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**IFAD**

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**PREVIEW OF THE OFFICE OF EVALUATION'S WORK PROGRAMME AND  
RESOURCE ISSUES FOR 2007**

**For: Review**

## **Note to Evaluation Committee Members**

This document is submitted for review by the Evaluation Committee.

To make the best use of time available at Evaluation Committee meetings, Members are invited to contact the following focal point with any technical questions about this document before the session.

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**ABBREVIATIONS AND ACRONYMS**

AfDB	African Development Bank
ARRI	annual report on the results and impact of IFAD operations
CPE	country programme evaluation
OE	Office of Evaluation (of IFAD)



## **PREVIEW OF THE OFFICE OF EVALUATION'S WORK PROGRAMME AND RESOURCE ISSUES FOR 2007**

### **A. Background**

1. This paper will be discussed by the Executive Board during its consideration of the strategic priorities and programme of work and budget of IFAD and its Office of Evaluation. The Chairman of the Evaluation Committee – following established practice – will subsequently prepare a written report summarizing the Committee's deliberations and recommendations for consideration by the Board.

2. After receiving comments from the Committee and based on the guidance and comments provided by the Board, the Office of Evaluation (OE) will prepare its work programme and budget proposal for 2007 for discussion by the Evaluation Committee at its next session, to be held on 10 October 2006. With further, subsequent guidance from the Committee, OE will then prepare its final work programme and budget proposal for 2007 for discussion at the December 2006 session of the Board. As decided by the Board, the final proposal will first be considered by the Audit Committee in November 2006 together with IFAD's programme of work and budget for 2007.

### **B. Summary of the 2007 Preview**

3. Over the past few years, OE has introduced a number of internal changes and processes that have resulted in efficiency gains, allowing OE to gradually undertake more higher-plane evaluations.<sup>1</sup> However, over the years and more so in 2007, this shift towards higher-plane evaluations has intensified and caused a structural change in OE's work programme, thus leading to an increase in the overall workload and costs that can no longer be managed by the financial and human resources presently available to the Office. In addition, OE proposes to undertake a joint evaluation in 2007 with the African Development Bank (AfDB) on agriculture and rural development policies and operations in Africa. This evaluation is a special opportunity to strengthen the partnership with AfDB. However, the evaluation, which represents a one-time exceptional activity, will have a considerable impact on the size of OE's work programme and budget next year. As a result, OE will require an overall increase of close to US\$1.4 million in the 2007 budget to accommodate in particular the joint evaluation with the AfDB, which is estimated to cost around US\$800,000 as well as increases in staff costs. The latter are caused by increases in standard costs (around US\$286,000) and by an increase in human resources required for the implementation of the 2007 work programme, including a greater number of higher-plane evaluations (for an additional cost of around US\$384,000).

### **C. Achievements in 2006**

4. OE had four main priorities for 2006: (a) undertake selected corporate-level, regional strategy, country programme, thematic and project evaluations; (b) specific evaluation work required by the Evaluation Policy for presentation to the Executive Board and the Evaluation Committee; (c) evaluation outreach and partnerships; and (d) methodological development. Overall, OE has been able to implement the activities planned under the four established priorities. The specific achievements against the priority areas are listed in annex I.

5. The five planned corporate-level evaluations are on track. The report on the evaluation of IFAD's Rural Finance Policy is currently being prepared and the evaluation will be finalized on

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<sup>1</sup> Such evaluations include corporate-level, regional strategy, thematic and country programme evaluations. Project evaluations are not considered higher-plane evaluations.

schedule in October. Secondly, an inception report on the evaluation of IFAD's Field Presence Pilot Programme was prepared. Field work will start in the last quarter of 2006.

6. OE completed the evaluation of the Regional Strategy in Asia and the Pacific region (EVEREST). The EVEREST evaluation highlighted the importance for IFAD of developing a new regional strategy based on the experiences of the past. It also found that portfolio performance and impact were good in the region, but IFAD's performance in policy dialogue, partnership-building and donor coordination had generally been weak during the evaluation period (1996-2005). Lastly, OE has initiated the evaluation of IFAD's strategy in the Near East and North Africa region, which will be completed in 2007.

7. In December 2005, when approving IFAD's Action Plan for Improving its Development Effectiveness, the Board requested OE to undertake an evaluation of the Action Plan. At the Board's April 2006 session, it asked the Evaluation Committee to discuss the topic in more detail during the Committee's forty-fourth session and revert to the Board with a recommendation.

8. As per plan, OE completed the Mali country programme evaluation (CPE) and launched the one for Morocco. The Mali CPE found that IFAD's recent strategy had evolved by adjusting project design to take into account the ongoing decentralization process. However, among other issues, the evaluation noted problems of limited integration of components and dispersion of activities over large areas in selected programmes. Preparatory work for the Morocco CPE has been accomplished, and the main evaluation mission will be fielded in the last quarter of the year.

9. A preparatory mission to Brazil will be organized shortly to prepare the approach paper for this CPE. As agreed at the Evaluation Committee's forty-third session, the Ethiopia and Nigeria CPEs will commence in early 2007, rather than in the last quarter of 2006, to free up the necessary OE human resources to begin the evaluation of the Action Plan this year. Finally, OE has completed four and is working on another six project evaluations in the five IFAD regions.

10. Pursuant to the terms of reference and rules of procedure of the Evaluation Committee,<sup>2</sup> OE reviewed and commented on the portfolio performance report prepared by management. The document was discussed by both the Evaluation Committee and the Executive Board in April 2006. Likewise, OE reviewed and commented on the President's report on the implementation status of evaluation recommendations and management actions (the PRISMA report), which will be discussed by both the Evaluation Committee and Executive Board in September.

11. Work on the production of OE's comprehensive evaluation manual is progressing, and should be completed by the end of 2006. Among other aspects, the new CPE methodology also enables OE to assess the performance and attribute ratings to individual projects in a given country. An enhanced internal quality assurance system consisting of internal peer reviews as well as external senior advisors has been introduced to ensure that OE evaluations adhere to the required methodologies and generate the expected high quality of deliverables.

12. The work towards the preparation of this year's annual report on the results and impact of IFAD operations (the ARRI report) is in an advanced stage. The document will be discussed by the Evaluation Committee in October and by the Executive Board in December; for the first time, it will include a target mean score for benchmarking purposes to illustrate how such a target rate can be used to track and improve performance.

13. In April 2006, OE and the Programme Management Department signed an agreement on the harmonization of self-evaluation and independent evaluation systems at IFAD. The agreement

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<sup>2</sup> Approved by the Board in December 2004.



was in response to a number of requests from the Evaluation Committee and Executive Board in the past for the Programme Management Department and OE to use the same evaluation criteria and ratings systems to ensure that self-evaluation and independent evaluation generate comparable information.

14. OE organized, as planned, a session of the Evaluation Committee in April.<sup>3</sup> In addition, it organized the Evaluation Committee's annual field visit in March 2006 (to Mexico) in connection with the Mexico CPE. A total of 12 Executive Board Directors participated in this visit. The Chairman of the Evaluation Committee presented a report on the field visit to the Board in April 2006.

#### **D. Taking Stock of 2006**

15. Before defining its priority areas, work programme and resource requirements for 2007, OE reviewed experience in implementing its 2006 work programme and budget.

16. One of the most important points emerging from the stock-taking exercise was the fundamental importance of the need to thoroughly plan each evaluation exercise. Although there have been some concrete improvements in this area (such as outlining in specific detail all key phases and major steps at the outset of each evaluation), more can be done. In this regard, one specific concern is the preparation of the timetable for the major steps and deliverables in the evaluation process, including the need to build in adequate time for partners to review and comment on the various evaluation deliverables. For this purpose, OE has acquired the Microsoft Project software to support its evaluation planning, implementation and monitoring capabilities.

17. Adopting a good practice introduced as part of the Independent External Evaluation of IFAD, OE introduced the notion of preparing "audit trails" for key evaluations. This requires that OE produce a written response to the various comments made by key stakeholders on draft evaluation deliverables that are disclosed for review. Evaluation partners have appreciated the introduction of audit trails, which enhance transparency in addressing the comments provided by partners and improve overall communication during the evaluation.

18. The whole issue of workload, overtime work and stress continue to be areas of concern to OE staff, an issue which has also been raised repeatedly by the Evaluation Committee and the Executive Board in the past.<sup>4</sup> In this regard, OE has started a detailed workload analysis, which will be completed shortly. This analysis will serve as the basis for preparing the final OE proposal for its 2007 work programme and budget.

19. Lastly, an area where more improvements are required is the management of consultants. This is also an area that significantly affects the overall quality of OE's work. Progress has been made in such areas as estimating the level of efforts, identifying necessary skills and competencies, and preparing and evaluating options, but more needs to be done, in particular concerning contracting and implementation management.

#### **E. OE Priorities for 2007**

20. The Office has four priorities for 2007. These take into consideration the need to satisfy the requirements of the Evaluation Policy and the terms of reference and rules of procedure of the

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<sup>3</sup> In total, four sessions are planned in 2006: in April, September, October and December.

<sup>4</sup> See paragraph 90 of document GC 29/L.6 (Programme of Work and Administrative Budget of IFAD and of its Office of Evaluation for 2006).

Evaluation Committee, while at the same time maintaining alignment with the concerned institutional priorities for 2007.<sup>5</sup> These four main priority areas are:

- (a) undertake selected corporate-level, regional strategy, country programme, thematic and project evaluations;
- (b) specific evaluation work required by the Evaluation Policy and the terms of reference of the Evaluation Committee;
- (c) evaluation outreach and partnerships; and
- (d) evaluation methodology development.

21. Priority area (a) represents the core of OE's work programme, in terms of both the number of activities and the human and financial resources devoted to such tasks. Under this priority, OE will complete a number of evaluations that it initiated in 2006, such as the evaluation of the IFAD Action Plan,<sup>6</sup> according to the overall approach discussed with the Evaluation Committee and the Executive Board. Likewise, the corporate-level evaluation of the Field Presence Pilot Programme will be finalized and discussed by the Executive Board in September 2007. OE will also complete the evaluation of IFAD's regional strategy for the Near East and North Africa.

22. OE will commence three new corporate-level evaluations in 2007. These are: (i) the joint evaluation with the AfDB of both institutions' agriculture and rural development strategies and operations in Africa; (ii) the evaluation of IFAD's performance and impact in promoting replicable innovative approaches to rural poverty reduction;<sup>7</sup> and (iii) the evaluation of IFAD's subregional strategy in Meso-America. All three evaluations, in particular the proposed joint evaluation in Africa, will be of exceptional complexity and comprehensive scope, requiring a commensurate level of both financial and human resources.

23. The President of the African Development Bank took the initiative to approach IFAD for support in conducting a collaborative evaluation of agriculture and rural development in Africa. Following this, meetings were held with the AfDB Operations Evaluation Department to explore opportunities for undertaking a joint evaluation on the two organizations' policies and operations in agriculture and rural development. This would be the first such joint evaluation undertaken by OE,<sup>8</sup> and there is thus adequate justification for proceeding with some degree of prudence. The aim of the joint evaluation would be to evaluate the performance and impact of both organizations' policies and operations in Africa, and to develop findings and recommendations that would serve as building blocks to formulate new strategies to address the challenges faced by the continent in agriculture and rural development. The importance and broad scope of the evaluation is reflected inter alia by the estimated total volume of investments – approximately US\$17 billion – made by AfDB and IFAD in Africa in the past. Clearly, a rigorous analysis of such an impressive scope would dramatically enhance the credibility and visibility of the evaluation findings and recommendations. The evaluation would also contribute more broadly towards strengthening partnership and cooperation between IFAD and AfDB. Moreover, with the undertaking of this evaluation, as well as the completion of the evaluation of IFAD's regional strategy in the Near East and North Africa region, IFAD will eventually acquire a comprehensive understanding of its strategies and operations in Africa as a whole, thus providing the building blocks for defining the Fund's overall cooperation in this continent in the future.

24. This proposed joint evaluation, which can be considered an exceptional one-time event, will have a noticeable impact on the overall size of OE's annual work programme and budget in

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<sup>5</sup> See annex III to GC 29/L.6.

<sup>6</sup> This evaluation was requested by the Executive Board (EB 2005/86/C.R.P.2/Rev.1).

<sup>7</sup> This evaluation was requested by the Executive Board (EB 2004/83/R.2 and GC 29/L.6).

<sup>8</sup> In the case of AfDB, the evaluation will limit its assessment to the agriculture and rural sector.

2007. In fact, given its objectives and scope, the evaluation is likely to absorb a significant amount of OE time and resources. It will also require a commensurate amount of time, resources and attention by IFAD management, in particular the concerned regional divisions. In fact, this evaluation is comparable to the evaluations of IFAD's regional strategies in the Eastern and Southern Africa and the Western and Central Africa regions. It would also entail an assessment of the performance of partnerships among key institutions (e.g. AfDB, IFAD and the World Bank) in the field of agriculture and rural development.

25. Furthermore, this evaluation would provide IFAD the opportunity to respond to the demand for joint evaluations and acquire experience in this area. On this issue, it is worth noting that there is an increasing call within the United Nations,<sup>9</sup> among the multilateral development banks<sup>10</sup> and by the Development Assistance Committee of the Organisation for Economic Co-operation and Development<sup>11</sup> for undertaking joint evaluations. Such a joint evaluation would also contribute to advancing the objectives of the Paris Declaration on Aid Effectiveness. However, it is to be underlined that, while there are clear benefits to conducting joint evaluations,<sup>12</sup> there are also some additional costs and challenges that need to be met.<sup>13</sup> These are some of the main reasons why a prudent decision process is warranted, which will entail the production firstly of a joint approach paper on the evaluation that will clearly demonstrate the feasibility for undertaking the evaluation jointly and include a proposal to mitigate its risks. Thereafter, the Executive Board will be requested to approve the undertaking of the joint evaluation in December 2006 when considering OE's 2007 work programme.

26. Building upon the results of a previous OE evaluation in 2001-2002 on a similar topic, OE will commence, at the end of 2007, the corporate-level evaluation of IFAD's performance and impact in promoting replicable innovative approaches to rural poverty reduction. As requested by the Board, this evaluation will include an assessment of the Initiative for Mainstreaming Innovation (IMI) approved by the Board in December 2004. It is useful to note that close cooperation will be sought in this evaluation with the Global Environment Facility (GEF) and the International Development Research Centre (IDRC), which are planning to undertake, more or less at the same time, an evaluation on their own institutions' catalytic role. This will provide a useful opportunity for IFAD to exchange information with them on methodological issues, evaluation approach, lessons learned and, ultimately, on the most effective ways to promote a catalytic role.

27. The Latin America and the Caribbean Division of IFAD requested an evaluation in 2007 of the Fund's subregional strategy in Meso-America as a key step in the development of IFAD's new strategy for the Latin America and the Caribbean region. This will be a major evaluation covering IFAD's strategy and operations in seven countries of the region.

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<sup>9</sup> As stated in the Standards for Evaluation in the United Nations System prepared by the United Nations Evaluation Group dated April 2005, and the recent joint statement on evaluation of the heads of United Nations agencies and programmes to the General Assembly.

<sup>10</sup> Refer to the Principles of the Evaluation Cooperation Group of the Multilateral Development Banks.

<sup>11</sup> See "Guidance for Conducting Effective Joint Evaluations", issued by the Network on Development Evaluation of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development in February 2006.

<sup>12</sup> Such as a broader scope of evaluation, reduction of transaction costs for developing countries, mutual learning, etc.

<sup>13</sup> In this regard, a recent DAC study ("Guidance for Conducting Effective Joint Evaluations", February 2006) highlighted that joint evaluations are not cheap, as transaction costs between evaluation units tend to be high; there is a need for greater lead time for planning the evaluation, coordinating schedules and field work; and an agreement needs to be reached up front on the methodology and reporting formats.

28. Furthermore, OE will finalize the country programme evaluations of Brazil, Ethiopia, Morocco and Nigeria, which the Board has already decided for OE to undertake as part of its 2006 work programme. Two new country programme evaluations are planned in 2007: Pakistan and the Sudan. These evaluations are important, not only given the size of IFAD investments in the countries, but also because OE has not undertaken any project or country programme evaluation in either of these countries since the mid-1990s. Finally, OE will complete the two project evaluations started in the second half of 2006 and will commence four new project evaluations.

29. The exact number and types of evaluations to be conducted by OE in 2007 will be determined by a review of actual progress in implementation of the 2006 OE work programme that will be undertaken in September-October 2006 and other considerations that may arise at the time. Also, OE will need to include in its 2007 work programme the various evaluations that the Board has decided for OE to undertake,<sup>14</sup> such as the evaluations of the IMI and the Action Plan.

30. Under priority area (b), OE will prepare the ARRI report and present it to the Evaluation Committee and Executive Board in December 2007. Future ARRI reports will draw upon the ratings generated through both the OE project evaluations and the CPEs, as the latter in future will include ratings of individual projects in the corresponding country as well.

31. Following the harmonization agreement between the Programme Management Department and OE, starting from December 2006 onwards, management will present the portfolio performance report to the Board at its December session as well. This report will include IFAD management's response to the issues and recommendations raised by the ARRI report, thus providing the Board with an opportunity to see how and to what extent the concerns and recommendations raised in the ARRI report are dealt with by IFAD management.

32. In addition, OE will prepare next year its 2008 work programme and budget, and present it to the Evaluation Committee and Executive Board for consideration, as per established practices and within the agreed time frames.

33. Pursuant to the terms of reference of the Evaluation Committee, OE will organize four sessions of the Committee in 2007 and any special sessions considered necessary by the Chairperson.<sup>15</sup> In addition to discussing selected OE evaluations, as in the past, the Committee will discuss the portfolio performance report, the PRISMA report and any policy proposal in 2007 arising from evaluation lessons and recommendations, including OE comments, before the same are discussed in the Board. OE will also organize a country visit for the Evaluation Committee in connection with a major evaluation event.

34. With regard to priority area (c), OE will continue its efforts to ensure that communication and dissemination aspects are incorporated in each evaluation at the outset of the process. Particular attention will be devoted to ensuring that evaluation results and lessons learned are shared with partners in developing countries. Workshops, in particular at the end of higher-plane evaluations, will continue to be an instrument for drawing attention to issues and sharing knowledge emerging from evaluations. In addition, the present practice of disseminating printed copies of evaluation reports as well as profiles and insights to Executive Board Directors and

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<sup>14</sup> See table 10 in the Programme of Work and Administrative Budget of IFAD and of its Office of Evaluation for 2006, document GC 29/L.6.

<sup>15</sup> Given the heavy agenda of the Committee in the recent past, most of the sessions next year are expected to last a full rather than just half a day.

others, as well as the continuous updating of the Evaluation Knowledge System,<sup>16</sup> will be maintained.

35. In terms of partnerships, OE will continue to actively participate in the discussions of the United Nations Evaluation Group and the International Development Evaluation Association. It will also take part in selected international and regional conferences and workshops on evaluations and related themes. Moreover, OE will keep abreast of the developments in relation to the ongoing United Nations reform process, and within this context, contribute in particular to the thinking on the development of a wider independent evaluation function for the United Nations system.

36. In priority area (d), OE will continue to exercise thorough oversight to ensure that its evaluation methodologies are applied consistently across all evaluations. Quality assurance mechanisms for reviewing evaluation deliverables will also be an important feature of OE's work in 2007. Peer reviews for key evaluations will be continued as an instrument for quality assurance and learning among staff. OE will contribute to the further harmonization of the self-evaluation and independent evaluation systems in line with the agreement signed this year by the Programme Management Department and OE.

#### **F. Resource Issues**

37. As discussed with the Evaluation Committee and Executive Board<sup>17</sup> in the past, it is worth recalling that OE's overall annual administrative budget may fluctuate from year to year in order to effectively meet the evolving requirements of its evaluation work programme. Additional (or fewer) resources may be required in a given year as compared with the previous year to respond adequately to the provisions laid out in the Evaluation Policy and in the terms of reference and rules of procedure of the Evaluation Committee. However, it is also recognized that it would be inappropriate to allow for overly large fluctuations from year to year in the OE annual work programme and budget, which would necessitate, *inter alia*, dealing with the laborious requirements of hiring or streamlining of human resources after each fluctuation. Another reason why overly large fluctuations should be avoided is that a sudden increase in the work programme will cause a further burden on IFAD management, the Evaluation Committee and the Executive Board, which would be expected to engage in even more evaluations done by OE.

38. In the light of the foregoing and as requested by the Board in the past, OE adopted the notion of a "sustainable work programme" consisting of around 10 project evaluations and 5-6 higher-plane evaluations, in addition to fulfilling the requirements of the Evaluation Policy and the revised terms of reference and rules of procedure of the Evaluation Committee. OE has implemented such a work programme with 8.5 Professional staff members (including the Director of OE) and 9.5 General Service staff.

39. The 2007 work programme will experience a major structural change with a marked shift towards higher-plane evaluations,<sup>18</sup> a trend that commenced more or less five years ago. There are three main causes why the 2007 work programme will include an unprecedented number of higher-plane evaluations: (i) an increased number of past requests by the Board to undertake

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<sup>16</sup> This may be accessed through the IFAD website.

<sup>17</sup> See, for example, paragraph 122 of document GC27/L.4 (Programme of Work and Administrative Budget of IFAD and its Office of Evaluation for 2004).

<sup>18</sup> The trend towards higher-plane evaluations is also very much consistent with the trend at other United Nations organizations and international financial institutions. It is generally acknowledged that higher-plane evaluations are more cost-effective since they offer opportunities, *inter alia*, to generate learning on wider systemic and policy issues that can have a much broader impact in improving organizational performance and development results.

corporate-level evaluations;<sup>19</sup> (ii) high demand for evaluations of regional or subregional strategies, which provide essential building blocks for the preparation of new regional strategies in the light of the new IFAD strategic framework, which is currently being prepared; and (iii) the increasing importance and relevance of country programme evaluations, in particular given the greater emphasis on IFAD country programmes within the framework of the new operating model.

40. More specifically, the OE work programme, on average, in the past included the undertaking of around five to six (or 5.6 in full-time equivalent terms)<sup>20</sup> higher-plane evaluations per year. In contrast, OE plans to work on 13 higher-plane evaluations in 2007 (or 8.7 in full-time equivalent terms). As can be seen in the table below, part of this unprecedented number of higher-plane evaluations were already decided by the Board in the past, including when approving the 2006 OE work programme. However, a number of higher-plane evaluations are new. As mentioned before, as a one-time exceptional activity under the 2007 work programme, OE would undertake the joint evaluation with AfDB of agriculture and rural development policies and operations in Africa. Given the intense amount of work involved in designing and implementing this joint evaluation, it is likely to absorb OE staff time and overall resources well above those – in fact at least double – required for other higher-plane evaluations conducted by OE in the past.

**HIGHER-PLANE EVALUATIONS CONDUCTED BY OE, 2005-2007**  
(expressed in full-time equivalents)

<u>Type of Evaluation</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Corporate-level evaluations</u>	2.25	3.1	4.6
1. Rural Finance Policy			0.2
2. Field Presence Pilot Programme			0.5
3. Regional strategy for the Near East and North Africa region			0.2
4. IFAD's Action Plan			0.9
5. Joint Evaluation with AfDB*			2.0**
6. Subregional strategy for the Latin America and the Caribbean region*			0.5
7. IMI*			0.3
<u>Country programme evaluations</u>	3.75	2.5	4.1
8. Brazil			0.8
9. Ethiopia			0.7
10. Morocco			0.2
11. Nigeria			0.7
12. Pakistan*			1.0
13. Sudan*			0.7
<b>Total</b>	<b>6.0</b>	<b>5.6</b>	<b>8.7</b>

\* These are new evaluations.

\*\* The joint evaluation on agriculture and rural development in Africa is expected to require a level of effort that is at least double that of a typical corporate-level evaluation.

<sup>19</sup> Including the Field Presence Pilot Programme, IFAD's Action Plan, IMI, sector-wide approaches and the Private Sector Development and Partnership Strategy.

<sup>20</sup> Given that many evaluations start in a particular year and are completed in the following year, this figure represents the percentage of time that OE will devote to the corresponding evaluations in any given year.

41. In the past, OE was mostly able to absorb the consequences of this structural change as well as the new tasks required by the Evaluation Policy and the new terms of reference of the Evaluation Committee through internal efficiency gains (e.g. the enhanced country programme evaluation methodology enables OE to assess the performance of and rate individual projects in a given country, thus allowing OE to reduce by around 50% the number of project evaluations in its 2007 work programme without affecting the production of the ARRI report; communication processes including the production of profiles and insights have been mostly mainstreamed into core evaluation activities, thus enabling OE to relinquish the services of a communications adviser working in OE since 2001; and so on) and partly also through an extraordinary effort, including overtime by OE staff. This allowed OE to operate with a more or less consistent level of human resources and budget over the past three to four years.

42. However, in 2007, this trend towards higher-plane evaluations will increase dramatically, causing a corresponding increase in OE's work programme that cannot be managed by the financial and human resources currently available to it. However, it is important to note that, while preparing its 2007 work programme, OE has made every effort to minimize the corresponding increase in the 2007 budget by very carefully staggering the start and end dates of each evaluation in its proposed work programme. As a result, a number of new evaluations will start during the course of 2007, rather than at the beginning of next year. This has allowed OE to reduce the full-time equivalent of all the evaluations planned in 2007, and therefore the human and financial resources impact that the significant increase in the higher-plane evaluations could have otherwise caused in 2007.

43. In sum, the proposed budget will have to take into account the significant increase in the actual number of higher-plane evaluations in 2007, in particular corporate-level and country programme evaluations, which, being more complex to design and implement, will have an important bearing on OE's human and financial resources.

44. On the financial side, an early estimate indicates that OE will require an overall increase of close to US\$1.4 million in its 2007 budget to accommodate in particular the joint evaluation with the AfDB (estimated to cost around US\$800,000) as well as increases in staff costs. These are caused by increases in standard costs (around US\$286,000) as well as by an increase in human resources required for implementation of the 2007 work programme, including a greater number of higher-plane evaluations (for an additional cost of around US\$384,000). With regard to the latter, one key consideration is that higher-plane evaluations require hiring consultants with international standing, who are credible, and hence have the leadership expertise and experience required for undertaking such complex evaluations. Also, the level of effort by the selected consultants for these evaluations is much greater than for project evaluations. Additionally, following international good evaluation practice, OE is increasingly recruiting senior advisers for higher-plane evaluations. Past experience shows that the added costs of recruiting highly experienced consultants and senior advisers are often around double and sometimes higher than those for consultants recruited for project evaluations.

45. Likewise, workshops at the end of evaluations have been widely recognized as extremely useful for learning and dissemination of evaluation results, providing also an opportunity for dialogue and partnership-building. However, the organization of such workshops is complex and costly, especially those in relation to corporate-level and in general higher-plane evaluations, which normally also include the participation of individuals from all IFAD regions.

46. With regard to OE human resources, it must be noted that the greater emphasis on higher-plane evaluations requires the leadership of more experienced and senior evaluators, who need to invest more time and effort in such evaluations, as compared with project evaluations. More time

of other OE staff is also required for quality assurance through peer review, which is an essential feature for all higher-plane evaluations.

47. As mentioned previously, a workload analysis was recently conducted by an independent consultant in cooperation with IFAD's Office of Human Resources. Based on the proposed OE work programme for 2007 and the current level of human resources in OE, the initial findings of the workload analysis indicate the need for an additional 2 to 3.5 senior professional staff in OE, who can bring the necessary leadership and experience to allow OE to undertake the increased number of higher-plane evaluations in 2007. Even though the workload analysis is not yet complete, the preliminary results indicate that OE is most likely to require at least two of these additional senior professional staff<sup>21</sup> already in 2007. A firm proposal on human resource issues will be made in the final work programme and budget for 2007, which will be discussed with the Evaluation Committee in October 2006 and thereafter with the Executive Board in December.

48. In conclusion, it is noteworthy that the increases in the proposed work programme and budget are driven exclusively by the structural change in the contents of OE's work programme, in particular due to the increase in the emphasis on and number of higher-plane evaluations OE is expected to undertake in 2007.

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<sup>21</sup> One additional post will be required on a permanent basis to fill the gap that the workload analysis showed existed already in 2005: a gap that OE anticipates will continue in the coming years. Hence, such a post will need to be for a regular staff member. The other senior evaluation officer posts required will be included in the final OE administrative budget for 2007 under the temporary costs category, since this post may not be needed on a permanent basis, given that it will be mainly devoted to implementing the extraordinary evaluation activities included in 2007.



**OE ACHIEVEMENTS IN RELATION TO PLANNED PRIORITIES AND ACTIVITIES IN 2006**

<b>Priority Area</b>	<b>Type of Work</b>	<b>Evaluation Activities</b>	<b>Planned Implementation Status</b>	<b>Present Status (July 2006)</b>
<b>(a): Undertake selected corporate level, regional strategy, country programme, thematic and project evaluations</b>	<b>1. Corporate-level evaluations</b>	Evaluation of the IFAD Rural Finance Policy	To be completed by Oct 2006	Undertaken as scheduled
		Evaluation of the Field Presence Pilot Programme	To start in Jan 2006	Undertaken as scheduled
		Evaluation of the Action Plan	To be completed by Dec 2007	Will start in Sep 2006
		Evaluation of the Regional Strategy for PI	To be completed by Jun 2006	Completed in Jul 2006
		Evaluation of the Regional Strategy for PN	To start in Jan 2006	Started in Jun 2006
	<b>2. Country programme evaluations</b>	Brazil, PL	To start in Oct 2006	Will start on schedule
		Ethiopia, PF	To start in Oct 2006	To start in Jan 2007
		Mali, PA	To be completed by Dec 2006	Undertaken as scheduled. Final workshop early 2007
		Morocco, PN	To be completed by Nov 2006	Started May 06. Will be finished in Apr 2007
		Nigeria, PA	To start in Dec 2006	To start in Jan 2007
	<b>3.1 Interim project evaluations</b>	Colombia, Rural Micro-enterprise Development Programme, PL	To be completed by Dec 2006	Undertaken as scheduled
		Peru, Development of the Puno-Cusco Corridor Project, PL	To be completed by Jun 2006	Undertaken as scheduled
	<b>3.2 Completion project evaluations</b>	Belize, Community-Initiated Agriculture and Resource Management Project, PL	To start in Dec 2006	Will start as scheduled
		Ethiopia, Southern Region Cooperatives Development and Credit Project, PF	To be completed by Sep 2006	Started in Feb 2006. Completion workshop will take place early 2007
		Georgia, Agricultural Development Project, PN	To start in Apr 2006 and to be completed by Sep 2006	Undertaken as scheduled

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		Morocco, Tafilalet and Dades Rural Development Project, PN	To be completed by Feb 2006	Completed
		Niger, Special Country Programme – Phase II, PA	To start in Apr 2006 and to be completed by Sep 2006	Started in Jun 2006. Will be finished in Jan 2007
		Philippines, Cordillera Highland Agricultural Resource Management Project, PI	To start in Jun 2006 and to be completed by Dec 2006	Undertaken as scheduled
		Romania, Apuseni Development Project, PN	To start in Jan 2006 and to be completed by Jul 2006	Started in Apr 2006 and will be completed in Nov 2006
		United Republic of Tanzania, Participatory Irrigation Development Programme, PF	To start in Mar 2006 and to be completed by Sep 2006	Will be completed in Nov 2006
<b>(b): Specific evaluation work required by the Evaluation Policy for presentation to the Evaluation Committee and Executive Board</b>	<b>4. Evaluation Committee</b>	Implementation of four regular sessions and any additional ad hoc sessions according to the proposed revised terms of reference and rules of procedure of the Evaluation Committee	Four regular sessions in 2006	In progress as scheduled
		Review of the implementation of the work programme and budget 2006 and preparation of the work programme and budget 2007	To be completed by Dec 2006	In progress as scheduled
		OE's comments on the President's report on the implementation status of evaluation recommendations and management actions (the PRISMA report)	To be completed by July 2006	Undertaken as scheduled
		Fourth annual report on the results and impact of IFAD operations (the ARRI report)	To be completed by Dec 2006	Will be completed on schedule and presented to the Committee and Board in October and December 2006, respectively
		OE Comments on the portfolio performance report (the PPR report)	To be completed by Apr 2006	Completed as scheduled

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		Field visit of the Evaluation Committee	March 2006	Completed as scheduled
<b>(c) and (d): Outreach and partnership; evaluation methodological development; and other activities</b>	<b>5. Communication activities</b>	OE reports, evaluation profiles and insights, and website	Jan-Dec 2006	Activities on schedule
	<b>6. Partnerships</b>	Swiss Agency for Development; United Nations Inter-Agency Working Group on Evaluation and Evaluation Cooperation Group	Jan-Dec 2006	Activities on schedule
	<b>7. Methodological work</b>	New evaluation manual	To be completed by Dec 2006	Will be completed as scheduled
		OE's contribution to enhance IFAD self-evaluation activities	To be completed by Dec 2006	Will be completed as scheduled
		Consultants management	To be completed by Dec 2006	Will be completed as scheduled
		Conference on evaluation	Oct 2006	A number of conferences related to evaluation were organized including on the Mexico CPE and the EVEREST
		Peer reviews of all higher-plane evaluations	To be completed by Dec 2006	Ongoing
	<b>8. OPV/OE coordination</b>	Quarterly activity review meetings	Four meetings in 2006	One meeting held in first semester
	<b>9. Project development teams (PDTs) and Operational Strategy Committee (OSC)</b>	Two PDTs per evaluation officer and OSCs are required	January-December 2006	Activities on schedule

OPV: Office of the President and the Vice-President

PA: Western and Central Africa Division

PF: Eastern and Southern Africa Division

PI: Asia and the Pacific Division

PL: Latin America and the Caribbean Division

PN: Near East and North Africa Division

**OE STAFF LEVELS FOR 2007**

	<b>Regular Posts</b>	<b>Temporary Staff</b>	<b>Total</b>
<b>Administrative Budget</b>	16.5	3.5	20

Notes

- In 2007, OE will have the services of three Associate Professional Officers from Belgium, Germany and Italy.
- Temporary staff are those with contracts of up to one year.

**OE 2007 BUDGET PROPOSAL**

**OE 2007 Budget Shown as Expenditure Basis  
(thousands of U.S. dollars)**

	2006	2007 Staff Costs Only <sup>a</sup>	2007
<b>Staff costs</b>	<b>2 148</b>	<b>2434</b>	<b>2 818<sup>b</sup></b>
Regular and fixed term	1 889	2143	2 341
Temporary staff	244	276	462
Overtime	15	15	15
<b>Evaluation work</b>	<b>2 307</b>		<b>3 020</b>
Corporate-level evaluations	965		1 280
Country programme evaluations	416		1 017
Project evaluations	631		433
Other activities	295		290
<b>Evaluation Committee</b>	<b>74</b>		<b>75</b>
<b>Staff travel</b>	<b>268</b>		<b>273</b>
<b>Total</b>	<b>4 797</b>	-	<b>6 186</b>

<sup>a</sup> This column identifies the increase in staff costs in 2007 as compared to 2006 due to the increases dictated by the International Civil Service Commission.

<sup>b</sup> This includes: (a) the costs of two new senior evaluation officer posts (costing around US\$384,000); and (b) provisions for an increase of 12.16 % increase in the General Service staff costs, as recommended by the International Civil Service Commission.

NOTE:

THIS IS A PRELIMINARY BUDGET, AS THE FINAL PROPOSAL WILL BE SUBMITTED TO THE BOARD IN DECEMBER 2006.