of authority framework to devolve greater responsibility to lower levels of management and to ICOs while ensuring accountability; and (iv) reviewing non-operational areas.

17. **Increased outward-facing capacity[3] was key to achieving excellence in operations throughout the project cycle and in NLAs.** During IFAD11, IFAD committed to strengthening the country-based model and changing the organizational structure of headquarters. ICOs were to be led by country directors (CDs) with more delegated authority, and ICO capacity was to be strengthened by relocating technical, fiduciary and administrative staff to regional hubs. Support would also be provided for financial management, human resource management, and information, communications and technology (ICT) reforms would be undertaken.

D. Decentralization 2.0

18. **Decentralization 2.0, an ongoing initiative to complete IFAD's transition to a decentralized organization, is expected to improve IFAD's impact, presence and positioning on the ground.** ICOs are viewed as the foundation of IFAD's global presence and ability to double IFAD's contribution to the 2030 Agenda for Sustainable Development. Decentralization 2.0 focuses on:

- Re-engineering the country-based model;
- Reforming headquarters;
- Increasing delegation;
- Recalibrating business processes.

[3] Outward-facing capacity refers to the resources IFAD dedicates to client-facing work as opposed to internal processes and procedures.

19. **The Change, Delivery and Innovation Unit (CDI) was created in 2019 to help IFAD deliver better results quicker and promote innovation in its products and approaches.[4] CDI's work supports decentralization efforts by facilitating:[5]** (i) corporate coordination of reform programmes and enhancement of IFAD's capacity for change; (ii) measures to enhance business process management and process re-engineering; (iii) monitoring corporate commitment tracking and analysis for bottlenecks and best practices for scalability; (iv) participation review/consolidation of changes (e.g. lessons learned action plan, staffing metrics,[6] changes to delegation of authority); and (v) the work of the Decentralization 2.0 Working Group (May-August, 2020).[7] IFAD Management Team (IMT) meetings provided Management guidance and there was Board input.

20. **The guiding principles for the Decentralization 2.0 Working Group are**: (i) determine IFAD's global footprint across regions based on business needs and balanced access to technical functions; (ii) increase IFAD's proximity and responsiveness to clients; (iii) optimize efficiency; (iv) take a holistic approach, with flexibility to accommodate regional variances; (v) empower leadership, technical expertise and visibility in the field; (vi) align decentralization with IFAD's strategic framework and results pillars; and (vii) base 45 per cent of staff in ICOs. Business practices were re-engineered to support organizational decentralization. Revised procedures were approved for preparing COSOPs and clarifying roles, responsibilities and accountabilities, particularly for CDs and regional directors. New project design guidelines were expected to improve efficiency, effectiveness and development results by streamlining approval processing, reviews and earlier commencement of projects. A project delivery team was to be responsible for both project design and supervision. It was based on a cooperative approach between PMD, SKD and the Financial Management Division (FMD) and joint leadership roles for CDs and the project technical leads from SKD. Lower budgets for project supervision and recruitment of local consultants were expected to be offset by increases in the number of IFAD staff.[8]

21. **A 2019 self-assessment of IFAD's decentralized structure, hubs and ICOs found that:** (i) empowerment was "in name only"; (ii) the roles of hub heads and regional directors needed clarification; (iii) in-country is better than "near-country" for country teams; (iv) the location of technical staff needed further thinking; (v) while IFAD can work virtually across geographic regions, client interface requires an in-county presence; (vi) clarification of the roles of SSTC centres and multi-country offices was needed; (vii) reporting lines for ICO staff to technical divisions at headquarters and ICO heads needed to be more clearly defined; and (viii) a clearer engagement modality was needed for nationally recruited staff assuming regional responsibilities.

22. **Decentralization 2.0** analysis included: (i) developing metrics to analyse the number, typology and regional balance of hubs and ICOs, with associated staffing and costs implications; (ii) evaluating options for the location and structure of regional and technical divisions; (iii) examining the implications for headquarters of relocating regional and technical divisions; (iv) reviewing the regional service centre concept; (v) examining implications for existing hubs, SSTCs and ICOs;[9] and (vi) assessing corporate services and other functions.

[4] IFAD 2019d, 2019f.
[5] IFAD 2020j, 2020l, 2021d.
[6] IFAD commissioned McKinsey & Company to assess IFAD's workforce composition and future requirements to deliver future PoWs, considering internal and external changes and trends.
[7] IFAD 2020r.
[8] Limits were placed on the number of people involved in missions and on maximum daily consultant rates.
[9] The IFAD liaison offices in Japan, Saudi Arabia and the United States are excluded from the scope of the evaluation because their roles and functions are fundamentally different from those of ICOs.

23. **New typology for ICOs:**

    (i) **Regional offices** will host regional directors, PMD staff and staff from the Environment, Climate, Gender and Social Inclusion Division, the Sustainable Production, Markets and Institutions Division and FMD. Regional offices will be established in the East and Southern Africa (ESA) region (Nairobi) and the West and Central Africa (WCA) region (Abidjan) in 2021 and in the Latin America and the Caribbean (LAC) region and the Asia and the Pacific (APR) region in 2022, although their locations have not been finalized. Decisions regarding aspects of the decentralization of the Near East, North Africa and Europe region will be made in 2022.

    (ii) **Multi-country offices, including SSTC and KM Centres,** cover multiple countries, host more than one CD and include technical positions to serve the subregion. Some hubs have national communications staff.

    (iii) **CD-led ICOs** only include PMD staff.

    (iv) **Country programme officer (CPO)-led ICOs** only include PMD staff.

24. **The main Decentralization 2.0 targets** include: (i) increasing the proportion of staff in ICOs from 32 to 45 per cent; (ii) increasing the number of ICOs from 41 to 50 by 2024; (iii) upgrading eight CPO-led offices to CD-led ICOs; and (iv) establishing four regional offices led by regional directors. Final selection of ICOs to be opened and upgraded will be based on metrics related to portfolio size, future business, complexity and development gaps. The exact number will depend on affordability. Staff are required to be functionally and/or geographically mobile, with regard to their qualifications, experience and skills. The target is to increase the proportion of IFAD's portfolio being handled from ICOs from 72 to 84 per cent.

E. Decentralization plans during IFAD12 (2022–2024)

25. **The Report of the Consultation on the Twelfth Replenishment of IFAD's Resources describes decentralization as a transformational institutional change** that is essential for IFAD to have the capacity to deliver IFAD12 and a larger PoW. Decentralization is to be underpinned by a clear delegation of authority to empower staff, strong fiduciary and safeguard mechanisms, and measures to enhance staff satisfaction and well-being. While decentralization is expected to entail additional costs, it is also expected to result in measurable improvements in the scale and quality of the development results delivered by IFAD. The People, Processes and Technology Plan is designed to address gaps in human resources and inefficiencies in processes and enhance technology solutions.

26. **The IFAD12 theory of change is predicated on the assumption that proximity, adaptability and institutional changes will contribute to transformational country programmes that will result in better development results.** Optimizing institutional efficiency, investing in capacity improvements, strengthening ICOs, re-engineering business processes and increasing delegation are expected to help improve IFAD's organizational efficiency (as measured by the ratio of the total active portfolio to IFAD's administrative costs).

III. Evaluation approach

A. Evaluation objective and methodology

27. **Overarching objective of the evaluation.** The CLE's objective is to assess whether decentralization contributed to IFAD delivering better development results in an effective and efficient manner.

28. **Useful evaluations must be available in time to influence decisions.** For this CLE, that means completing the evaluation in 2022 so that it feeds into IFAD12's

adaptive management process and helps to inform decentralization-related planning for IFAD13.

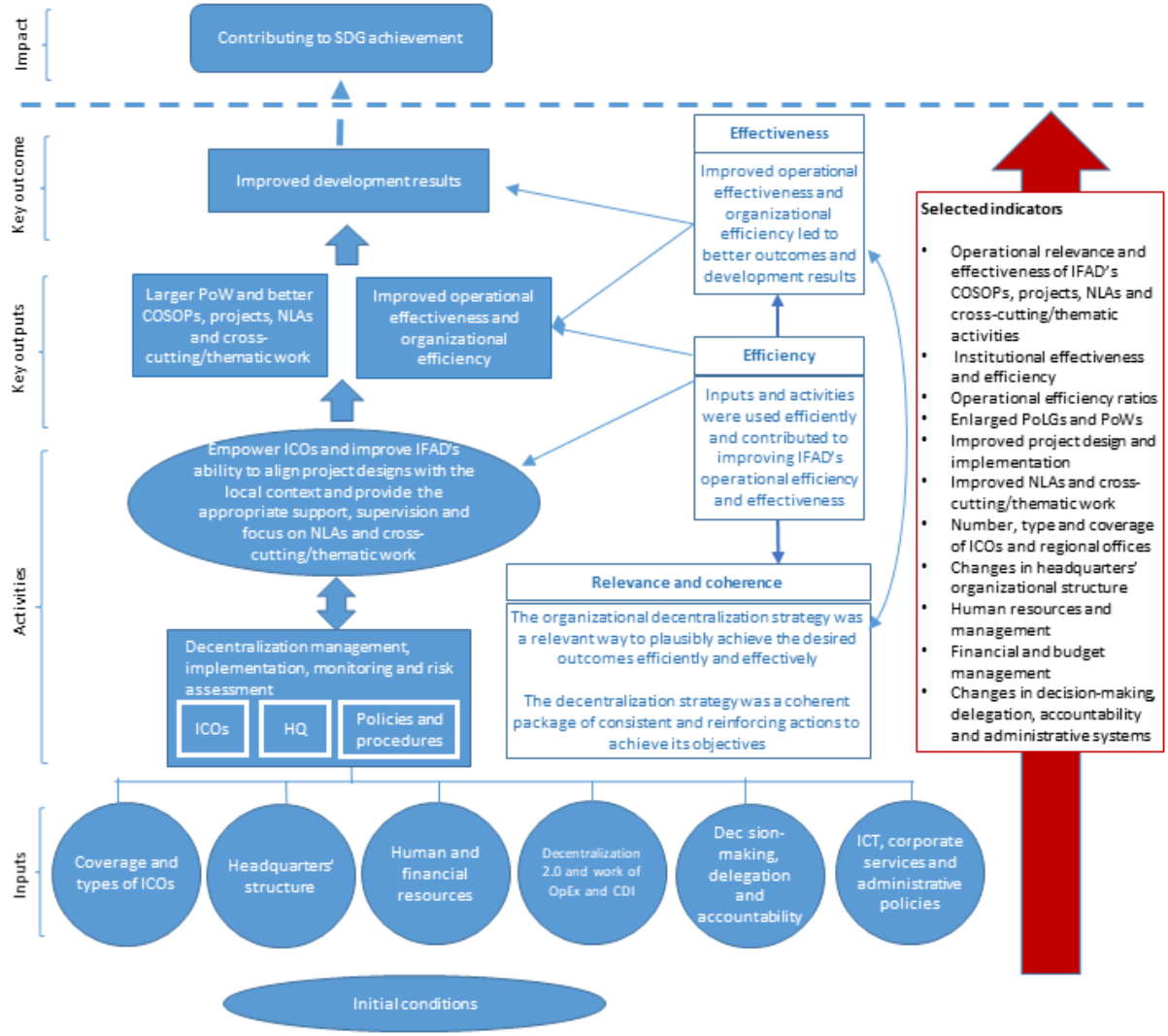
29. **Methodology**. The CLE is anchored in four of the six internationally recognized evaluation criteria.[10,11]

- **Relevance** assesses the extent to which organizational decentralization responds to IFAD's needs, policies, and priorities.
- **Coherence** assesses the degree to which the objectives of IFAD's decentralization strategy, the decentralized organizational structure and location of ICOs, supporting operational and non-operational policies and processes, management practices, empowerment of ICOs and available financial envelopes fit together in a consistent package that supports a decentralized organization.
- **Effectiveness** assesses whether decentralization has contributed to the delivery of better development results through engagement, alignment, partnerships, COSOPs, projects, NLAs and cross-cutting/thematic work.
- **Efficiency** assesses whether decentralization has helped IFAD to become a more efficient and nimble organization that is delivering results in an economical and timely way in comparison with IFAD as a headquarters-centric organization. This means that IFAD is converting activities and inputs into outputs and outcomes in a cost-effective way, identifying and managing risks, avoiding excessive net incremental[12] costs of decentralization and ensuring value for money.

30. **Results chain**. The underlying hypothesis of the results chain (figure 3) is that decentralization leads to better results by empowering people in ICOs to make decisions and solve problems more rapidly using local knowledge and improving client service. Decentralization has implications for IFAD's organizational structure, business model and management, decision-making, accountability, operational policies and procedures, financial management, human resource management and reporting and performance evaluation systems. The CLE will assess issues at the input, activity, output and outcome levels, but not at the impact level.

[10] Coherence is not covered in IOE's Evaluation Manual. Coherence was added as an international evaluation criterion in Organisation for Economic Co-operation and Development, 2019. *Better Criteria for Better Evaluation. Revised Evaluation Criteria Definitions and Principles for Use*. OECD/DAC Network on Development Evaluation.
[11] The evaluation will not assess sustainability and impact. There are conceptual and methodological challenges in isolating the contribution of organizational decentralization to impacts and sustainability.
[12] An evaluation lesson from other organizations is that decentralization is associated with incremental costs.

Figure 3
Results chain for the second CLE of IFAD's decentralization experience



Source: IOE.

31. **IFAD's outcomes and development results** will be assessed "with and without" ICOs, "before and after" ICOs became operational in a country and by type of ICO. This analysis will determine whether decentralization contributes to IFAD delivering better development results and managing larger PoWs and performance-based allocation system allocations. The evaluation focuses on contribution rather than attribution because decentralization is only one of many factors influencing the achievement of development results.[13]

32. **Evaluation framework**. The evaluation framework in annex III, which will be refined after the evaluation design workshop, sets out the evaluation questions, sub-questions and sources of data and information. It draws on relevant items in the matrices of commitments, monitorable actions and results management frameworks for IFAD10, IFAD11 and IFAD12, Decentralization 2.0 and pertinent indicators in IFAD's Results Measurement Framework and Reports on IFAD's Development Effectiveness (RIDEs). Given the complexity of the CLE, the evaluation questions will be fine-tuned and revised based on the feedback received

[13] Other factors include government ownership, quality of local institutions, availability of counterpart financing, beneficiary engagement, performance of local partners, consultants and contractors, climate, harvests and yields, prices, macroeconomic conditions, security conditions, good governance and prevention of corruption.

during the evaluation design workshop and as new issues emerge during the evaluation.

33. **The overarching evaluation question** that the evaluation is designed to answer is "Did decentralization contribute to IFAD delivering significantly better development results in a more effective and efficient manner?"

34. **Relevance.** The relevance evaluation question is "To what degree was organizational decentralization relevant for improving IFAD's operational performance, effectiveness and efficiency?" The evaluation sub-questions for relevance are:

- How relevant was organizational decentralization in the context of the strategic vision in key corporate documents and the views of Board members, Management and staff?
- Was the decentralization strategy, as designed and as it evolved during implementation, relevant for transforming IFAD into an effective and efficient decentralized organization?
- How appropriate were the organizational architecture and structures, systems and processes used to implement the decentralization strategy?
- What was the contribution of decentralization to improving the relevance of IFAD's projects, NLAs and cross-cutting/thematic work?
- Is IFAD's decentralization relevant in the context of recent United Nations reforms, UNSDCF, the Food Systems Summit and the decentralization experience of the Rome-based agencies and MDBs?

35. **Coherence.** The coherence evaluation question is "Is the organizational decentralization strategy a coherent and consistent package that could plausibly transform IFAD from a headquarters-centred organization into a decentralized organization?" The evaluation sub-questions for coherence are:

- How coherent and mutually reinforcing were the strategic vision of the decentralization strategy, available financial resource envelopes, organizational and spatial plans/geographic locations for ICOs and the institutional governance system for managing and implementing the decentralization process, including appropriate roles for the Executive Board and Management?
- Were operational and non-operational departments and divisions at headquarters appropriately restructured to support decentralization?
- Did IFAD adequately empower ICO staff by revising decision-making processes, human resource and financial management, delegating authority and strengthening accountability to focus on results-based versus process-based management?
- Were operational and non-operational policies and procedures and the provision of corporate services appropriately revised to support a decentralized organization and leverage the ongoing United Nations reforms at country level?

36. **Effectiveness.** The effectiveness evaluation question is "Did organizational decentralization contribute to IFAD delivering better development results?" The evaluation sub-questions for effectiveness are:

- What was the contribution of decentralization to improving in-country engagement, alignment and country ownership and to creating an enabling environment for adaptive management and learning, thereby improving COSOPs, coordination and client services?

- What was the contribution of decentralization to improved project-level results?
- What was the contribution of decentralization to improved results for NLAs and cross-cutting/thematic work?

37. **Efficiency.** The efficiency evaluation question is "Did IFAD efficiently plan, manage and implement decentralization so that it contributed to IFAD becoming a more efficient and nimble organization while avoiding unnecessary incremental costs?" The evaluation sub-questions for efficiency are:

- How efficiently did IFAD plan, manage and implement its organizational decentralization?
- Were risks related to decentralization appropriately identified, managed and mitigated, with efforts to learn from experience to improve current and future work on decentralization, and did decentralization help IFAD to manage unexpected risks like the COVID-19 pandemic?
- Is there evidence that decentralization contributed to improving IFAD's organizational efficiency ratios?
- Is there evidence that decentralization contributed to more efficient, faster and better decision-making for the preparation, approval and implementation of COSOPs, projects, NLAs and cross-cutting/thematic work and better use of the United Nations development system at the country level?
- What were the net incremental costs of decentralization from 2016 to 2021?

38. Ratings will be applied within the evaluation framework for relevance, coherence, effectiveness and efficiency using a 6-point scale.

B. Data collection and information sources

39. The evaluation methodology has been designed to generate robust findings and conclusions. It will draw on multiple information sources and will use both qualitative and quantitative methods and analytical techniques. Early in the evaluation process, Management stakeholders will be invited to attend an evaluation design workshop to provide feedback on the evaluation design, theory of change and evaluation questions. IOE will engage with Management and staff throughout the evaluation process to seek information and feedback. Preliminary findings will be shared and a workshop will be held to discuss the main findings, conclusions and recommendations to be included in the draft report. The evaluation will follow the Revised IFAD Evaluation Policy (2021) and the Evaluation Manual. A core learning partnership group has been established to strengthen IOE/Management engagement and promote ownership and learning (see annex V).

40. **Mixed methods and triangulation.** The evaluation will use a mix of quantitative and qualitative methods. This will include undertaking quantitative analysis of IFAD data, document reviews, semi-structured interviews of key informants, ICO case studies, project case studies, an electronic survey and an examination of selected comparator organizations. Triangulation, using evaluation evidence from multiple sources, will ensure that findings, conclusions and recommendations are well supported by the evaluation evidence.

41. **Management self-assessment workshop**. Management will be invited to participate in a Management self-assessment workshop where various IFAD units will answer the evaluation questions and summarize their perspectives on the progress made in decentralization, strengths and weaknesses, lessons learned and future directions.

42. **Document review**. IFAD documents related to decentralization and business process re-engineering will be reviewed (e.g. the IFAD10, IFAD11 and IFAD12 documents; Decentralization 2.0; selected COSOPs, project completion reports

[PCRs] and supervision reports; OpEx, CDI and FSU documents; PoWs and programmes of loans and grants [PoLGs]; PMD data, including the ESA annual portfolio stocktaking for 2021; President's bulletins; human resource policies and procedures; delegation of authority and accountability frameworks; budget and financial management reports; selected internal audit reports). The evaluation team will mine IOE evaluation reports for findings related to decentralization and the role and performance of ICOs. Selected documents related to global developments since 2016 and documents from comparator MDBs and the Rome-based agencies will be examined, including decentralization evaluations.

43. **Key informant interviews.** Semi-structured interviews will be conducted, including with members of the Evaluation Committee and the Executive Board, Senior Management, key staff in PMD, SKD, FMD and in ICOs and selected staff in other departments dealing with administrative matters, budget/finance, human resources, ICT, corporate support services, knowledge management/SSTC, public relations and internal audit. Some interviews will focus on specific issues and others will be broader in nature. During the ICO and project case studies, government officials and other in-country development partners (e.g. civil society representatives, international development partners, private sector partners, national project officers) will be interviewed to seek feedback on IFAD's decentralization, in-country presence and overall performance. Feedback from interviews will not be disclosed in a manner that can be traced back to the source.

44. **Electronic survey.** An electronic survey (e-survey) will extend the reach of the evaluation by seeking feedback from many stakeholders (e.g. IFAD staff at headquarters and in ICOs, government officials, local donor community, representatives of civil society, national project managers). The survey will seek feedback on: (i) the roles of ICOs; (ii) various dimensions of the performance of ICOs in both programmatic and non-programmatic areas; (iii) engagement, collaboration and alignment with governments, national project managers, Rome-based agencies, the local donor community and civil society; and (iv) organizational issues (e.g. management and decision-making, delegation of authority, accountability, financial management, human resources, ICT issues, provision of corporate services).

45. **Portfolio analysis: quantitative analysis of ratings and key indicators.** A quantitative analysis of ratings and key indicators from IOE evaluations, PCRs, project supervision reports and IFAD databases (e.g. the Grants and Investment Projects System and Flexcube, and quality at entry data) will assess whether decentralization has contributed to better development effectiveness. Data will be analysed for countries with and without ICOs, within countries before and after ICOs were established and by type of ICO. This analysis will seek to assess the contribution of ICOs to delivering better development results in terms of: (i) project processing, start-up, implementation and performance; (ii) NLAs; (iii) cross-cutting/thematic areas; and (iv) COSOPs. IFAD's self-evaluation system ratings (project status reports, PCRs, etc.) and Quality Assurance Group (QAG) ratings will be analysed.

46. **Analysis of administrative data.** Data will be extracted from IFAD's financial, human resource and administrative systems. Human resource data will be used to analyse trends in the proportion of IFAD staff based in ICOs, numbers and profiles of staff in ICOs, IFAD's mobility practices, time required to fill vacancies, vacancy rates, etc. IFAD's decision-making processes and delegation of authority and accountability frameworks will be reviewed to determine if they are adequate for a decentralized organization and are likely to result in faster decision-making compared to when IFAD was headquarters-centred. Budget and financial data will be used to estimate the incremental and net costs of decentralization and the adequacy of budget provisions. The cost analysis will assess changes in staffing costs, travel, consultants, office costs and related costs or savings at headquarters.

This will include an analysis of whether some of the duties transferred to the ICOs are still performed at headquarters and, if so, identify the reason(s).

47. **Country/ICO case studies** will obtain feedback from in-country partners/recipients (i.e. government officials, national project managers, the local donor community, NGOs representing smallholder farmers/beneficiaries, relevant private sector representatives) and ICO staff on: (i) IFAD's decentralization and the roles, functions and performance of ICOs and engagement with local stakeholders; (ii) contributions to COSOP preparation and project approval, supervision and implementation; (iii) contributions to NLAs, thematic/cross-cutting work and cofinancing; (iv) IFAD's decision-making processes, role and support from headquarters and the application of the delegation of authority and accountability frameworks; (v) staffing and human resource management;[14] (vi) budgeting and financial management; and (vii) adequacy of ICT/communications and the provision of corporate services to ICOs.

48. **Criteria for selecting ICOs for case studies** include: (i) geographic balance; (ii) portfolio size and country types; (iii) adequate representation by type of ICO; (iv) length of time the ICO has been in operation; (v) possible linkages with other ongoing evaluations; and (vi) ease of logistics and combining the ICO case studies when post-COVID travel is possible. In addition, a few country studies undertaken for the 2016 CLE will be repeated to identify subsequent changes. Because of their importance, the ESA and WCA regional offices will be included in the case studies. Decisions on the inclusion of the APR and LAC regional offices in case studies will depend on the timing of their establishment.

49. A mix of methods will be used for the ICO cases studies, which will cover strategic issues, engagement, alignment, coordination and COSOPs, projects, and NLAs and thematic/cross-cutting work. The country/ICO case studies will assess factors affecting the operation of the ICOs (e.g. staffing and human resource management, budgets and financial management, delegation of authority and accountability, operational policies).

50. The approach to case studies will reflect past CLE experience and experience accumulated with evaluations conducted during the pandemic. The exact number of case studies will be determined based on inputs received during the evaluation design workshop and the Management self-assessment workshop. It is anticipated that up to 20 ICO case studies will be carried out, distributed among the five regions and including at least one multi-country ICO/hub, one CD-led ICO and one CPO-led ICO from each region. All case studies will be "deep dives" and will include a desk review and, at a minimum, remote interviews with key stakeholders and beneficiaries. Some case studies – about 5 to 7 – will involve field missions by the international evaluation team, while the remainder will involve site visits by national consultants. The exact numbers will be determined by the financial resources available and the needs identified in the evaluation design workshop.

51. **Project case studies.** Two projects will be purposely selected for detailed assessment for each country for which an ICO case study is conducted (one that was approved after the ICO was established and that has been under implementation for at least two years; one that has reached an advanced stage of implementation). The project cases studies will assess the role of the ICO throughout the project cycle, any improvements after the ICO was established and areas for improvement. The project cases studies will cover: (i) relationship to the COSOP and project identification; (ii) degree of interaction with, and ownership by, the government and other in-country stakeholders, including cofinancing; (iii) project processing and approval; (iv) project start-up and first disbursement; (v) project implementation and supervision, including procurement, disbursement,

[14] Including an analysis of the impact of corporate requests and processing time on ICO staff workload.

financial management and reporting; and (vi) related NLAs and thematic/cross-cutting work.

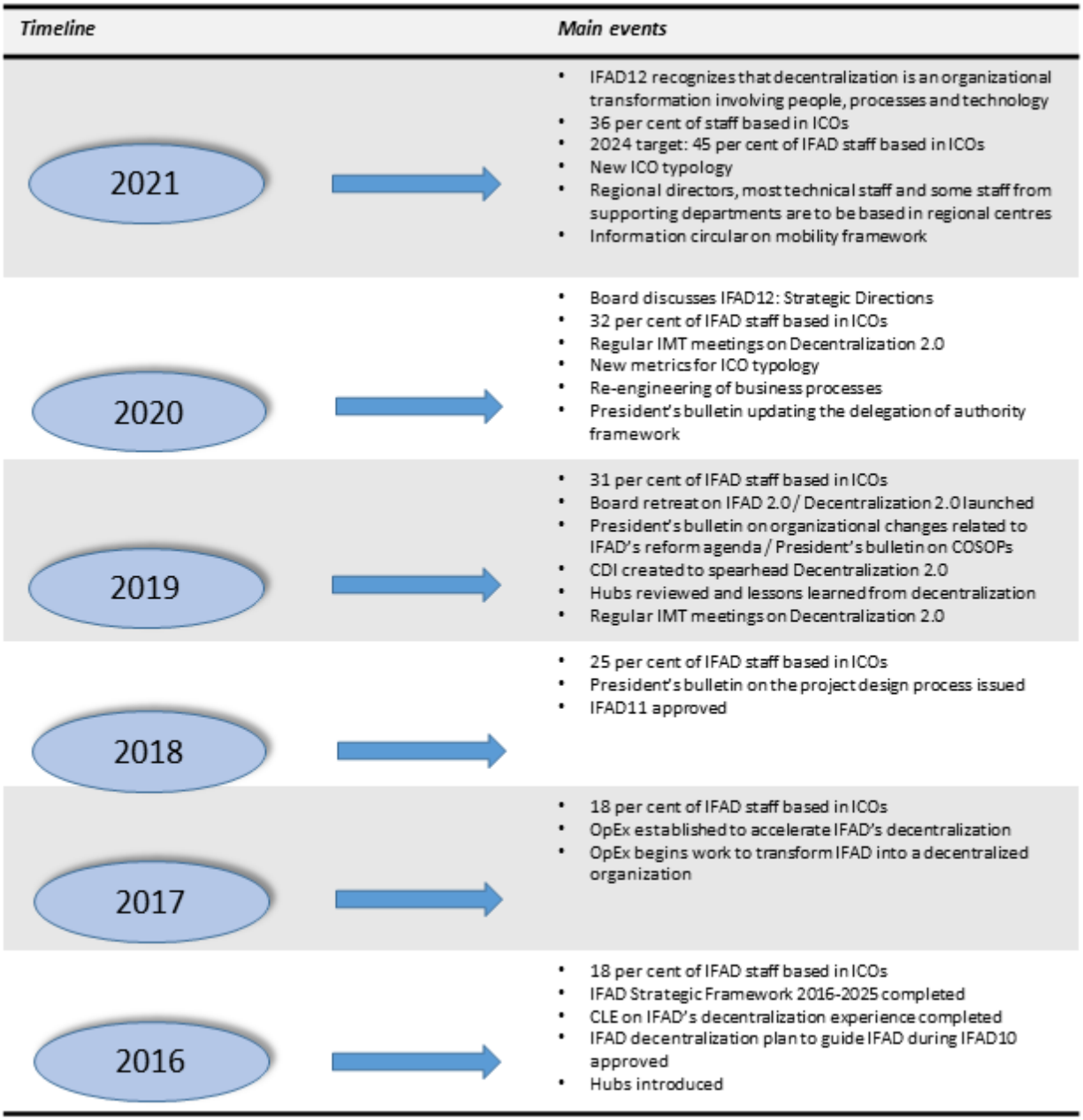
52. **Comparator organizations**. Recent United Nations reforms, including the changes to the UNSDCF, and the Food Systems Summit 2021 offer opportunities and challenges for CDs and the work of ICOs. The resulting implications for in-country engagement with the United Nations development system will be assessed. Selected comparator organizations (e.g. African Development Bank, Asian Development Bank, the Food and Agriculture Organization of the United Nations [FAO] and the World Food Programme [WFP]) will be examined to identify relevant, high-level decentralization lessons for IFAD, taking into account differences in scale and type of business (annex IV). This analysis will review relevant documents, particularly independent evaluations, and interview selected staff of those organizations but will not attempt to undertake detailed, benchmarking exercises.

IV. Evaluation process and timeline

53. **The evaluation phases, deliverables, review process, team and timeline** are shown in annex V. The 115th session of the Evaluation Committee will consider the approach paper in October 2021. After consideration by the Evaluation Committee in October 2022, the final report will be presented to the 137th session of the Executive Board in December 2022.

Evolution of IFAD's decentralization 2016 to 2021

Figure 1
IFAD's decentralization process from 2016 to 2021



Source: IOE.

Key conclusions and recommendations from the 2016 CLE on IFAD's decentralization experience

1. The 2016 CLE covered the period from 2003 to mid-2016 and assessed: (i) IFAD's decentralization experience and efforts; (ii) the contribution of decentralization to better operational performance and better development results; and (iii) the cost of decentralization relative to the results achieved.

2. The eight key conclusions of the 2016 decentralization CLE were:

   (i) The overall objectives and evolving design of the decentralization process were relevant to the achievement of enhanced development results but there were areas for improvement. Many assumptions were valid, but others were not well justified (e.g. the "light touch" approach, cost-neutrality). Adhering to these assumptions created a mismatch between the aspirations for ICOs on the part of both IFAD and its clients and the ability of small offices to deliver the full range of desired services, notably NLAs. The expansion of country presence was not based on a functional analysis that identified options to maximize support to country programmes while containing unit costs, nor was there a commensurate attempt to reform or adjust arrangements at headquarters, which is a key element of a decentralization process.

   (ii) Establishing ICOs significantly improved operational performance and development results at the portfolio level. ICOs played an important role in better aligning IFAD's country strategies and programmes with local needs and priorities. Staff based in ICOs ensured follow-up, continuity of support and problem-solving capacity to project teams, which helped to enhance implementation quality. The presence of ICOs was associated with improvements in impact on household income and household food security and agricultural productivity, gender equality and women's empowerment. Improvements were also noted in sustainability of benefits, innovation and scaling up and overall project achievements.

   (iii) ICOs supported NLAs to a lesser extent. There was evidence of improved partnerships with governments and increased participation in donor coordination groups. In-country contacts with Rome-based agencies and United Nations organizations became more regular, but this was not reflected in a significant increase in overall programmatic collaboration.

   (iv) Improvements in knowledge management and policy dialogue were more limited because additional resources were not made available to ICOs for these activities. Also, there was no platform to facilitate access to country/project-specific knowledge products. Because of limited resources and competing priorities, relatively little ICO staff time was allocated to knowledge management and policy dialogue and there was no specific administrative budget line for country offices allocated to NLAs. Attention to these areas depended on the interest of ICO staff. However, policy dialogue experience was not one of the criteria used for their selection.

   (v) IFAD managed to expand country presence and avoid cost escalation. Yet, not all opportunities for cost-efficiency gains were explored. From 2011 until 2015, PMD absorbed cost increases with a flat budget in nominal terms. This does not appear to have compromised country strategy and programme management but it constrained NLAs. There has been no in-depth analysis of how best to assign functions between headquarters, ICOs and international/national professionals at the country and subregional level.

   (vi) While the number of staff in ICOs increased significantly, PMD staffing levels at headquarters were not reduced. Under certain conditions, the twin

objectives of strengthened country presence and greater efficiency gains could have been achieved through the subregional hub modality. However, this needs to be based on a functional analysis and be accompanied by reorganization at headquarters.

(vii) IFAD's new business model initially emphasized expanding country presence, turning only recently to decentralization. The priority is shifting from explaining the benefits of decentralization towards justifying continuing with centralized organization, authority and processes. Despite the expectations set out in the 2011 Country Presence Policy and Strategy, this CLE noted the limited delegation of authority to senior CPMs for country budget-holding authority and communication.

(viii) Moving forward, if the volume of IFAD's PoLG experienced a sustained increase in the coming years, decentralization would need to be deepened and strengthened to respond to the increasing demands and challenges and maintain/enhance the quality of operational performance and development results.

3. The 2016 decentralization CLE included five recommendations:

(i) **Recommendation 1.** Consolidate IFAD's country presence while enhancing cost-efficiency. The need to enhance the effectiveness and efficiency of the decentralization process was identified already by the 2013 CLE on IFAD's institutional efficiency. IFAD should strengthen its country/subregional presence and capacity in the field by building a "critical mass" and concentrating human and financial resources, rather than scattering them across an increasing number of offices. The subregional hub model has the potential to support such concentration and achieve economies of scale, if properly applied. As a complementary effort to enhance effectiveness and efficiency, IFAD needs to implement a plan, based on functional analysis, to reduce staff at headquarters and increase the number of staff working near the country programmes, i.e. ICO staff, particularly where programmes are relatively large.

(ii) **Recommendation 2.** Increase support for NLAs through decentralization to achieve stronger development results. IFAD needs to introduce a more selective agenda for NLAs in its country strategies, based on consultation with national development partners. It should differentiate the non-lending agenda according to type of country office and their resource capacity and establish a dedicated budget line.

(iii) **Recommendation 3.** Enhance delegation of authority. Based on the assessment of the experience of the pilot in Viet Nam, IFAD should prepare a plan for delegating budget-holding authority to CDs, including provisions for training. It should also define a framework for further delegation of authority in relation to communication and for establishing a platform to facilitate access to analytical and knowledge products prepared by country offices and project teams.

(iv) **Recommendation 4.** Enhance staff incentives and capacity to operate in a decentralized environment. There is a need to strengthen incentives for outposted staff, particularly if more staff are moved out of headquarters. It will be important to expand and better structure the orientation and mentoring programme, particularly for new staff with little previous exposure to IFAD. National staff need more recognition and empowerment, and in the case of national Professional staff, clearer post-grading criteria.

(v) **Recommendation 5.** Improve the quality of data, monitoring and self-assessment. The IFAD accounting system needs to be adjusted to monitor more comprehensively the cost of country programme management

under different ICO configurations. Indicators for ICO monitoring should be simplified and integrated into IFAD's management information and reporting systems. Finally, the new corporate decentralization plan should allow for periodic revision and reporting to the Executive Board for further guidance.

Evaluation framework[15]

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
Overarching evaluation question	**Did decentralization contribute to IFAD delivering significantly better development results in an effective and efficient manner?**	Answers to the key evaluation questions under the four evaluation criteria	Totality of the evaluation evidence
Relevance	OVERARCHING EVALUATION QUESTION FOR RELEVANCE: **To what degree was organizational decentralization relevant for improving IFAD's ability to deliver development results in an effective and efficient manner?** KEY EVALUATION SUB-QUESTIONS FOR RELEVANCE:		
	How relevant was organizational decentralization in the context of the strategic vision in key corporate documents, the resource envelopes available from the IFAD replenishments and the views of Board Members, Management and staff? • Coverage of organizational decentralization in key documents and consistency of the vision with the available financial envelopes. Coverage of organizational decentralization in corporate monitoring and reporting systems. • Clarity of decisions and commitment by the Executive Board and by Management. • Frequency and clarity of Management communications with staff on organizational decentralization. • Commitment of staff to organizational decentralization.	Depth of coverage of organizational decentralization in the replenishment reports for IFAD10, IFAD11 and IFAD12, IFAD Strategic Framework 2016-2025 and consistency with budget documents. Analysis of the affordability of IFAD's vision for decentralization. Analysis of information provided to, and guidance from, the Executive Board on the organizational decentralization policy and strategy. Analysis of Management leadership of IFAD's corporate decentralization. Analysis of the frequency and clarity of Management guidance, decisions and communications with staff regarding organizational decentralization. Views of Executive Board representatives and Management on the relevance of organizational decentralization. Coverage of decentralization in high-level monitoring, reporting and accountability frameworks. Views of IFAD staff on the relevance of organizational decentralization and adequacy of communication from Management and support provided through training.	Document review Minutes of Executive Board and IMT meetings President's bulletins and instructions, Management oversight structures and frequency and depth of communication with staff Results Management Frameworks for IFAD10, IFAD11, IFAD12 and annual RIDEs Key informant interviews, ICO case studies and e-survey

[15] The evaluation framework will be subject to further development during the inception phase of the evaluation.

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
	Was the decentralization strategy, as designed and as it evolved during implementation, relevant for transforming IFAD into an effective and efficient decentralized organization? • Quality and clarity of the decentralization strategy as originally designed. • Plausibility of underlying assumptions including those for costs, benefits and implementability. • Quality of the changes made during the implementation of the strategy.	Assessment of the implementation and sequencing of the organizational decentralization strategy. Assessment of how IFAD changed structures, staffing and functions to become a decentralized organization. Perception of government officials and in-country development partners. Views of Executive Board representatives, Management and staff. Analysis in changes during implementation of the decentralization strategy – major change or fine-tuning?	Document review Organizational analysis Key informant interviews, ICO case studies and e-survey.
	Were the organizational architecture and structures, systems and processes used to implement the decentralization strategy appropriate? • Relevance of the location, type, size and staff complement (numbers, grades and expertise) of ICOs and operational budgets compared to the mandates and functional responsibilities for each type of ICO. • Relevance of putting regional directors and nearly all technical staff in regional offices rather than remaining in headquarters. • Relevance of organizational decentralization as implemented, including whether changes made during implementation added to, or detracted from, the strategic relevance of organizational decentralization.	Review of the criteria and metrics for selecting, staffing and resourcing ICOs, with a special emphasis on regional directors, technical staff and operational budgets. Analysis of the evolving typology of ICOs and its application and coverage, including the formative assessment of the regional ICOs and decision to put the regional directors and most technical staff in regional offices and possible changes in the roles of the hubs. Analysis of the country office monitoring frameworks. Analysis of the percentage of IFAD staff in ICOs, PoLG and PoW managed by ICOs and operational budgets managed though ICOs and by type of ICO. Views of in-country partners on whether decentralization enhances national ownership and the relevance of IFAD's operations.	Key informant interviews, ICO case studies and e-survey Grants and Investment Projects System (GRIPS) Corporate databases IFAD records and country office monitoring frameworks
	Did decentralization contribute to improving the relevance of IFAD's projects, NLAs and cross-cutting/thematic work? • Enhanced national ownership and direction of development assistance • More relevant COSOPs • More relevant projects • More relevant NLAs • More relevant cross-cutting/thematic work • Relevance by type of ICO	Quantitative analysis[16] of COSOP relevance ratings, QAG and project relevance and targeting ratings, percentage of new COSOPs with a fragility analysis, and percentage of operations that advance transparency in borrowing countries by ICO type, with and without ICOs and before and after ICOs.	ICO case studies, key informant interviews and e-survey Project case studies COSOP, QAG, IOE and PCR ratings Corporate databases IFAD records Evaluation reports The ESA annual portfolio stocktaking for 2021 and similar exercises undertaken by the other regional departments (after IOE validation)

[16] Unless otherwise stated, in this evaluation framework quantitative analysis means a statistical analysis and testing to see if means are statistically significant differences for the variables analysed with and without ICOs, before and after ICOs and by type of ICO.

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
	Is IFAD's organizational decentralization relevant in the context of ongoing 2017 United Nations reforms, UNSDCF, Food Systems Summit and the decentralization experience of the Rome-based agencies and selected MDBs? • Views of donors and developing countries. • Decentralization in comparators, including selected regional development banks and the Rome-based agencies. • Coherent action at the country level. • Changes in country interactions between ICOs and the United Nations development system after the adoption of the 2017 United Nations reforms. • Degree to which decentralization and the work of ICOs, particularly in the programmatic, local donor coordination and cofinancing areas, supported the implementation of the UNSDCF and the recommendations resulting from the 2021 Food Systems Summit.	Analysis of the scale and pace of decentralization in selected comparator organizations, the functions decentralized and changes in decision-making processes, delegation of authority and accountability, human resource management policies and procedures. Empowerment of CDs to communicate with government officials and in-country partners without clearance from regional directors or headquarters. Views of government officials and in-country partners, Board members, Management and staff. Interaction of CDs with the United Nations Resident Coordinator, participation in the United Nations country team and coverage of IFAD in the UNSDCF. Programmatic, local donor coordination and cofinancing actions that supported the UNSDCF and the Food Systems Summit.	Analysis of ongoing United Nations reforms and implications for IFAD Comparator analysis of the decentralization experience of Asian Development Bank, African Development Bank and the Rome-based agencies (FAO; WFP), including reviews of relevant evaluation reports related to decentralization Key informant interviews, ICO case studies and e-survey
Coherence	OVERARCHING EVALUATION QUESTION FOR COHERENCE: **Is the organizational decentralization strategy a coherent and consistent package that could plausibly transform IFAD from a headquarters-centred organization into a decentralized organization?** KEY EVALUATION SUB-QUESTONS FOR COHERENCE: **How coherent and mutually reinforcing were the strategic vision of the decentralization strategy, available financial resource envelopes, organizational and spatial plans/geographic locations for ICOs and the institutional governance system for managing and implementing the decentralization process, including appropriate roles for the Executive Board and Management?** • Consistency of the decentralization vision and aspirations and the likely financial resource envelopes in the current environment of official development assistance. • Clarity of the medium- and long-term organizational plans and vision for the structure of headquarters. • Decentralized spatial coverage and location of ICOs. • Leadership, oversight and management. • Monitoring, reporting and accountability.	Assessment of the consistency between the aspirations of the visions in the decentralization strategy, financial resources resulting from the IFAD replenishments and IFAD's relatively small size. Coherence of the organizational decentralization strategy in the Strategic Framework 2016-2025, Decentralization 2.0 and the replenishment reports for IFAD10, IFAD11 and IFAD12 for: (i) transforming IFAD into a decentralized organization; and (ii) moving away from a PMD-centric strategy to a corporate approach. Analysis of IFAD's evolving organizational structure. Analysis of the spatial coverage and structure of the decentralization model. Analysis of Board and Management leadership, oversight and management. Opinions of Board members, Management and IFAD staff. Analysis of the decentralization Results Management Frameworks and monitoring and reporting systems.	Document review IFAD replenishments Board and IMT minutes Monitoring indicators and reports Key informant interviews and e-survey

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
	Were operational and non-operational departments and divisions at headquarters appropriately restructured to support organizational decentralization? • Office of the President and Vice-President (OPV). • External Relations and Governance Department (ERG). • Financial Operations Department (FOD). • Programme Management Department (PMD). • Strategy and Knowledge Department (SKD). • Corporate Services Department (CSD).	Coherence between the long vision for headquarters and the needs of a decentralized organization. Logic, coverage and specification of functions to be decentralized for each department. Implementation and sequencing of, and possible gaps in, the organizational decentralization strategy necessary capacities for both operational and non-operational departments. Existence of a coherent plan to address staff and positions in headquarters that are no longer needed in a decentralized organization. Opinions of Board members, Management and IFAD staff. Terms of reference of ICOs and headquarters units.	Analysis of changes in IFAD's organizational structure and organization chart (both operational and non-operational departments) Key informant interviews and e-survey McKinsey & Company, 2019. *Analytical HR Study on IFAD's Current and Future Workforce Composition*.
	Did IFAD adequately empower ICO staff by revising decision-making processes, human resource and financial management, delegating authority and strengthening accountability to focus on results-based versus process-based management? • Decision-making, delegation of authority and accountability. • Application of project design guidelines, including the joint PMD/SKD responsibilities and role of FMD and number of formal and informal reviews. • Sufficiency and agility of the processes of a decentralized system that does not compromise the quality of the reviews and final products. • Human resource management. • Budgeting and financial management including risk management and oversight, including managing possible budget cost overruns associated with decentralization.	Analysis of the adequacy of changes in IFAD's decision-making processes, the delegation of authority and accountability frameworks and revised COSOP, project processing and supervision procedures to support a decentralized organization and the provision of corporate services to ICOs. Analysis of the adequacy of changes in human resource management policies and procedures to support a decentralized organization (e.g. number and levels of staff; skill mix; selection and deployment/redeployment of staff to ICOs, including the voice given to the hiring managers; allowances, housing and safe working environment; provisions for family dependants; recruitment; career planning/development for international (including reintegration into headquarters) and national staff including engaging national staff with regional responsibilities; redeployment procedures; policies and procedures to address redundancies and need for reskilling; and staff perceptions of the adequacy of the application of the human resource management policies, willingness to relocate from Rome, local housing, education, security, relocation/post allowances and staff engagement/morale. Adequacy of the ICO staffing position classifications/levels for CDs and national officers relative to job descriptions and expected outputs; planned versus actual staff complement; vacancy rate; staff turnover; time to fill a Professional position; use of long-term consultants to fill vacancies; women in P-5 positions and above; percentage of staff from List B and C countries; promotion rates of ICO staff, with comparisons to IFAD-wide figures, targets and benchmarks where appropriate. Analysis of the levels and workloads of CDs, CPOs, numbers of technical staff and consultant budgets to employ national/regional experts.	Document review Delegation of authority and accountability frameworks IFAD management and decision-making processes and number of meetings and reviews required Human resource management policies, procedures and directives Consistency between salaries and other elements of the operational budget (e.g. consultant budgets; operational travel) and growing the PoW Financial management policies, procedures and directives Corporate databases Key informant interviews, ICO case studies and e-survey

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
		Analysis of the impact of corporate requests and processing time on ICO staff workload, and the implications for the capacity of ICOs to undertake activities for which in-country proximity is directly relevant. Analysis of the empowerment, workloads and responsibilities of regional directors and ICO staff.	
	Were operational and non-operational policies and procedures and the provision of corporate services appropriately revised to support a decentralized organization and leverage the ongoing United Nations reforms at country level? • Throughout the project cycle from COSOP preparation, project identification, processing and approval through project implementation and completion. • NLA identification, processing, approval and implementation. • Cross-cutting/thematic work identification, processing, approval, funding and implementation. • Provision of corporate services to ICOs. • Provision of administrative services to ICOs.	Analysis of IFAD budgeting and financial management procedures and the degree of control and decision-making vested in ICOs. Analysis of changes in IFAD's operational policies and procedures to support a decentralized organization (e.g. COSOP formulation and approval; project and grant identification, processing and approval; project and grant implementation and supervision; procurement; disbursement; project financial management, accounting and auditing and NLAs [policy dialogue; partnerships knowledge management/SSTC; capacity-building], processing, approval and implementation as well as for cross-cutting/thematic work). Analysis of the joint roles of PMD, SKD and FMD in processing and supervision, including clarity of reporting roles (e.g. multiple reporting roles of staff in ICOs to the CD and technical division heads in headquarters) and formal and informal decision-making processes, ownership and timeliness of staff availability. Analysis of the adequacy of the frequency, size, composition (e.g. CDs; CPOs, project staff; headquarters staff) and duration of missions and roles of consultants, adequacy of consultant input and remuneration levels relative to the expected delivery of results Project status report ratings for selected fiduciary aspects. Review of changes in relevant non-operational policies and procedures to support a decentralized organization. Assessment of the corporate services provided to ICOs. Assessment of administrative services provided to ICOs.	Document review IFAD's operational and non-operational policies, procedures and directives FSU and corporate databases. Key informant interviews, ICO case studies and e-survey Project case studies
Effectiveness	OVERARCHING EVALUATION QUESTION FOR EFFECTIVENESS: **Did organizational decentralization contribute to IFAD delivering better development results?** KEY EVALUATION SUB-QUESTIONS FOR EFFECTIVENESS: **What was the contribution of decentralization to better in-country engagement, alignment and country ownership and to creating an enabling environment for adaptive management and learning, thereby improving COSOPs, coordination and client services?**	Perceptions of staff, government officials, national project managers and in-county stakeholders, including NGOs and international development organizations (special attention to countries in which ICOs were closed or leadership changed from CD-led to CPO-led).	Document review Key informant interviews and e-survey ICO and project case studies

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
	• With governments, including the provision of counterpart financing. • With national project managers. • With international development partners, including the Rome-based agencies, and cofinancing. • With non-governmental actors (e.g. civil society organizations representing farmers and beneficiaries, private sector organizations, beneficiaries).	ICO effectiveness by type. Evidence of joint projects, programmes and activities. Evidence of participation in local donor coordination meetings, sharing IFAD knowledge products and SSTC. Quantitative analysis of PCR and IOE ratings of IFAD and partner performance. Evidence that decentralization helped to create an enabling environment for adaptive management and learning that contributed to better client services and delivery of development results.	Grant documentation Desk review and PMD databases PMD ICO survey Project status reports, PCRs and IOE reports The ESA annual portfolio stocktaking for 2021 and similar exercises undertaken by the other regional departments
	What was the contribution of decentralization to improved project-level results?	Perceptions of IFAD staff, government officials, national project managers and in-country development partners. Number of supervision/implementation support missions in which ICO staff participate. Analysis of indicators in the annual portfolio reviews (i.e. development achievement, food security, gender focus, poverty focus and targeting; climate and environment focus). Findings in IOE reports and PCRs. Quantitative analysis of QAG, PCR and IOE project ratings. Perceptions of IFAD staff (especially ICO staff and technical staff), government officials, national project managers and in-country development partners.	Key informant interviews and e-survey ICO and project case studies Annual portfolio reviews QAG, supervision, PCR and IOE ratings Project status reports, PCRs and IOE reports. The ESA annual portfolio stocktaking for 2021and similar exercises undertaken by the other regional departments.
	What was the contribution of decentralization to improved results for NLAs and cross-cutting/thematic work? • Policy dialogue. • Partnerships. • Knowledge management and SSTC. • Capacity-building. • Gender equality and women's empowerment. • Innovation. • Scaling up. • Climate adaptation. • Environment and natural resource management.	Coverage of NLA activities, cross-cutting/thematic issues and SSTC in COSOPs. Analysis of funding under both grants and projects allocated to NLA activities, cross-cutting/thematic and SSTC work. Evidence that changes happened because of IFAD engagement in NLAs and cross-cutting/thematic issues and SSTC. Role and mandate of the SSTC and KM Centres in relation to other multi-country offices. Related findings in IOE reports and PCRs. Quantitative analysis of projects designed to address NLA-related issues, cross-cutting/thematic issues, and relevant PCR and IOE ratings. Perceptions of IFAD staff, government officials, national project managers and in-country development partners.	Document review Grant documentation Key informant interviews and e-survey ICO and project case studies COSOPs QAG, supervision, PCR and IOE ratings IOE reports and PCRs Related PMD data and reports including the ESA annual portfolio stocktaking for 2021and similar exercises undertaken by the other regional departments.

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
		Degree that missions had the expertise to deliver NLAs and cross-cutting/thematic work. Progress in mainstreaming cross-cutting/thematic issues. Assessment of the trade-offs for project, NLA and cross-cutting quality and the delivery of results and the decision to reduce the budgets for project preparation and ability to recruit local consultants versus the decision to increase the number of IFAD staff. Assess the trade-offs for position classification decisions (e.g. classifications of CDs, CPOs, national officers) and project, NLA and cross-cutting quality and delivery of results. Assess the trade-offs between limits on the budgets for project preparation and supervision, size and composition of missions and limits on the maximum daily compensation for consultants and the delivery of results.	Analysis of mission frequency, composition and duration.
Efficiency	OVERARCHING EVALUATION QUESTION FOR EFFICIENCY: **Did IFAD efficiently plan, manage and implement decentralization so that it contributed to IFAD becoming a more efficient and nimble organization while avoiding unnecessary incremental costs?** KEY EVALUATION SUB-QUESTIONS FOR EFFICIENCY: **How efficiently did IFAD plan, manage and implement its organizational decentralization?** • Management oversight and guidance. • Whether the organizational decentralization strategy was broadly implemented as planned or major changes were required. • Adequacy of ICT systems and connectivity. • Adequacy of independent and service-level agreement for hosting agency (advantages and disadvantages). • Adequacy of host country agreements. • Adequacy of corporate services.	Number, type and locations of ICOs compared to plans. Analysis of the pros and cons of hubs, regional offices and CPO-led ICOs. Actual staffing in ICOs compared to plans. Existing staffing compared to plans. Actual headquarters structure compared to plans. Time frame required for decentralization compared to plans and operational implications for an extended time frame. Number of ICOs with adequate access to the IFAD intranet and internet and communications technology for different categories of functions and transactions Countries/projects using IFAD's Client Portal, Operational Results Management System (ORMS) or training through Centres for Learning on Evaluation and Results (CLEAR) by ICO type. Selected review of host country agreements and independent and service-level agreements.	Document review IMT meetings Work of OpEx and CDI IFAD's corporate monitoring and reporting systems ICT systems administrative data Host country agreements and independent and service-level agreements ICO case studies Key informant interviews and e-survey FSU reports

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
	Were risks related to decentralization appropriately identified, managed and mitigated and did decentralization help IFAD to manage unexpected risks like the COVID-19 pandemic? • Evidence of Management support and guidance. • Evidence of formal and informal self-evaluation of the efficiency and effectiveness of IFAD's decentralization. • Evidence that appropriate corrective action was taken on issues identified during the self-evaluations. • Coverage of decentralization risks in corporate reporting and monitoring systems. • Evidence of whether decentralization contributed to IFAD managing risks related to unexpected events (e.g. the COVID-19 pandemic) and preserving business continuity.	Significant problems risks identified. Evidence that adaptive management and learning helped to identify, manage and mitigate risks (e.g. additional incremental costs associated with decentralization; risk to government relations associated with shifting from a CD-led ICO to a CPO-led ICO or closing an ICO). Assessment of whether decentralization contributed to managing the risks related to unexpected events, in particular the COVID-19 pandemic (e.g. continuity of business processes, operations and delivery of results during COVID-19 and IFAD supporting the post-COVID recovery). Action taken to make changes in the organizational decentralization strategy and its implementation. Evidence that changes made had, or are likely to have, the desired effect. Evidence that issues related to human resources and financial resources were satisfactorily addressed.	Document review IMT meetings Work of OpEx and CDI Key informant interviews E-survey responses IFAD's corporate monitoring and reporting systems
	Is there evidence that decentralization contributed to improving IFAD's organizational efficiency ratios? • Decentralization's contribution to resource mobilization, including cofinancing from both international and domestic sources. • Decentralization's contribution to helping IFAD to manage growing PoWs and performance-based allocation system allocations. • Decentralization's contribution to increasing the average loan size.	Quantitative analysis of IFAD's efficiency ratio, PoLG, PoW, amounts of international and domestic cofinancing, cofinancing ratios and average loan size and trends in the ratios of: (i) IFAD's administrative expenditures to PoLG; (ii) actual administrative expenditures (including expenditures financed by administrative fees) to PoW; (iii) actual administrative expenditures (including expenditures financed by administrative fees) to annual disbursements; and (iv) administrative budget to the ongoing portfolio of loans and grants. Analysis of trends of the ratios of the number of projects approved and in the active portfolio compared to the number of staff and size of administrative budget. Ratio of Professional to General Service staff in ICOs compared to headquarters. Views of Management and staff.	Document review GRIPS Flexcube Administrative data PMD data ICO case studies and project case studies E-survey and key informant interviews
	Is there evidence that decentralization contributed to more efficient, faster and better decision-making for the preparation, approval and implementation of COSOPs, projects, NLAs and cross-cutting/thematic work? • Analysis of COSOP preparation and approval. • Project efficiency ratings. • Project processing efficiency. • Project start-up efficiency.	Evidence of faster decision-making compared to when IFAD was a headquarters-centric organization. Qualitative feedback on role of ICOs in COSOP preparation and project approval and supervision. COSOPs that undertook at least one COSOP review during the cycle, projects with a baseline by the end of the first year of project implementation and percentage of PCRs submitted within six months of completion and percentage that are publicly disclosed.	ICO case studies and project case studies e-survey and key informant interviews Review of selected COSOPs prepared after ICOs became operational and new project

Evaluation criteria	*Evaluation questions*	*Indicators*	*Data sources*
	• Project implementation and completion efficiency. • Efficiency by type of ICO.	Quantitative analysis of project efficiency indicators (e.g. project efficiency ratings, time from concept note to approval, time from approval to first disbursement, disbursement ratio, delay in project completion). Use of the Faster Implementation of Project Start-up facility, retroactive financing and the start-up advance. Number of supervision/ implementation support missions in which ICO staff participate. Analysis of the steps and time taken to make decisions, including the number of formal and informal reviews.	preparation procedures were adopted IOE, PCR and project status report efficiency ratings Supervision ratings GRIPS and Flexcube PMD data including the ESA annual portfolio stocktaking for 2021 and similar exercises undertaken by the other regional departments
	What were the net incremental costs of decentralization from 2016 to 2021? • Incremental cost drivers of decentralization including the mix of such headquarters-based and ICO-based staff. • IFAD's policies and processes for managing decentralization costs (both recurrent and non-recurrent) and their effectiveness.	Analysis of capacities and possible duplication of functions and headquarters units. Identification of the cost drivers of decentralization (e.g. number of ICOs; ratio of national and international staff). ICO costs (administrative and programmatic). Cost savings related to reducing the number of positions of Professional and General Service level staff in headquarters and savings related to reduced international travel, overhead and other costs. Analysis of whether some of the duties transferred to the hubs and ICOs are de facto still performed at headquarters and, if so, identification of the reason why (e.g. capacity, time issues) and estimation of the number and type of staff and associated costs. Analysis of incremental costs and estimated savings (including cost savings in managerial/staff time savings) Adequacy for remote transaction-handling, including delegated authorities and controls (e.g. separation of initiation, entry and authorization). Adequacy of ICO capacity to handle decentralized transactions.	Document review Data on costs, savings and staffing Budget and financial cost data and corporate databases Key informant interviews, ICO case studies and e-survey Desk review, ICO annual progress reports, and FSU and internal audit reports

Brief overview of major global developments since 2016 and of decentralization in other organizations

1. **IFAD is placing increasing emphasis on contributing to the achievement of the SDGs by 2030.** SDG 1 (End extreme poverty in all its forms everywhere) and SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture) indicators are directly relevant to IFAD and IFAD's contributions are monitored at the corporate level. IFAD operations also support SDG 5 (Achieve gender equality and empower all women and girls), SDG 13 (Take urgent action to combat climate change and its impacts), SGD 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss) and SDG 17 (Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development).

2. **2017 United Nations reforms.**[17] These reforms address accountability, transparency and effectiveness and cover three areas: (i) development; (ii) management; and (iii) peace and security. Processes will be simplified, transparency will be increased and the delivery of mandates will be improved. The 2017 United Nations reforms, which were expected to be fully operational by 2019, focused on achieving greater coordination and accountability for United Nations agencies on the ground and included seven key proposals:

   (i) A new generation of United Nations country teams that are demand-driven, skilled and aligned with country-specific priorities.

   (ii) A United Nations Resident Coordinator who leads a system that coordinates all United Nations organizations dealing with development, regardless of the nature of their presence in the country.[18] The United Nations country teams[19] will report to both their United Nations agencies and the Resident Coordinator. The Resident Coordinator represents the United Nations development system in national forums, including government bodies, as needed. The UNSDCF reflects country priorities and sets out how the United Nations development system will support the attainment of the SDGs.

   (iii) A coordinated and restructured regional approach to support the work of the United Nations development system in the field more effectively.

   (iv) Mechanisms for United Nations Member States to ensure coherent, transparent and accountable results underpinned by system-wide evaluations.

   (v) A stronger United Nations institutional response and system-wide approach to partnerships for the 2030 Agenda.

   (vi) A funding compact to bring better quality, quantity and predictability of resources and increased transparency to deliver on the 2030 Agenda. The United Nations Resident Coordinator is responsible for mobilizing non-core resources from donors at the country level to fund United Nations interventions and supplement core resources.

   (vii) Accelerated alignment of the United Nations development system with the 2030 Agenda.

3. United Nations General Assembly resolution 72/279 welcomed the UNSDCF as "the most important instrument for the planning and implementation of United Nations development activities in each country, in support of the implementation of the

[17] European Parliament. United Nations reform. European Parliamentary Research Service Members' Research Service. PE 635.517.2019.
[18] The aim is to bring together the various United Nations development system entities to improve the impact, efficiency and effectiveness of United Nations development activities at the country level.
[19] The United Nations country team, which meets regularly, comprises the CDs of all resident United Nations agencies.

2030 Agenda for Sustainable Development". The UNSDCF now guides the entire programme cycle, driving planning, implementation, monitoring, reporting and evaluation of collective United Nations support for achieving the 2030 Agenda. The UNSDCF is a core instrument for providing a coherent, strategic direction for United Nations development activities by all United Nations entities at the country level. It guides the United Nations system in planning and implementing United Nations development activities at the country level and in mobilizing a spectrum of development partners beyond the United Nations.

4. Food systems include all activities related to feeding people, including growing, harvesting, packaging, processing, transporting, marketing and consuming food.[20] They also cover people's interactions with land, climate and water to ensure sustainability and impacts on human health, nutrition and diets. Food systems also include the related inputs, institutions, infrastructure and services. In 2021, the United Nations Secretary-General will convene the Food Systems Summit as part of the Decade of Action to achieve the SDGs. The summit will launch actions related to healthier, more sustainable and equitable food systems. The preparation for the Food Systems Summit identified five "action tracks" to transform food systems to support the SDGs. IFAD was designated as the United Nations anchoring agency for action track 4 (Advance equitable livelihoods and value distribution) and is contributing to the work of the summit secretariat, including by seconding two IFAD staff members.

5. The United Nations reforms, UNSDCF and the Food Systems Summit have implications for how CDs and ICO staff interact with United Nations Resident Coordinators and United Nations agencies in-country and for programmatic decisions.

6. **Most multilateral, bilateral development partners and United Nations agencies are decentralized and have adapted their staffing, business processes and budgets accordingly.** These organizations generally began their decentralization journey well before IFAD. The rationale for establishing country/regional offices included: (i) in-country presence leads to better development results; (ii) local presence improves country knowledge and builds stronger partnerships with host countries, the local donor community and other in-country stakeholders, which better aligns development programmes with country objectives and priorities and increases country ownership; (iii) closer proximity to governments and clients leads to better understanding of their needs, thus helping to improve client service and operational effectiveness; and (iv) being on the ground improves responsiveness, timeliness and quality of service delivery.

7. **Evaluations undertaken by MDBs and the Rome-based agencies have generally found evidence that establishing country offices has resulted in the desired benefits and confirmed the rationale for decentralization**. Decentralization evaluations have also identified several lessons:

   (i) **Decentralization is a long process**, sometimes spanning decades, and it usually requires multiple iterations to optimize structures and business processes. The initial focus has typically been on portfolio implementation and then has been gradually broadened to cover the full range of programmatic activities. Often, changing management structures, decision-making systems, policies, practices and corporate support services took place later in the decentralization process.

   (ii) **No one decentralization model fits all organizations** because of differences in organizational culture, mandate, size and operating model. The decentralization model and process must be suitable for the organization.

[20] IFAD. 2021. United Nations Food Systems Summit 2021.

(iii) **Operational issues considered during decentralization include ensuring:** (i) clarity in the roles, responsibilities and reporting lines for in-country staff; (ii) articulation of the roles of country directors, headquarters staff and technical experts in project processing and implementation; (iii) control of project design and supervision budgets; and (iv) decentralization does not impede the flow of knowledge and expertise between headquarters and country offices.

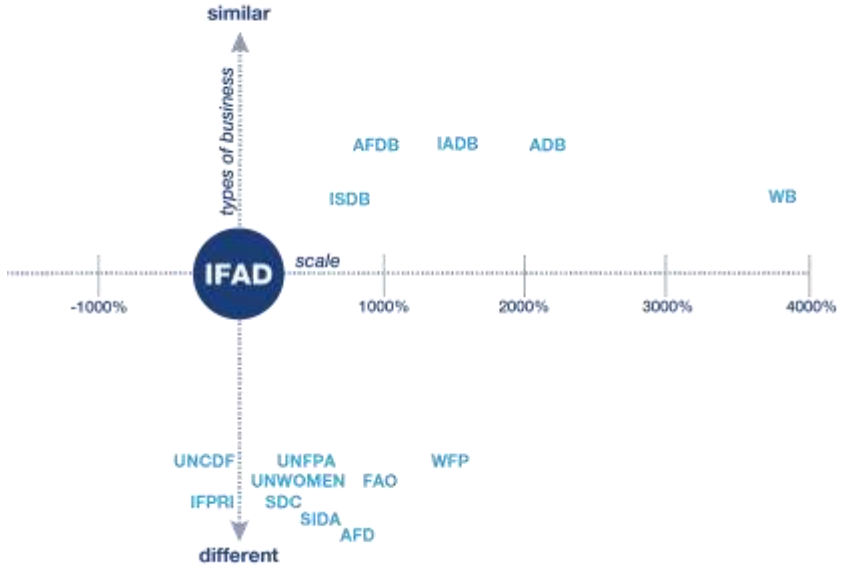
(iv) **Human resource management issues need to be addressed to support decentralization,** including career paths for international and national staff, the relocation process and associated incentives, staff recruitment procedures and delegation of authority and accountability.

(v) **There are incremental costs associated with decentralization that must be balanced against the benefits, which are difficult to quantify in monetary terms**. Containing costs often requires restructuring headquarters and reducing staff at headquarters as the number of staff in the field increases.

8. **Unique features of IFAD.** IFAD is a specialized agency that is focused on rural development.[21] Member States govern IFAD through the Governing Council and the Executive Board. These two bodies make all major decisions for the organization, including approval of the budget and PoW. As the head of a specialized agency, the President of IFAD is elected by the IFAD Member States and reports to the Governing Council and the Executive Board rather than to the United Nations Secretary-General. Unlike other United Nations agencies, IFAD provides loans as well as grants. MDBs are much larger than IFAD, have considerably more staff and financial resources and cover all sectors, including agriculture and rural development. During the formulation of Decentralization 2.0, Management examined the decentralization of MDBs and United Nations organizations. The Board and Management place priority on building synergies and coordination among the Rome-based agencies (IFAD, FAO and WFP). An important conclusion was that while benchmarking is useful, there are no organizations similar to IFAD in terms of both scale and nature of business.

[21] United Nations specialized agencies are international organizations working with the United Nations, in accordance with relationship agreements between each organization and the United Nations. Each specialized agency has a process for admitting members and appointing its administrative head. Article 58 of the Charter of the United Nations states that the United Nations will make “recommendations for the coordination of the policies and activities of the specialized agencies”. Coordination is facilitated through the Economic and Social Council and the Chief Executives Board for Coordination. FAO is also a specialized agency.

Figure 1
Comparing decentralization in IFAD against MDBs and United Nations organizations



Source: IFAD. *Decentralization 2.0 high-level summary slides*. Decentralization 2.0 Working Group. Slide 48.

9. **The lessons of Management's benchmarking echoed many of those noted above, including**: (i) several iterations are required to refine decentralized structures and supporting policies and procedures in areas that are similar to IFAD's challenges (e.g. clearly defined responsibilities and reporting structures, delegation of authority, decentralization of technical staff); (ii) economies of scale must be balanced against proximity to clients; (iii) organizations with greater levels of decentralization often have management in regions and integrated teams in multi-country offices (e.g. corporate services, partnerships and other functions); and (iv) some organizations outsource routine administrative tasks.

Evaluation process

1. **The evaluation will be undertaken in two major phases**, determined largely by when the WCA and ESA regional offices become fully functional (by late 2021). However, some activities begun during the first phase will extend into the second phase:

   (i) **Phase 1** will primarily cover the finalization of the evaluation approach and methodology, document review, mining of relevant IOE findings, strategic assessment of the relevance and coherence of IFAD's organizational decentralization strategy and progress made to date on its implementation, comparator review, design of the e-survey, preparation of guides for the key informant interviews and ICO case studies, quantitative analysis, analysis of organizational efficiency indicators, initial key informant interviews, project case studies and assessment of ICT/communications issues and the provision of corporate services to ICOs.

   (ii) **Phase 2** will primarily cover the launching and analysis of the e-survey, ICO case studies including the formative assessment of the regional offices, completion of the key informant interviews and project case studies, review of organizational restructuring and management issues, review of decentralization-related costs and financial management issues, review of human resource management/decision-making issues, analysis of the adequacy of the delegation of authority and accountability frameworks and of the adequacy of re-engineered business processes, sharing of emerging findings and report preparation and finalization.

2. **Feedback during the evaluation process.** Consultations will be organized with Management and staff at key stages of the evaluation to provide feedback, exchange thoughts and discuss selected evaluation issues to ensure wider learning and timely feedback from the independent evaluation to IFAD's ongoing organizational decentralization process. In addition: (i) during the design workshop, Management stakeholders will provide comments that will help IOE to review/revise the theory of change, fine-tune the evaluation questions and evaluation approach and methodology and select the country/ICO case studies; and (ii) during the Management self-assessment workshop, various IFAD units will answer the evaluation questions and summarize their perspectives on the progress made in decentralization, strengths and weaknesses, lessons learned and future directions.

3. **Core learning partnership group.** To strengthen this process, consistent with IFAD's 2021 Evaluation Policy, a core learning partnership (CLP) group was established.[22] Members of the CLP are experienced IFAD technical and managerial staff whose contributions will strengthen the evaluation team's understanding of key issues, theory of change and the evolution of the policy/strategy/programming rationale for decentralization and its implementation. The CLP will facilitate greater access to data and evidence. In addition to strengthening the inputs to the evaluation, the CLP will promote the dissemination and use of evaluative findings in IFAD after the evaluation is completed. The members of the CLP were nominated by directors of relevant IFAD units, selected on the basis of their technical or managerial expertise and decentralization-related experience. The CLP members will provide the necessary information for the evaluation team during key stages of the evaluation (e.g. drafting of the approach paper, evaluation design, data collection, reporting and dissemination).

4. **Independent evaluation advisers.** In line with the IFAD Evaluation Policy, IOE will seek the cooperation of two senior independent advisers. Their main roles will

[22] See the Evaluation Manual (2015).

be to review and provide comments on the draft approach paper and draft final report.

5. **Evaluation team.** Under the overall strategic direction of Indran A. Naidoo, Director, IOE, the CLE will be led by Suppiramaniam Nanthikesan, Lead Evaluation Officer, IOE. Three senior consultants will be recruited to provide specific inputs on topics such as CLEs, organizational decentralization including organizational structures, human resource management, delegation and accountability, and budgeting/financial management. The evaluation team will be supported by Massiel Jimenez and Alice Formica, research analysts, IOE and an evaluation assistant, IOE.

6. **Deliverables, review process and feedback.** The main deliverables of the CLE will include the approach paper, the final evaluation report and a *Profile* and *Insight*. Management will be invited to provide written comments on the draft approach paper and the draft final report. IOE will prepare an "audit trail" to transparently illustrate how Management comments were treated in the final report. The Evaluation Committee will review the draft approach paper, and its comments will be considered in the design and implementation of the evaluation. Further deliverables include the written Management response to the final evaluation report and the reports of the independent evaluation advisers, which will be included in the final report.

7. **Timeline.** The evaluation will begin in 2021 and will be completed in 2022, as indicated in the timeline below.

Table 1
CLE decentralization timeline

Timeline	*Activities*
October 2020	The 111th session of the Evaluation Committee includes the second decentralization CLE in IOE's work programme.
March – August 2021	Preparation of the approach paper for the second decentralization CLE.
August – October 2021	Desk review of documents and extraction and organization of IFAD data and information continues.
September 2021	Consultant recruitment. Desk review of documents and data collection continue.
October 2021	Revised draft approach paper to be discussed by the 115th Evaluation Committee.
November 2021	Design workshop involving Management stakeholders to review/revise the theory of change, fine-tune the evaluation questions and select the ICO case studies. Finalization of the evaluation approach and methodology. Continue document review and information/data collection. Prepare guides for the key informant interviews and ICO case studies. Finalize the selection of ICO case studies. Design and pre-test the e-survey and begin assembling the e-mail list. Begin the key informant interviews.
November 2021	Management self-assessment workshop in which Management presents answers to the evaluation questions. Strategic assessment of the relevance and coherence of IFAD's organizational decentralization strategy and progress made to date on its implementation. Quantitative analysis portfolio, projects, cofinancing and COSOPs. Review of selected comparator organizations. Launch e-survey and send periodic reminders to non-respondents. Key informant interviews. Assess ICT/communications issues and the provision of corporate services to ICOs. Finalize case studies and pilot exercise. Case study countries notified. Travel-based case studies identified.
January – March 2022	ICO case studies and the formative assessment of the regional centres. Selected project case studies. Review of organizational restructuring and management issues. Review of human resource management/decision-making issues. Analysis of the adequacy of the delegation of authority and accountability frameworks and the re-engineered business processes. Analysis of financial management, decentralization-related costs and organizational efficiency indicators.
January – March 2022	Design, conduct and analyse the e-survey.
June 2022	IOE peer review of the first draft of the evaluation report.
July 2022	Presentation of initial findings to the CLP and Management. Draft report shared with Evaluation Advisory Panel, CLP and Management for comments.
August 2022	Finalize report and submission to the Office of the Secretariat
October 2022	Presentation of the final evaluation report and Management response to the 119th session of the Evaluation Committee.
December 2022	Presentation of the final evaluation report with Management response to the 137th session of the Executive Board.

Source: IOE.

List of key persons interviewed

Name	*Department/Division*	*Title*
Meike van Ginneken	SKD	Former Associate Vice-President
Tim Balint	PMD	Senior Technical Advisor to the Associate Vice-President
Benoit Thierry	WCA	Head of Hub/ Country Director
Claus Reiner	LAC	Country Director SSTC & KM
Nigel Brett	APR	Former Regional Director
Rasha Omar	NEN	Country Director
Sara Mbago-Bhunu	ESA	Regional Director
Thomas Eriksson	OPR	Former Director
Lauren Phillips	OPR	Lead Advisor, Policy & Results
Giorgia Salucci	FSU	Chief Field Support Unit
Sarah Mirmotahari	FSU	Senior Operations Specialist
Edward Gallagher	CDI	Lead Advisor
Juan Jose Leguia	Decentralization 2.0	Programme Manager

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