

a

**IFAD**

**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**

**Evaluation Committee – Forty-fifth Session**

Rome, 10 October 2006

**THE OFFICE OF EVALUATION'S WORK PROGRAMME AND  
BUDGET 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.

### **Luciano Lavizzari**

Director, Office of Evaluation

tel.: +39-06-5459-2274

e-mail: [l.lavizzari@ifad.org](mailto:l.lavizzari@ifad.org) Queries regarding the dispatch of documentation for this session should be addressed to:

### **Deirdre McGrenra**

Governing Bodies Officer

tel.: +39-06-5459-2374

e-mail: [d.mcgrenra@ifad.org](mailto:d.mcgrenra@ifad.org)

---

**TABLE OF CONTENTS**

<b>ABBREVIATIONS AND ACRONYMS</b>	<b>iii</b>
A. Background	1
B. Summary of the 2007 Work Programme and Budget	1
C. Achievements in 2006	1
D. Taking Stock of 2006	4
E. OE Priorities for 2007	5
F. Resource Issues for 2007	8
<b>ANNEXES</b>	
I. OE Achievements in Relation to Planned Priorities and Activities in 2006	12
II. OE 2007 Budget Proposal	15
III. OE Work Programme for 2007	17
IV. Key Features of Country Programmes and Projects to be Evaluated in 2005	19
V. Number of Evaluations by Evaluation Type (1983-2006) and Distribution of Evaluations by Region (1983-2006)	21
VI. Joint Evaluation between AfDB and IFAD on the two organisations' overall approaches and operations in the field of agriculture and rural development in Africa	22

**ABBREVIATIONS AND ACRONYMS**

ACP	Agreement at Completion Point
AfDB	African Development Bank
ARRI	Annual Report on the Results and Impact of IFAD operations
EVEREST	Evaluation of the Regional Strategy in Asia and the Pacific Region
CPE	Country Programme Evaluation
OE	Office of Evaluation (of IFAD)
PPR	Portfolio Performance Report
PRISMA	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions

## **THE OFFICE OF EVALUATION'S WORK PROGRAMME AND BUDGET FOR 2007**

### **A. Background**

1. This document is intended for discussion at the forty-fifth session of the Evaluation Committee in October 2006. A discussion took place on the preview of the Office of Evaluation's (OE) 2007 work programme and resources issues during the Committee's forty-fourth session and the Board's eighty-eighth session, which were both held in September 2006. The OE 2007 work programme and budget under consideration has been prepared taking into account the guidance and comments provided by the Committee and the Board during their respective sessions in September 2006. With further guidance from the Committee, OE will then prepare its final work programme and budget proposal for 2007 for discussion at the eighty-ninth session of the Board in December 2006. However, as decided by the Board, the final proposal will first be considered by the Audit Committee on 13 November 2006 together with IFAD's programme of work and budget for 2007.

### **B. Summary of the 2007 Work Programme and Budget**

2. The OE proposed work programme and budget for 2007 is larger than in previous years. In this regard, it is important to note that 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 (including country programme, thematic and corporate level evaluations), which are in high demand and more costly to conduct. However, over the years and more so in 2007, this shift towards higher-plane evaluations has intensified, 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, in 2007 OE proposes to undertake a joint evaluation with the African Development Bank (AfDB) on agriculture and rural development approaches and operations in Africa. This important and challenging evaluation offers a special opportunity for IFAD to strengthen partnership with AfDB. It will however further contribute to the peak in the work programme and budget in 2007.

3. The Executive Board during its eighty-eighth session noted that the increase in the proposed 2007 budget was entirely the result of the growth and complexity of the planned work programme. It also recognised that, in general, all evaluation activities proposed for 2007 are important and justified. However, the Board requested OE to find ways and means for deferring the commencement of some new evaluations planned to start in 2007 in order to reduce the level of resources required in 2007.

4. OE has therefore undertaken a thorough review of its 2007 work programme and budget proposal as contained in the preview document<sup>1</sup>. As a result, OE has managed to reduce the overall proposal by around USD 500 000. That is, the final submission includes a reduction of the total budget from around USD 6.1 (as included in the preview document presented to the September 2006 Evaluation Committee and Executive Board) to USD 5.6 million.

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

5. 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.

---

<sup>1</sup> Refer to document EC 2006/44/W.P.2

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.

6. 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 presented to the Evaluation Committee during its forty-sixth session in December 2006. Secondly, an inception report on the evaluation of IFAD's Field Presence Pilot Programme was prepared. In this regard, desk work has started and part of the planned country visits will be undertaken before the end of 2006.

7. OE completed the evaluation of the Regional Strategy in Asia and the Pacific region (EVEREST), which was discussed both by the Evaluation Committee and Executive Board in their respective sessions in September 2006. While endorsing the recommendations contained in the EVEREST's Agreement at Completion Point, the Board noted that the usefulness of developing a new regional strategy required further consideration. In terms of key results, the EVEREST 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.

8. In December 2005, when approving IFAD's Action Plan, the Board requested OE to undertake an evaluation of the same. At its April 2006 session the Board considered the approach to this evaluation prepared by OE and requested 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. While endorsing the overall recommendations contained in the Report of the Evaluation Committee Chairperson from the forty-fourth session, including the evaluation of the Action Plan, the Board requested the Evaluation Committee to discuss at its forty-fifth session the issues raised by some Board members on the approach to the evaluation and provide OE due guidance to facilitate their task in this respect.

9. As per plan, OE is undertaking the Mali country programme evaluation (CPE), which will be completed at the beginning of 2007. Preparatory work has started for the Morocco CPE, and the main evaluation mission will be fielded in the months of October-November 2006.

10. A preparatory mission to Brazil will be organized at the end of November to develop 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. Finally, OE has completed four and is working on another six project evaluations in the five IFAD regions.

11. 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 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.

12. Pursuant to the terms of reference and rules of procedure of the Evaluation Committee,<sup>2</sup> OE reviewed and commented on the PPR prepared by management. The document was discussed by both the Evaluation Committee and the Executive Board in April 2006. The Board noted the improvements in the overall quality of the PPR and on its responsiveness to the annual report on the results and impact of IFAD operations (ARRI). While acknowledging the significant progress

---

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

made in 2005, in particular the record levels of loan approvals and disbursements, the Board called for management to take steps towards improving the delays in project and programme effectiveness. On another issue, it is useful to recall that, in compliance with the aforementioned harmonisation agreement<sup>3</sup>, only in 2006, a second PPR will be presented by the Management to the Executive Board in December. Likewise, OE reviewed and commented on the President's report on the implementation status of evaluation recommendations and management actions (the PRISMA report), which was discussed by both the Evaluation Committee and Executive Board in September. The Committee and Board noted that the PRISMA, together with OE's comments, has improved over the years and is emerging as a useful instrument for tracking the implementation of evaluation recommendations.

13. Work on the production of OE's comprehensive evaluation manual is progressing, and should be completed by the end of 2006. Among other things, the manual will contain a totally revamped new CPE methodology, which will enable OE to assess the performance and attribute ratings to individual projects in a given country. The methodology also allows for lessons learned to be generated on systemic and cross-cutting issues at the project level.

14. An enhanced internal quality assurance system has been introduced in OE consisting of three key features. Firstly, the OE Deputy Director is mandated to review all evaluation approach papers and draft final reports to ensure their compliance with OE's methods and standards. Secondly, internal peer reviews are conducted for all higher plane evaluations and selected project evaluations, which entails the participation of the Director OE and at least one evaluation officer. Last but not least, OE is increasingly seeking the advices of external senior advisors for higher plane evaluations, who provide their inputs at key stages of the evaluation. Their participation serves to reassure the Board and others of the overall quality of the concerned evaluation.

15. This year's ARRI, which will be discussed during the Committee's forty-fifth session, will for the first time include a target mean score for benchmarking purposes to illustrate how such a target rate can be used to track and improve performance. As per the practice in the past two years, the ARRI will be discussed by the Board in December 2006<sup>4</sup>. As mentioned in paragraph 11, for the first time, the PPR will also be discussed in the December Board. The PPR will contain an account of the actions taken in addressing the recommendations emerging from the ARRI, thus providing Board members a more real-time illustration of the follow-up by the IFAD Management to the ARRI. Due to the reasons outlined in paragraph 10-11, it is recommended that the ARRI be discussed in the future during the Board's December sessions.

16. OE organized, as planned, a session of the Evaluation Committee in April.<sup>5</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. It is to be noted that during its forty-fourth session, the Committee elected Mexico as its Chairperson from September 2006 to August 2007. The Committee also decided that Indonesia would follow Mexico as its chair from September 2007 till the end of the mandate of the present Committee. The Executive Board was accordingly informed during its eighty-eighth session of the results of these elections.

---

<sup>3</sup> The harmonisation agreement requires both the PPR and ARRI to be presented to the Board on a standing basis during its December session.

<sup>4</sup> It is to be noted that, in the past, the PPR was discussed by the Board during its April sessions, whereas the ARRI was discussed by the Board during its September sessions.

<sup>5</sup> In total, four sessions are planned in 2006: in April, September, October and December.

### D. Taking Stock of 2006

17. As in the past years, before defining its priority areas, work programme and resource requirements for 2007, OE reviewed experience in implementing its 2006 work programme and budget.

18. 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. It was recognized that greater attention to planning is required for OE to continue delivering high quality evaluations particularly given that OE's workload has both increased and shifted to more complex higher plane evaluations involving several stages and interaction with numerous stakeholders who are divided geographically. To address these changes in the workload, OE is developing a new evaluation manual, to provide clear guidance for project and country level evaluations. One significant change is that OE evaluation officers are required to spend more time planning at the beginning of each evaluation. This allows for the development of a detailed road map including a timetable for each major evaluation phase/deliverable (e.g., preparation of approach paper, inception report, desk work, main mission, field report, final report writing, ACP process, etc). This also provides a framework for better communication with evaluation partners allowing for smoother implementation and sufficient time for partners to comment on key deliverables.

19. In addition, to assist evaluation officers in improving the planning process, OE has acquired the Microsoft Project software that supports its evaluation planning, implementation and monitoring capabilities. The Office also encourages proactive sharing of good practices related to planning within the division. OE believes that this greater attention to planning can result in enhanced quality, efficiency and overall timeliness in the delivery of evaluations. Still, it is important to note, that improved planning is an evolving process. Therefore, OE will continue to upgrade its planning processes and finalize its draft evaluation manual taking into account additional lessons learned.

20. Adopting a useful feature 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.

21. The 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>6</sup> In this regard, OE has commissioned an independent consultant to conduct a workload analysis in co-operation with IFAD's Human Resources Office. This analysis concluded that there exists already in 2006 a gap of one professional staff in the OE human resource base. According to the work load analysis, this gap is expected to raise to two additional professionals if the proposed 2007 work programme is approved.

22. OE has further recognised the demonstrated value of multi-stakeholder workshops it organises as a standing practice towards the end of each evaluation. In fact, building on past experience, the Office has developed guidelines for the organisation and implementation of such events, which serve as an essential platform for discussing evaluation results and lessons learned. However, the division also recognises the need to build into the overall evaluation budgets the costs related to the organisation of such events, which, especially for higher plane evaluations as

---

<sup>6</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).



compared to project evaluations can be quite high given the wide range of participants involved from the Government, donor organisations, project authorities, research institutions and academics, civil society, and others.

23. Lastly, an area where OE is devoting increasing attention is the management of consultants. This is an area that affects the quality of OE's work, as consultants are a key resource in contributing to the overall quality of evaluations. Progress has been made in such areas as establishing guidelines for ensuring the independence of OE's consultants, a closer link between evaluation frameworks and the requirement of consultants; identifying and diversifying consultants; and introducing a competitive screening and ratings system of consultants for major evaluations. However, further work needs to be done in developing a dedicated database for evaluation consultants including performance ratings; and rendering TORs more systematic.

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

24. 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 Evaluation Committee, while at the same time maintaining alignment with the concerned institutional priorities for 2007.<sup>7</sup> These four main priority areas are:

- (a) undertake selected corporate-level, 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.

25. Following its eighty-eighth session, OE made concerted efforts to address the concern of the Executive Board for OE to find ways and means to reduce the level of increase in the proposed 2007 work programme and budget, as contained in the preview document presented to the September 2006 sessions of the Evaluation Committee and Executive Board. In this regard, OE thoroughly reviewed each new evaluation activities planned for 2007 to assess whether and which ones could be deferred to a later date, without compromising on the usefulness of the evaluation under consideration. This review excluded those evaluations in the approved 2006 work programme that are already under implementation and planned for completion sometime in 2007.

26. The above review resulted in an overall reduction of around USD 500 000 in the proposed 2007 budget, as compared to the figure presented in the preview on the OE work programme and resource issues to the Committee and Board in September 2006.

27. The reduction in the budget has been achieved due to the following measures:

(i) a reduction in the financial requirements for the joint evaluation on Africa. Further details on this issue have been provided in the section F on resource issues and in Annex VI;

(ii) a proposal, based on the sense of the discussions in the September sessions of the Evaluation Committee and Executive Board, to drop the evaluation of the IFAD Action Plan from its work programme, which was an item included when OE prepared the preview of its 2007 work programme and resource issues; and

---

<sup>7</sup> See annex III to GC 29/L.6.

(iii) delaying to the last quarter of 2007, the commencement of the planned evaluation on IFAD's overall approaches and operations in the Meso-America sub-region.

28. 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 corporate level evaluations of IFAD's Rural Financial Policy and Field Presence Pilot Programme. The results of the latter evaluation will be 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 and other evaluations initiated in 2006 (see Annex III for more details).

29. OE will commence three new corporate-level evaluations in 2007. These are: (i) the joint evaluation with the AfDB of the overall approaches and operations of the two organisations in the agriculture and rural development sector in Africa; (ii) the evaluation of IFAD's performance and impact in promoting replicable innovative approaches to rural poverty reduction;<sup>8</sup> and (iii) the evaluation of IFAD's operations in Meso-America. All three evaluations, in particular the proposed joint evaluation in Africa, are complex and have a comprehensive scope, requiring a commensurate level of both financial and human resources.

30. Concerning the joint evaluation with the AfDB, OE is preparing a draft joint approach paper for the evaluation in co-operation with the Operations Evaluation Department (OPEV) of the AfDB. The emerging analysis clearly demonstrates that, in spite of the challenges posed by this evaluation, it is feasible for OE to embark on this joint evaluation. Moreover, the approach paper lays out the broad basis for co-operation with the AfDB<sup>9</sup>, and it will be discussed with OPEV later in October 2006. Further details on this joint evaluation can be found in Annex VI.

31. 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.

32. The Latin America and the Caribbean Division of IFAD requested an evaluation of the IFAD's approaches and operations in the Meso-America sub-region. The main objective of this evaluation will be to assess the overall strategic approaches, performance and results achieved by IFAD in the sub-region. Moreover, a series of lessons learned and recommendations will be generated that will inform the Fund's future directions and activities in Meso-America. In this regard, OE will undertake preparatory work in the last quarter of 2007 before fully launching the evaluation in 2008.

33. Furthermore, OE will finalize the country programme evaluations of Brazil, Morocco and Mali, and work on the country programme evaluations of Ethiopia and Nigeria, all of 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. The Pakistan

---

<sup>8</sup> This evaluation was requested by the Executive Board (EB 2004/83/R.2 and GC 29/L.6).

<sup>9</sup> In the case of AfDB, the evaluation will limit its assessment to the agriculture and rural development sector.

evaluation will be fully conducted in 2007, whereas the Sudan evaluation will be finalised in early 2008. 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 work on six project evaluations next year. The exact number and types of evaluations to be conducted by OE in 2007 can be seen in Annex III of the document.

34. 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 analysis and ratings of individual projects in the corresponding country as well (see paragraph 12).

35. 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.

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

37. 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>10</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.

38. 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, at the end of 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 others, as well as the continuous updating of the OE sub-section on the corporate website and in particular the Evaluation Knowledge System<sup>11</sup> will be ensured.

39. 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.

---

<sup>10</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.

<sup>11</sup> This may be accessed through the IFAD website.

40. 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

41. As discussed with the Evaluation Committee and Executive Board<sup>12</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, as well as to any specific requests made by the Committee, the Executive Board or the IFAD management.

42. There is an important overall increase in the size and complexity of the 2007 proposed work programme, which therefore will have a consequence on the resources required. More specifically, the 2007 work programme will experience a major structural change with a shift towards higher-plane evaluations,<sup>13</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) a substantial increase in the number of country programme evaluations, given the greater emphasis on IFAD country programmes within the framework of the new operating model; (ii) a number of requests by the Board to undertake corporate-level evaluations<sup>14</sup>; and (iii) the proposed undertaking of the joint evaluation with AfDB on Africa.

43. As can be seen in the below table, 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>15</sup> higher-plane evaluations per year. In contrast, OE plans to work on 13 higher-plane evaluations in 2007 (or close to 8 in full-time equivalent terms). 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 proposes to undertake the joint evaluation with AfDB of the agriculture and rural development sector in Africa.

---

<sup>12</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>13</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.

<sup>14</sup> Including on the Field Presence Pilot Programme, IFAD's Action Plan, and the Innovations Mainstreaming Initiative.

<sup>15</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.

**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	3.5
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. Joint Evaluation with AfDB on Agriculture in Africa			2.0 <sup>(b)</sup>
5. IFAD operations in Meso America region <sup>(a)</sup>			0.4
6. Innovations Mainstreaming Initiative <sup>(a)</sup>			0.2
<u>Country programme evaluations</u>	3.75	2.5	4.3
7. Brazil			0.8
8. Ethiopia			0.7
9. Morocco			0.2
10. Nigeria			0.7
11. Pakistan <sup>(a)</sup>			1.0
12. Sudan <sup>(a)</sup>			0.7
13. Mali			0.2
<b>Total</b>	<b>6.0</b>	<b>5.6</b>	<b>7.8</b>

<sup>(a)</sup> These are new evaluations.

<sup>(b)</sup> 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.

44. The proposed budget will have to take into account the significant increase in the actual number of country programme and corporate level evaluations, which, being more complex to design and implement, will have an important bearing on OE's human and financial resources. On this note, it is worth recalling that higher plan evaluations are more resource intensive as compared to project evaluations. For example, 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. In the past, OE was mostly able to absorb the consequences of this structural change towards higher plane evaluations 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<sup>16</sup> and

<sup>16</sup> Examples of efficiency gains include: (i) an enhanced country programme evaluation methodology that 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

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.

46. However, in 2007, this trend towards higher-plane evaluations will accelerate, causing a corresponding increase in OE's work programme that cannot be managed by the level of financial and human resources that were available to the division in the past. However, it is important to note that, while preparing its 2007 work programme, as suggested by the Evaluation Committee and Executive Board, 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. For others, only some preparatory work is anticipated in 2007, with the main evaluation being conducted in 2008. This has allowed OE to reduce the full-time equivalent of all the evaluations planned in 2007, and therefore the financial resources impact that the significant increase in the higher-plane evaluations could have otherwise caused in 2007.

47. 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.

48. 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 findings of the workload analysis indicate the need for an additional 2 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. One additional post will be required for a regular staff on a permanent basis to fill the gap that the workload analysis showed existed already in 2006: a gap the analysis anticipates will continue in the coming years. The other senior evaluation officer posts required has been included in the 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.

49. To sum up, on the financial side, based on the calculations made after the September sessions of the Evaluation Committee and Executive Board, OE will require an overall increase of close to USD 580 000 in real terms in its 2007 budget. The increase is driven by the following four factors: (i) to accommodate the costs for undertaking a greater number of higher plane evaluations including the CPEs and the joint evaluation with the AfDB; (ii) the request for two additional evaluation officer posts (one regular and one temporary); (iii) the increase in the salaries of General Service staff recommended by the International Civil Service Commission; and (iv) as is the case for the rest of IFAD, the overall price increase of 2%<sup>17</sup> in both the staff and non-staff cost budget categories.

50. Following the Board's and Committee's request to reduce the level of increase in the proposed 2007 work programme and budget, OE conducted a review of each evaluation activity planned for next year to assess whether and which one could be deferred to a later date. The review resulted in an overall reduction of USD 500 000. This reduction is driven by the following

affecting the production of the ARRI report; and (ii) communication processes, including the production of profiles and insights, being mostly mainstreamed into core evaluation activities, thus enabling OE to relinquish the services of a communications adviser working in OE since 2001.

<sup>17</sup> This figure was provided by the Office of Strategic Planning and Budgeting

considerations: (i) a substantial reduction in the budget of the joint evaluation on Africa<sup>18</sup>. In this regard, to reduce further the burden on OE's administrative budget, it is proposed to mobilise as supplementary funds for financing part of IFAD's share in this evaluation<sup>19</sup>; and (ii) the proposal to drop altogether the evaluation of the Action Plan and defer the commencement date of the planned evaluation on IFAD operations in Meso America have also contributed to reducing the level of increase in the proposed 2007 budget. Finally, the reduction of USD 500 000 is also made possible by the latest figures supplied by IFAD's Strategic Planning and Budgeting Office (FS) in relation to staff costs, which are lower than the figures FS provided earlier in the year at the time of preparing the preview document for the September 2006 Board.

51. It is worth noting that the reduction by around USD 500 000 in the proposed 2007 work programme does not have an implication on the OE human resources required in 2007 as already outlined in the preview document, in particular on the proposed additional professional staff required, resulting from the work load assessment mentioned in paragraph 49. The reason for this is twofold: (i) the reduction has been made possible by reducing the level of consultancy services and other related non-staff expenses that will be procured by OE for the implementation of its 2007 work programme, due to the delayed commencement of some evaluations in 2007. These delays, however, will not impact on the overall work load of OE staff in 2007 for preparing such evaluations (e.g., undertaking desk reviews of documents and preparing the evaluation approach paper); and (ii) the reduction in the OE administrative budget will be accompanied by the mobilisation of supplementary funds for the joint evaluation on Africa, with obvious consequences in the overall work load. Therefore, the workload will remain the same so that evaluations can be launched and conducted without jeopardising their overall usefulness.

---

<sup>18</sup> Please see Annex VI.

<sup>19</sup> OE has already been in touch with potential donors who have expressed their interest to co-finance the joint evaluation on Africa.

**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 (October 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	Will be finalised by Mar 2007
		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	Proposed to be dropped
		Evaluation of the Regional Strategy for Asia and the Pacific	To be completed by Jun 2006	Completed in Jul 2006
		Evaluation of the Regional Strategy for Near East and North Africa	To start in Jan 2006	Started in Jun 2006
	<b>2. Country programme evaluations</b>	Brazil	To start in Oct 2006	Will start on schedule
		Ethiopia	To start in Oct 2006	To start in Jan 2007
		Mali	To be completed by Dec 2006	Will be finalised in Apr 2007
		Morocco	To be completed by Nov 2006	Started May 06. Will be finished in Apr 2007
		Nigeria	To start in Dec 2006	To start in Jan 2007
	<b>3.1 Interim project evaluations</b>	Colombia, Rural Micro-enterprise Development Programme	To be completed by Dec 2006	Undertaken as scheduled
		Peru, Development of the Puno-Cusco Corridor Project	To be completed by Jun 2006	Undertaken as scheduled
	<b>3.2 Completion project evaluations</b>	Belize, Community-Initiated Agriculture and Resource Management Project	To start in Dec 2006	Will start as scheduled
		Ethiopia, Southern Region Cooperatives Development and Credit Project	To be completed by Sep 2006	Started in Feb 2006. Completion workshop will take place early 2007
		Georgia, Agricultural Development Project	To start in Apr 2006 and to be completed by Sep 2006	Undertaken as scheduled
		Morocco, Tafilalet and Dades Rural Development Project	To be completed by Feb 2006	Completed
		Niger, Special Country Programme – Phase II	To start in Apr 2006 and to be completed by Sep 2006	Started in Jul 2006. Will be finished in Jan 2007



		Philippines, Cordillera Highland Agricultural Resource Management Project	To start in Jun 2006 and to be completed by Dec 2006	Undertaken as scheduled
		Romania, Apuseni Development Project	To start in Jan 2006 and to be completed by Jul 2006	Started in Jun 2006 and will be completed in Dec 2006
		United Republic of Tanzania, Participatory Irrigation Development Programme	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	To be completed by July 2006	Undertaken as scheduled
		Fourth annual report on the results and impact of IFAD operations	To be completed by Dec 2006	Will be completed on schedule and presented to the Committee in October and the Board December 2006, respectively
		OE Comments on the portfolio performance report	To be completed by Apr 2006	Completed as scheduled
		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 2007 BUDGET PROPOSAL**

**Table 1: OE 2007 Budget Shown as Expenditure Basis  
(thousands of U.S. dollars)**

	2006	Price increase <sup>a</sup>	Real increase	2007
<b>Staff costs</b>	<b>2 148</b>	<b>184</b>	<b>339 <sup>b</sup></b>	<b>2 671</b>
Regular and fixed term	1 889			2 234
Temporary staff	244			422
Overtime	15			15
<b>Evaluation work</b>	<b>2 307</b>	<b>46</b>	<b>244</b>	<b>2 597</b>
Corporate-level evaluations	965	19	-107	877 <sup>c</sup>
Country programme evaluations	416	8	593	1 017
Project evaluations	631	13	-211	433
Other activities	295	6	-31	270
<b>Evaluation Committee</b>	<b>74</b>	<b>1</b>	<b>0</b>	<b>75</b>
<b>Staff travel</b>	<b>268</b>	<b>5</b>	<b>0</b>	<b>273</b>
<b>Total</b>	<b>4 797</b>	<b>237</b>	<b>583</b>	<b>5 617</b>

<sup>a</sup> The price increase in staff costs includes: (i) the increase dictated by the International Civil Service Commission, and (ii) as for the rest of IFAD, increases in the standard position costs. For non-staff cost, an increase of 2% has been applied in line with the rest of IFAD.

<sup>b</sup> For staff costs, the real increase includes the costs of two new senior evaluation officer posts.

<sup>c</sup> This includes an allocation for the joint evaluation with AfDB on Africa, which will have to be supplemented by the mobilisation of around USD 200 000 in supplementary funds.

**It is to be noted that the final 2007 budget will be prepared after the Evaluation Committee meeting on 10 October 2006, once the 2006 administrative budget of IFAD and OE has been restated by the Office of Strategic Planning and Budgeting, as per usual past practice.**

**Table 2: OE Human Resource Requirements in 2007 (as compared with 2005 and 2006)**

	<b>HUMAN RESOURCE CATEGORY</b>	<b>NUMBERS IN 2005</b>	<b>NUMBERS IN 2006</b>	<b>NUMBERS IN 2007</b>
<b>REGULAR</b>	<b>PROFESSIONAL STAFF</b>			
	Director	1	1	1
	Deputy Director	1	1	1
	Evaluation Officers	5	5	6
	Evaluation/Information officer	1	1	1
	<b>GENERAL STAFF</b>			
	Administrative Assistant	1	1	1
	Evaluation Assistants	6.5	6.5	6.5
	<b>SUBTOTAL</b>	<b>15.5</b>	<b>15.5</b>	<b>16.5</b>
<b>TEMPORARY</b>	<b>PROFESSIONAL STAFF</b>	0.5	0.5	1.5
	<b>GENERAL STAFF</b>	2	2	2
	<b>GRAND TOTAL</b>	<b>18</b>	<b>18</b>	<b>20</b>

## OE WORK PROGRAMME FOR 2007

Priority Area	Type of Work	Evaluation Activities	Start Date	Expected Finish
<b>Priority A:</b> Conduct of selected corporate-level, regional strategy, country programme, and project evaluations	<b>1. Corporate level Evaluations</b>	Evaluation of the IFAD Rural Finance Policy	Oct-05	Feb-07
		Evaluation of the Field Presence Pilot Programme	Jan-06	Jun-07
		Evaluation of the Regional Strategy in Near East and North Africa	Nov-05	Mar-07
		Innovation Mainstreaming Initiative	Dec-07	Dec-08
		Joint evaluation with AfDB on the Agricultural and Rural Development Sector in Africa	Jan-07	Jun-08
		Evaluation of IFAD operations in Meso America	Nov-07	Dec-08
	<b>2. Country Programme Evaluations</b>	Brazil	Oct-06	Oct-07
		Ethiopia	Mar 07	Mar 08
		Mali	Apr 06	Apr 07
		Morocco	May 06	May 07
		Nigeria	Mar 07	Mar 08
		Pakistan	Jan 07	Dec 07
		Sudan	Mar 07	Mar 08
	<b>3. Project Evaluations</b> <b>3.1 Interim Evaluations</b>	Pakistan, Dir Area Support Project	Mar 07	Sep 07
		Philippines, Western Mindanao Community Initiatives Project	Apr 07	Oct 07
		Burkina Faso, Rural Development Project	Mar 07	Sep 07
	<b>3.2 Completion Evaluations</b>	Belize, Community-initiated Agriculture and Resource Management Project	Dec-06	Jun-07
		Albania, Mountain Areas Development Programme	Apr 07	Oct 07
		Niger, Special Country Programme, Phase II	Jul 06	Jan 07

<b>Priority B: Specific evaluation work required by the Evaluation Policy and the Terms of Reference of the Evaluation Committee</b>	<b>4. Evaluation Committee</b>	Implementing of four regular sessions and additional ad hoc sessions, according to the revised TOR and rules of procedure of the Evaluation Committee	Jan-07	Dec-07
		Review of the implementation of the Work Programme and Budget 2007 and Preparation of the Work Programme and Budget 2008	Jan-07	Dec-07
		OE's comments on the President's Report on the Implementation Status and Management Action on Evaluations' Recommendations (PRISMA)	Jan-07	Jun-07
		Fifth Annual Report on the Results and Impact of IFAD Operations (ARRI)	Jan-07	Dec-07
		OE Comments on the PMD Portfolio Performance Report (PPR)	Jun-07	Oct-07
		OE Comments on selected IFAD operation policies prepared by IFAD Management for consideration by the Evaluation Committee	Jan-07	Dec-07
		Field visit of the Evaluation Committee	2007	2007
<b>Priority C: Evaluation outreach and partnerships</b>	<b>5. Communication Activities</b>	Reports, Profiles, Insights, OE Website, etc	Jan-07	Dec-07
	<b>6. Partnerships</b>	SDC; UN Inter-Agency Working Group on Evaluation and IDEAS	Jan-07	Dec-07
	<b>7. Project Development Teams &amp; OSCs as required</b>	Two PDTs per Evaluation Officer per year	Jan-07	Dec-07
<b>Priority D: Evaluation methodology development</b>	<b>8. Methodological Work</b>	Methodology Quality Assurance	Jan-07	Dec-07
		OE's contribution to enhance IFAD self-evaluation activities	Jan-07	Dec-07
		Consultants management	Jan-07	Dec-07
		Peer Reviews of all higher plane evaluations and selected project evaluations	Jan-07	Dec-07

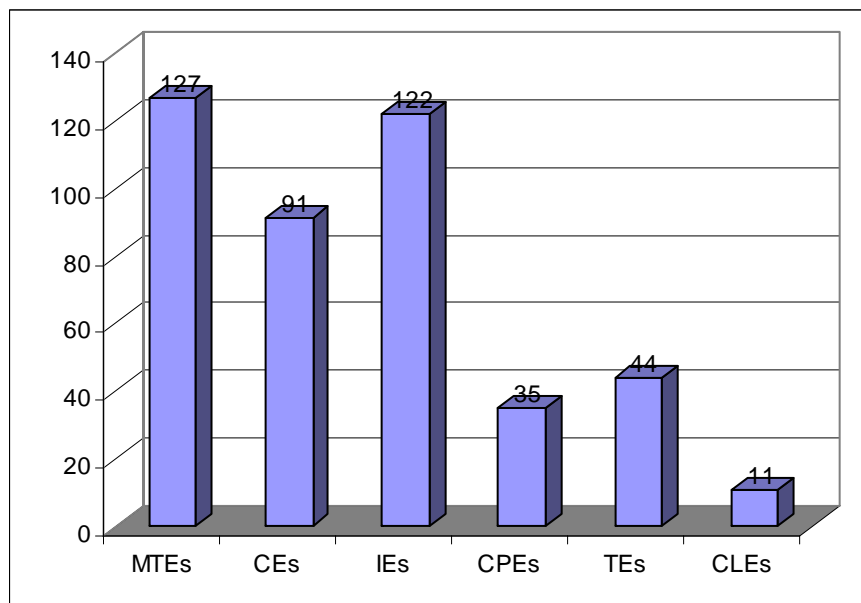
**KEY FEATURES OF COUNTRY PROGRAMMES AND PROJECTS TO BE EVALUATED IN 2007**

<b>Country Programme Evaluations</b>	<b>Key Programme Features</b>
Brazil, PF	6 Projects (1 ongoing), IFAD loan amount USD 131m; total portfolio cost USD 409m; latest COSOP approved in 1997
Ethiopia, PF	12 Projects (4 ongoing), IFAD loan amount USD 186m; total portfolio cost USD 530m; latest COSOP approved in 1999.
Morocco, PN	9 Projects (3 ongoing), IFAD loan amount USD 143 m; total portfolio costs USD 1,411m; latest COSOP approved in 1999.
Nigeria, PA	8 Projects (3 ongoing), IFAD loan amount USD 137m; total portfolio costs USD 575m; latest COSOP approved in 2000.
Pakistan	21 Projects (8 ongoing), IFAD loan amount USD 352m; total portfolio costs USD 2,139m; latest COSOP approved in 2002.
Sudan	14 Projects (4 ongoing), IFAD loan amount USD 180m; total portfolio costs USD 482m; latest COSOP approved in 2002.
<b>Country &amp; Project Name: Interim Evaluations</b>	<b>Project Objectives and Components</b>
Interim Evaluation, Pakistan, Dir Area Support Project, PI	The objectives of the project are: to improve income and food security in the project area through increased crop and livestock production and irrigation; (ii) to generate income and employment through the promotion of micro-enterprises, agriculture-based income-generating activities and technical training; and (iii) to improve rural roads to open up areas and to facilitate access to markets for inputs and outputs. Total Project cost USD 25.5; IFAD loan USD 16.5.
Interim Evaluation, Philippines, Western Mindanao Community Initiatives Project, PI	The objective of the Project is the increased subsistence, cash crop and fishery production of up to 16,000 farms and fishing households in the selected areas within the Project area, and hence higher incomes, better standards of living, and greater resilience of livelihood. Major specific underlying objectives are: (i) strengthen the capacity of 80 local communities and their associated NGOs and POs, as well as barangay and municipality local government units and line agencies; (ii) support technically and financially sound, and ecologically sensitive production systems benefitting about 1650 coastal and 4200 upland and indigenous people families; (iii) expanded and new individual and group small enterprises based on farm, fishery and related activities; and (iv) a project management and implementation capability. Total Project cost USD 18.1; IFAD loan USD 15.5.
Interim Evaluation, Community-based Rural Development Project (PNGT II), Burkina Faso, PA	The overall development objective of the project is to reduce poverty and promote sustainable development in rural areas, breaking the spiral of rural poverty characterized by natural resource degradation, reduced production and decreased quality of life. Specific objectives pursued include: (a) improvements in the cost-effectiveness of publicly funded investments at the local level; (b) increased management capacity of beneficiary groups and their institutions; (c) greater absorptive capacity of rural areas; and (d) better access for poor people to productive infrastructure and inputs, social facilities and means to preserve their environment. Village-level investments will encompass natural resource management (i.e., management of soil and water resources for sustained production) and local development (i.e., provision of infrastructure and services to support production growth and improve living conditions). Emphasis will be placed on the participation and increased empowerment of rural communities. Total Project cost USD 110.9; IFAD loan USD 11.4.

<b>Country &amp; Project Name: Completion Evaluations</b>	<b>Project Objectives and Components</b>
Completion Evaluation, Albania, Mountain Areas Development Programme, PN	The overall goal of the proposed programme is to raise the standard of living of poor mountain areas people through increased agricultural production and productivity, better household food security and nutrition, increased incomes from agricultural and related rural enterprises, and improved infrastructure. Objectives subsumed under this goal include: (a) establishment of an agency for mountain areas development; (b) establishment of a sustainable financial institution for the disbursement of credit to rural mountain areas clients; (c) provision of sustainable and equitable use of irrigation water vital to the livelihoods of poor mountain areas farmers; (d) support to livestock production, through the development of improved veterinary services and a sustainable pasture management system; (e) development of a demand-driven extension system that will support farmers and processors in the development of their livestock and crop enterprises; and (f) facilitation of market-oriented agriculture and improved standards of living by constructing or rehabilitating roads and village water supplies. Total Project cost USD 23.0; IFAD loan USD 13.7.
Completion Evaluation, Belize, Community-initiated Agriculture and Resource Management Project, PL	The overall objective of the project is to develop the productive potential of sustainable land use systems and ensure accessible support services to poor smallholders families in the southern region. The specific objectives of the project are to: (a) develop group management and leadership skills with a gender focus in communities and local organizations to generate, formulate and implement small-scale projects especially related with income-generating activities; (b) strengthen public and private institutions to deliver more effective non-financial services, respecting gender, ethnic diversities and incorporate indigenous knowledge; (c) ensure the provision of financial services and resources accessible for poor rural families for agricultural and micro-enterprises investments; and (d) improve agricultural production systems to make them economically viable and ecologically sustainable, and exploit the opportunities for production diversification, technology supply and market access. Total project costs USD 7m; IFAD loan USD 2m.
Completion Evaluation, Niger, Special Country Programme, Phase II, PA	The project goal is to contribute to achieving food and income security by increasing agricultural and livestock production, through: (i) to helping restore and maintain the productive potential of agricultural and pastoral ecosystems through promotion of soil and water conservation and agroforestry activities; (ii) to helping establish conditions for self-managed socio-economic development by promoting farmers' and pastoralists' organizations, either in the form of solidarity groups or socio-geographic communities, depending on the scope and nature of activities (e.g., specific economic activities or natural resource management); (iii) encouraging partnership between community-based organizations and the private sector, and participation of women and youths in the decision-making process of their community; and (iv) assisting in laying the ground for self-sustained development through promotion of mutual savings and credit funds, in partnership with the formal banking system. Total project costs USD 20m; IFAD loan USD 15m.



**NUMBER OF EVALUATIONS BY EVALUATION TYPE (1983-2006)**

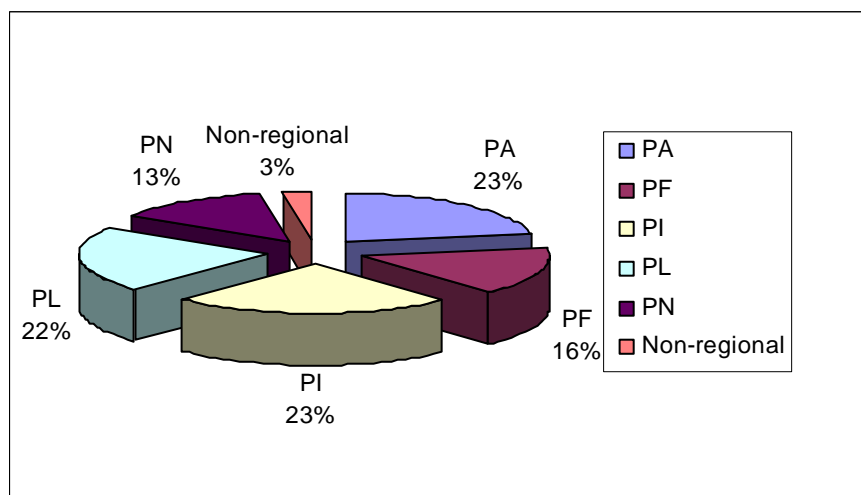


**Legend**

- MTEs \* Mid-term Evaluations
- CEs Completion Evaluations
- Ies Interim Evaluations
- CPEs Country Programme Evaluations
- TEs Thematic Evaluations
- CLEs Corporate-level Evaluations

\* Since 2003, OE has not conducted Mid-term Evaluations.

**DISTRIBUTION OF EVALUATIONS BY REGION (1983-2006)**



**Legend**

- PA Western and Central Africa Division
- PF Eastern and Southern Africa Division
- PI Asia and the Pacific Division
- PL Latin American and the Caribbean Division
- PN Near East and North Africa Division

## JOINT EVALUATION OF AFDB/IFAD APPROACHES AND OPERATIONS IN THE AGRICULTURE AND RURAL DEVELOPMENT SECTOR IN AFRICA

- Rationale.** Agricultural and rural development is moving up the world development agenda. For example, July 2007 will see the release of the World Bank's World Development Report focusing on agriculture. And, in Africa the challenges of agricultural development are being seen as the key to greater prosperity, more jobs, faster poverty reduction and achievement of the MDGs. However, agricultural and rural development can no longer be treated as an undifferentiated whole, amenable to simple ideas about integrated development. Differentiation is needed which will allow policies and instruments to be calibrated to different agendas such as growth, vital sub-sectors, domestic and international competitiveness, poverty reduction and environmental sustainability. IFAD and the AfDB are both important players in agriculture and rural development in Africa. In this sense they are natural partners while also sharing partnerships with other parties. They have been grappling with agricultural and rural development since 1978 (IFAD) and 1968 (AfDB) and have lent a combined cumulative total of more than \$17 billion for agriculture and rural development in Africa. Yet by common consent results have been less than hoped for. Hence, there is a need to take stock, together with a key partner, of what has been achieved and what has been learned.
- A focus on Africa is entirely natural for the AfDB but it is also highly relevant for IFAD which is organised into five regions three of which cover Africa. Moreover, both institutions have partnerships with regional institutions in Africa such as NEPAD, BOAD and the BSF as well as a partnership agreement. They administer region specific grant programmes and participate in special initiatives such as the Special Programme for African Agriculture Research. Thus an evaluation with a clear regional and sub-regional focus has a high natural degree of utility for management in both institutions.
- Lastly, Africa, like other large geographical and geo-political units has a certain natural integrity, although given its agro-climatic, cultural and institutional diversity this notion should not be overemphasised. Nevertheless, Africa as a whole has long been recognized as worthy of special consideration. There are, for example, organisations such as the Economic Commission for Africa (ECA), the Economic Community of West African States (ECOWAS) and the AfDB itself, specifically devoted to the pursuit of African development. More recently the advent of NEPAD and the report of the UK's Commission for Africa have refocused international attention on the need for updated policies and strategies tailored to Africa's needs.
- The evaluation would be timely. The World Bank is about to release the World Development Report which will give attention to agriculture in Africa. The World Bank is planning a global evaluation (for delivery in 2008) of its work in the agricultural sector based on performance in key regions such as Africa. FAO's strategy and performance in Africa will be examined in the context of an ongoing independent external evaluation to be completed in 2007. Last, some bilateral donors (e.g. DfID) are also re-assessing their approach to agriculture in Africa. Hence, the proposed evaluation can be expected to provide IFAD and the AfDB with independent evidence for use in the forthcoming international discussions of agriculture in Africa. Thus, and in accord with recent public pronouncements by the Presidents of both IFAD and the AfDB it is proposed to conduct an evaluation in 2007 of the agricultural and rural sector in Africa jointly with the AfDB.
- Risks.** Joint evaluations bring value to all concerned partners. However, they are difficult to undertake, in spite of the increasing call for such collaboration across international/regional development organisations by the DAC and the Paris Declaration. Moreover, joint evaluations have several risks and challenges associated with them. For example, the scope of joint evaluations may require increased resources and they are inherently more difficult and complicated than single organization evaluations. Processes for coordinating joint evaluations are also complex.

6. Another critical risk is that a high level of ownership between the institutions is required for a successful evaluation. Fortunately, there appears to be a wide level of support from both within the Managements and Executive Board of the AfDB and IFAD for the conduct of this joint evaluation. This in itself is comforting and a serious reason to consider embarking on this joint important venture.

7. To mitigate the risks associated with undertaking a joint evaluation, OE is in the process of preparing a joint Approach Paper with OPEV that will provide a broader assessment of the risks and the feasibility of the joint evaluation, including the main pros and cons, level of joint-ness and a fully costed risk mitigation plan. The joint evaluation Approach Paper is being prepared by a consultant who knows both institutions well and has recently worked for IFAD and on a number of OPEV assignments. It is noteworthy that the initial findings of the joint Approach Paper, which are outlined below, indicate that the joint evaluation can and should be undertaken as these risks can be addressed through a properly planned and managed process.

8. **Objectives and Scope.** The main objective is to assess the performance of both institutions in agriculture and rural development with regard to the following key dimensions:

- the relevance, value and impact of past and current agriculture and rural development policy and strategic approaches, and
- the performance and impact of lending and non-lending programmes and related business processes and instruments.

9. In addition, the evaluation would seek to determine the joint and separate comparative advantage of the two organizations. It is not practical to assess all that has been accomplished over the thirty years since 1977, but it is possible to assess achievement over the past decade or so, a period that corresponds to the emergence of policies and practices in both institutions that are different from the early years. The main sources of evaluation evidence will be deskwork (to make use of existing materials), interviews with staff and other stakeholders and intensive investigations in a number of selected countries.<sup>20</sup>

10. **Accountability and Learning.** In the AfDB agriculture and rural development operations constitute about one third of the ongoing project portfolio. In IFAD operations in Africa comprise more than 40% of the ongoing portfolio. Naturally, accountability for the management of such substantial resources is a matter of considerable institutional importance. Additionally, unlike the AfDB's focus on a single region, IFAD's African agenda is managed by three regional divisions, each guided by its own strategic approach<sup>21</sup>. Regardless of the outcome of the ongoing debate in IFAD about the operational value of such strategies the questions of performance and accountability for resource use remain. Moreover, because IFAD operations have been guided by regional strategies for the past few years those strategies are a legitimate subject for evaluation. Similarly, the AfDB has been guided by a policy and strategy defined in the late 1990's the outcomes of which it is keen to evaluate.

11. Both the AfDB and IFAD, but especially IFAD, are driven by the need for more and deeper rural knowledge as well as better internalisation and external dissemination of that knowledge. A comprehensive sector evaluation is a key instrument for helping to satisfy such needs, and is likely to be specially valuable in adding knowledge about what works in important sector and thematic areas of IFAD's mandate such as gender, empowerment, pastoralism, water resource management and fisheries.

---

<sup>20</sup> Procedures for selecting countries for fieldwork are under consideration.

<sup>21</sup> Documented either in the 2002 regional strategies or earlier in the annual IFAD programme of work and budget documents .

12. **Specific issues for IFAD.** On the broad canvas sketched out above, both institutions will define specific high priority items for evaluation. For IFAD these are likely to be:

1. Regional Partnerships: what has been the performance of both organisations in this regard and how could they do better in future?
2. Regional TAGs: how useful are these grants for the performance of CPEs and operations as well as, in particular, for the promotion of innovations;
3. Regional knowledge: has the sectoral and sub-sectoral emphasis been appropriate and relevant and how did both organisations perform in generating and managing the knowledge required for successful performance, including building the required level of skill and competencies. What should change in the future?
4. Accountability: what was the performance of IFAD's three divisions responsible for Africa at IFAD? The answer to this question will require benchmarking the performance of the concerned divisions against the rest of the organisation as well as a critical review of business processes affecting divisional performance.

13. **Jointness.** It is generally recognized that joint evaluations confer a greater degree of independence and deepen accountability, compared with evaluations done solely by one agency of its own policies and programmes. Moreover, this joint evaluation may also engender a fuller partnership between IFAD (and its global mandate) and the AfDB (and its regional mandate) and provide substantial scope for mutual learning by both institutions. The evaluation would also provide an opportunity to draw together the substantial volume of agricultural and rural evaluative evidence accumulated in recent years by the two institutions as well as by others and to tap research knowledge about the rural sector generated by organisations such as FAO, the World Bank and IFPRI.

14. The proposed evaluation would have a high degree of jointness. This means that the same evaluation criteria and methods would be applied to both institutions by a single team of evaluators and that there would be a joint report at the end. Such an evaluation, between two independent international agencies of their own programmes would be path breaking and if successfully accomplished would (as called for in the Paris and Rome declarations) contribute substantially to the harmonisation of international agricultural development policy as well as evaluation practice.

15. **Process.** It is planned first to prepare a joint approach paper<sup>22</sup>, followed by an inception report. Thereafter it is expected that all organisational elements would be put in place by the end of 2006 and the evaluation mostly undertaken in 2007. There would be a series of intermediate reports (tied to key components of the evaluation) and the final report would be available for the Board late in early 2008. It is planned that the process be fully transparent, with a high degree of disclosure of findings based on a full communications plan that would be developed at an early stage in accord with current practice in IFAD and the AfDB.

16. Built into the evaluation process will be several measures designed to help mitigate risk and keep the evaluation on track. First, during the inception phase an overall evaluation plan will be developed to allow for a comprehensive harmonisation of methods, tools and approaches to the joint evaluation across both organisations. Secondly, the evaluation will be organized in phases (inception, desk review, field work, etc) that will require frequent monitoring of progress and stocktaking between each phase to incorporate lessons learned before moving forward.

---

<sup>22</sup> This work is already underway.

17. **Governance and Management.** Establishing a credible and effective governance and management structure for the management and oversight of the evaluation, which will have, among other issues, the responsibility to closely monitor implementation progress on a periodic basis to identify and resolve any bottlenecks as they emerge will be essential for a successful evaluation. Therefore, the evaluation would be undertaken in accordance with the DAC guidelines on joint evaluations. It would have a two level governance structure. At the top would be an Oversight Committee consisting of the Director of OE and the Director of Operations Evaluation (OPEV) in the AfDB, together with two or three independent advisors who would assess, and attest to, the independence and quality of the evaluation. The Committee might invite contributions from other experts should it see fit.

18. There would be a task manager and an alternate task manager who would provide day-to-day management and be the principal links to the evaluation team. The latter would be a carefully chosen and balanced group of proven consultants recruited internationally, supplemented by specialists and country teams where needed. It is interesting to note that the proposed task manager at OPEV for this evaluation has worked for IFAD in the past, and thus is familiar with both institutions', including their priorities and overall *modus-operandi*.

19. Although detailed management arrangements are yet to be decided, based on the initial discussions between the two organisations, it is likely that one of the two organisations be made responsible for taking the lead in the overall management and implementation of the joint evaluation, including the contracting of the team of evaluation consultants and disbursement of funds.

20. **Estimated Costs.** The core evaluation is expected to cost a total of about USD 1.3 million. The AfDB and IFAD would contribute about USD 650 000 each towards the total costs. A very preliminary breakdown of the core costs follows:

Planning and Desk Work	350 000
Country Visits and Field Work	690 000
Reporting	1 600 000
Regional consultations and outreach	100 000
Total	1 300 000

21. The communication plan, which would include an international workshop at the end to widely disseminate the evaluation's findings, would be an additional cost.

22. Taking the aforementioned into consideration and the broader analysis that is emerging during the ongoing work in the preparation of the joint evaluation paper, there is a demonstrated feasibility for both the AfDB and IFAD to embark on this evaluation.