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Enabling poor rural people
to overcome poverty

Comments of the Office of Evaluation on the Report on IFAD's Development Effectiveness

Evaluation Committee — Fifty-fourth Session
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For: **Review**

Note to Evaluation Committee members

This document is submitted for review by the Evaluation Committee.

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Luciano Lavizzari

Director, Office of Evaluation

telephone: +39 06 5459 2274

e-mail: l.lavizzari@ifad.org

Queries regarding the dispatch of documentation for this session should be addressed to:

Deirdre McGrenra

Governing Bodies Officer

telephone: +39 06 5459 2374

e-mail: d.mcgrenra@ifad.org

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I. Introduction

1. In line with the decision taken by the Executive Board at its December 2006 session,¹ this document contains the comments of the Office of Evaluation (OE) on the second Report on IFAD's Development Effectiveness (RIDE), for consideration by the Evaluation Committee at its current session. These comments will be annexed to the RIDE and also considered by the Executive Board at its December 2008 session.
2. As OE's comments on the first RIDE² in 2007 make clear, OE particularly welcomes the integration of the Portfolio Performance Report (PPR) into the RIDE. The merging of the two reports helps streamline reporting by Management to the Evaluation Committee and the Executive Board on the Fund's development effectiveness, while also reducing governing body transaction costs. In general, as with the first RIDE, this year's edition is well written and a useful contribution to promoting accountability and reporting on results.

II. General Comments

3. Section II on development effectiveness largely includes the type of data and information previously found in the stand-alone PPR. However, the integration of the wealth of information from the PPR into the RIDE has limited the space devoted to answering the "why factor". Therefore, while section II systematically details results across the main criteria used by OE in its evaluation methodology, more attention could be devoted in the future to outlining the causes of satisfactory or less satisfactory performance. This would be an important source of "lessons learned" for ongoing and future country strategy development and project design and implementation.
4. Section IV on conclusions is well prepared, providing a succinct account of the main issues found in the document. However, in some instances the section mixes conclusions and recommendations (e.g. paragraphs 127 and 130); good practice suggests that these would best be "disentangled" in future editions. OE made a similar comment on last year's RIDE.³
5. The RIDE recognizes in paragraph 2 that the greatest challenges to achieving the first Millennium Development (MDG1) are in sub-Saharan Africa. This is consistent with the findings contained in this year's Annual Report on Results and Impact of IFAD Operations (ARRI), which underscore that the performance of IFAD operations in the two sub-Saharan regions (Eastern and Southern Africa, and Western and Central Africa) is weaker than in the other three regions in which IFAD operates. Concerted efforts will be required in the future for IFAD to make a more effective contribution to reducing rural poverty in these two regions.
6. OE welcomes the increase in the number of IFAD staff deployed to the Programme Management Department, from 35.5 per cent of total IFAD staff in 2006 to 37.3 per cent in 2008. At the same time, however, the question arises whether this marginal increase is commensurate with the exponential increases in functions and responsibilities discharged by the department, including direct supervision and implementation support, strengthened country presence, wider engagement in

¹ See document EB 2006/89/R.9, Report of the Chairperson on the forty-sixth session of the Evaluation Committee.

² See document EC 2007/50/W.P.5, paragraph 7.

³ Ibid., paragraph 6.

policy dialogue and donor harmonization, greater attention to portfolio management, and so on.

7. The RIDE discusses results achieved in three broad areas, namely relevance, development effectiveness, and organizational effectiveness and efficiency. Although the discussion of each area on its own is interesting and useful, the report could be further enhanced by the inclusion, as an opening paragraph in the section on conclusions, of some sort of a "storyline" outlining in an integrated manner the most salient messages in each year's RIDE. Currently, the conclusions contain a robust synthesis of the main sections in the document, without providing a transversal view of its main message(s).
8. The discussion on relevance (section I) is useful as a prologue to the report. It does a good job of explaining the current international development context and the many changes occurring in relation to MDG1, e.g. the food price crisis, the Paris Declaration on Aid Effectiveness, and so on. However, the chapter could include a wider account of how IFAD fits into the context, especially the measures used by the Fund to respond to the challenges posed by the external environment.

III. Specific comments

9. OE welcomes the efforts made to **strengthen country presence** (see paragraph 77). Evaluations repeatedly underline that a stronger and better-resourced country presence is an important characteristic of IFAD's operating model, allowing the Fund to enhance its development effectiveness. It is noted that a framework agreement for country presence has been signed with the United Nations Development Programme and that another such agreement will shortly be finalized with the Food and Agriculture Organization of the United Nations. In this regard, opportunities for similar collaboration with international financial institutions should be actively explored because, inter alia, of their role in replicating and scaling up successful innovations promoted under the Fund's operations.
10. Under the eighth corporate management result – more strategic international engagement and partnership – it is useful to underline that the joint IFAD and African Development Bank (AfDB) evaluation on agriculture and rural development in Africa is a key initiative for strengthening the partnership between the two organizations, both among the most important multilateral players in these sectors in Africa. Among other issues, the evaluation is expected to identify possible future synergies and complementarities between the two organizations. This evaluation will be concluded in 2009 and presented to the Evaluation Committee and Executive Board during that year.
11. On **innovation and replication** (paragraph 50), the relatively high performance may not entirely capture the need to invest greater efforts in replication and scaling up, areas that recent country programme evaluations (e.g. Ethiopia and Pakistan) have shown need improvement. This requires more systematic attention and greater resource allocations to policy dialogue and knowledge management, including lesson learning and partnership strengthening, which are essential components of IFAD's innovation promotion capability. The ongoing corporate-level evaluation on this topic, which will also be presented to the Evaluation Committee and the Executive Board in 2009, will treat the topic thoroughly and generate recommendations to assist the Fund in moving forward in this important area.
12. The results reported on **gender** (paragraph 52) need special attention, especially as the emerging results from the joint evaluation with the AfDB show a comparatively low performance of IFAD operations in Africa in promoting gender equity and women's empowerment. The planned corporate-level evaluation on the topic, to start in 2009, ought to provide a rigorous assessment of performance on gender issues.

13. The RIDE includes a good discussion of **impact on rural poverty** (see paragraphs 30-46). However, the section also includes data that is at the output level – rather than at the impact level - in the results chain framework (see for example, paragraphs 45-46). Given the definition of impact adopted, this may need reconsideration in the future to ensure a coherent analysis of rural poverty impact. Alternatively, the chapter title could be suitably modified. As such, the presentation of data generated by the Results and Impact Management System for some selected critical output areas adds to the richness of the report and traces the causal chain, and therefore should be retained in future.
14. As outlined in paragraph 1 of the executive summary, the document is also a vehicle for reporting on performance against the indicators in IFAD's **Results Measurement Framework**. While reference to results against these indicators is made in various parts of the document (see, for example, paragraph 92), a summary table pulling together the results of the portfolio at entry, during implementation and at completion could further enhance the reader-friendliness of the document.
15. The RIDE is the only instrument that the governing bodies have to access information on the performance of the **ongoing portfolio** (see paragraphs 91-92). However, it may be useful to include data on the performance of the ongoing portfolio from previous years in future editions of the document, thus providing readers an indication of any possible trends in performance.
16. The document includes a sound section on discussing the portfolio at risk (see paragraphs 94-95). In future, consideration should be given to developing indicators and reporting on "**portfolio excellence**", which could be used as a benchmark for ongoing operations and for learning from good practices embedded in such operations.
17. OE will launch a **new evaluation manual** in early 2009. The manual was discussed at the Evaluation Committee meeting in early December, which described OE's evaluation processes and methodology as "state of the art". The new manual will have implications for IFAD's overall self-evaluation system (e.g. the introduction of a wider definition of project relevance, one that goes beyond assessing the alignment of project objectives), which Management may wish to consider when preparing future editions of the RIDE in order to further harmonize the self-evaluation and independent evaluation functions at IFAD.