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Enabling poor rural people  
to overcome poverty

**Senior Independent Advisers'  
Comments on the Joint Evaluation of  
the Agriculture and Rural  
Development Policies and Operations  
in Africa of the African Development  
Bank and the International Fund for  
Agricultural Development**

Evaluation Committee — Sixtieth Session  
Rome, 1-2 December 2009

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For: **Information**

## **Note to Evaluation Committee Members**

This document is submitted for information by the Evaluation Committee.

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## **IFAD Office of Evaluation AfDB Operations Evaluation Department**

# **Joint Evaluation of Agriculture and Rural Development Policies and Operations in Africa**

## **Senior Independent Advisers' Comments<sup>1</sup>**

### **Introduction**

1. In fulfillment of our terms of reference, we summarize below our joint assessment of the processes, methods and overall contents of the Joint Evaluation (JE) of Agriculture and Rural Development Policies and Operations in Africa carried out by IFAD's Office of Evaluation (OE) and AfDB's Operations Evaluation Department (OPEV).
2. In addition to attesting to the independence and quality of the JE, we were tasked to provide strategic guidance and advice to the Joint Oversight Committee. Throughout the process, our work was facilitated by the Joint Evaluation Secretariat. All the relevant documentation was shared with us and we were allowed unimpeded access to the staff and consultants that carried out the work.
3. Upon request, we commented on all major deliverables. Either as a group or individually, we participated in key JE meetings and workshops. In particular, events held in Tunis and Rome allowed interaction with staff in both partner institutions and a conference held in Bamako provided us with insights regarding African stakeholders' views.

### **A unique evaluation challenge**

4. The idea of a Joint Evaluation of Agriculture and Rural Development (ARD) policies and operations in Africa originated with the Presidents of IFAD and AfDB. Its basic rationale was grounded in the realization that a new operational approach to ARD was needed to achieve better results and that, for both institutions, useful lessons could be drawn from a joint review. In 2006, the EO and OPEV Directors decided to undertake a truly joint evaluation.
5. This was a bold choice. While, until then, all collaborative evaluations among multilateral organizations had taken the form of parallel evaluations, EO and OPEV figured that the benefits of pooling their resources and undertaking joint field work would enhance the coverage, credibility and quality of the evaluation evidence. A truly joint exercise would also reduce the administrative burden on member countries and help to generate useful conclusions about the IFAD-AfDB partnership.
6. While acknowledging the benefits of a genuinely joint approach, OE and OPEV recognized the risks involved. Accordingly, they adopted sensible measures to mitigate them. In particular, they delineated distinctive accountabilities; explicit communications protocols and jointly agreed work programs. They also jointly decided about the scope of the JE: it would be designed to enhance the relevance of AfDB and IFAD policies and operations in the agriculture and rural development (ARD) sector of Africa; to examine their relevance; their performance and their impact; to evaluate their partnership dimensions and to make recommendations for the enhancement of their development effectiveness.

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<sup>1</sup> Per Pinstруп-Andersen, Seydou Traoré and Robert Picciotto

7. Throughout all major evaluation phases, we offered strategic guidance and professional advice without “crossing the line” and undercutting the integrity of the process. Based on a joint approach paper dated October 2006, the Boards of AfDB and IFAD endorsed the JE in November and December 2006. The evaluation started in earnest in July 2007 after a Memorandum of Understanding was signed by OE and OPEV. In January 2008 a joint inception report was issued. It was agreed that four working papers would provide the main building blocks of the JE: (i) a contextual overview of agriculture and rural development in Africa; (ii) a meta-analysis of independent evaluations; (iii) a special study of partnerships; and (iv) an assessment of business reform processes.
8. In addition, a comprehensive desk review of documents and systematic interviews with staff were carried out in both institutions. Subsequently, based on an interim report, consultations were held with the management, staff and governing bodies of both organizations. These interactions led to the commissioning of a quality at entry assessment, eight country studies and a perception survey in six countries. These findings were fed into the final report. Comments on a draft were then sought from AfDB and IFAD managements and from African governments’ representatives, civil society representatives and donors at a meeting held in Bamako (Mali) in May 2009. The final version took account of stakeholders’ comments.

#### **Evaluation performance**

9. The agreed scope of the JE was broad. Beyond a meta-evaluation of existing project and country evaluation reports, OE and OPEV decided that the JE would consider the overall ARD challenge faced by Africa and to draw its policy implications in order to assess the relevance of IFAD and AfDB operations. The report also examined on-going corporate change initiatives and partnership practices. Each of these tasks would have been demanding on its own right. In combination they added up to a uniquely complex challenge.
10. The methods selected were shaped by the lack of clear ARD goals, transparent metrics and reliable performance measurements in both organizations. Reliance on professional judgment was inevitable and triangulation of evaluation methods was imperative. All in all, we are satisfied that the final report is comprehensive; its analyses are sound; its conclusions are strategic; finally, its recommendations are thoughtful and valuable. If endorsed and used by the managements and the Boards of AfDB and IFAD, the evaluation should generate considerable value to both institutions and their member countries. Such an outcome would not have been feasible without resort to an elaborate and participatory evaluation process that took full account of African governments’ views.
11. Proactive consultative processes helped to minimize the constraints imposed by the scarcity of rigorous, reliable and comparable performance data about ARD in the two agencies. Faced with a pervasive absence of base line data and a paucity of verifiable performance indicators at all levels (project, country and corporate) the evaluators had to “make do” by resorting to desk reviews, syntheses of reports, special studies, country visits, extensive face-to-face interviews and consultations with a broad range of stakeholders.
12. Communication problems, skills gaps and deficiencies in relevant information made it necessary to recast and beef up the consultancy teams at mid-course. Furthermore, in order to ensure compliance with the terms of reference, OE/OPEV staff had to play a more active role at the final report writing stage than originally envisaged. The evaluation was also delayed by the decision to add a perception survey and a quality

at entry review and by the detailed internal reviews and inter-agency consultations involved at various stages of the process.

13. A one year delay and a cost increment resulted. Such slippages and cost increases are not unusual in large scale and complex evaluations and it is a tribute to the OE/OED managers concerned that they stepped in and acted decisively to ensure a high quality outcome. All things considered, we are satisfied that good judgment was rendered in managing the evaluation process and that the analytical methods selected were in line with good development evaluation practice.

#### **The ARD challenge**

14. The JE highlights the improved, private sector led, economic and agricultural growth trends in parts of Africa in the wake of the macroeconomic and governance reforms of the nineties. This assessment is a healthy rebuttal to the unwarranted Afro-pessimism that has for too long prevailed in the development literature. Equally, it was appropriate for the joint evaluation to list the critical obstacles that need to be overcome to get African agriculture moving.
15. The ARD challenge faced by Africa is daunting. Cereal yields are only 1.1 ton per ha – a third of the world’s average. The value added per agriculture worker in Africa is 38 percent of the world’s average. While Africa’s agricultural growth was about 4-5 percent from the late 1990’s until the middle of this decade, this is about the same as the average growth achieved in other developing countries. It is well below the rate achieved in India during the green revolution (6 percent). Furthermore the high rates of population growth in many African countries translate into modest per capita agricultural growth rates.
16. These performance gaps are partly explained by the uneven playing field of the global market in food and agricultural products. Agricultural trade is characterized by heavy agricultural subsidies and the unfair trade barriers imposed by OECD countries. This chronic asymmetry in trade relations has been sustained by the superior influence of OECD countries within WTO; the lack of a coherent countervailing response by African policy makers and the resulting feeling of helplessness among them.
17. These unfavorable circumstances have been aggravated by the triple crisis of food, fuel and finance that recently swept the world. Even before the global downturn, Africa was lagging behind all other regions in its progress towards the first Millennium Development Goal of halving the share of poor and hungry people by 2015. Thus, from 1990 to 2008, IFPRI’s hunger index fell by 11 percent in Africa which is well below the progress achieved outside of Africa (a drop of 25-40 percent). The number of malnourished African has increased significantly since the 1980s so that Sub-Saharan Africa now accounts for two thirds of undernourished people in the world.
18. The number of food emergencies has risen from about 15 a year in the 1980s to more than 30 a year since the turn of the millennium. Most of the increase has been in Africa, where the share of food emergencies attributable to human causes (e.g. violent conflict) doubled over the past two decades. At the country level, the highest hunger scores are in DRC, Eritrea, Burundi, Niger and Sierra Leone.
19. In this context, we welcome the focus of the report on the need to (i) commercialize Africa’s agriculture; (ii) address upfront the challenges posed by the emergence of bio-fuels; and (iii) encourage research and development in new biotechnologies adapted to Africa’s circumstances. Both organizations, especially AfDB, should emphasize these new policy directions.

### **Political will and ARD investment**

20. The JE report is correct to stress that the challenge of poverty reduction in Africa will not be met unless a sea change in policies takes place. Both donor and recipient countries need to face up to the deleterious consequences of their past policies and recognize that ARD in Africa is characterized by utterly inadequate levels of rural investments; continued large-scale food imports and chronic prevalence of hunger and malnutrition. The looming threats posed by climate change only add to the urgency of policy reform.
21. The JE is therefore on the mark when it draws attention to the impact of OECD agricultural protectionism on rural poverty in Africa. Equally, governments and donors alike should recognize the benefits of investments in ARD given their high multiplier effects. The most serious obstacles facing ARD in Africa are poor infrastructure, high transport costs, primitive financial markets, lack of access to appropriate production technology and generally adverse enabling environments for private business. In other words, there is a major gap in the provision of public goods supportive of private sector enterprise and investment in ARD.
22. The JE may not have been explicit enough about this priority or the underlying constraints that have hindered increased investments in African agriculture, e.g. the fiscal restrictions mandated by the international financial institutions or the limited private financial flows devoted to ARD. Such considerations only strengthen the need for both organizations to increase the priority of ARD within their own operations programs.
23. The simple reality is that current public expenditures levels in support of ARD do not match the incremental investment requirements of food security (estimated at \$18 billion annually by NEPAD). Of course, increased public spending for agriculture needs to be quality spending directed towards the right operational priorities and in the context of improved ARD policies. Accelerated, well targeted, high quality lending and policy advice by IFAD and AfDB has become an urgent necessity. Such measures would help accelerate Africa's recovery from the effects of the financial crisis.
24. To be sure, African governments have endorsed a Comprehensive Africa Agriculture Development Program under NEPAD that calls for scaled up investments and improved sector governance. But the rhetoric has not been matched by action and it would behoove AfDB and IFAD to provide stronger and more coherent leadership in support of NEPAD's undertakings. Thus, African ownership of the policy agenda articulated by the JE would be enhanced if AfDB and IFAD would jointly approach the African Union and NEPAD with a view to assisting both organizations in the design and construction of a broad based coalition in support of ARD in Africa.

### **Reassessing sector priorities**

25. The final report highlights the potential of inducing higher productivity in African agriculture through commercialization and improved connectivity of smallholders to modern food supply chains. But this implies reform in land rights as well as expanded financial, technical and research support to the expansion of agricultural input/output markets and the promotion of domestic processing of agricultural products (e.g. cotton) and other agro-industries. In addition, new opportunities are offered by the international fair trade and organic food movements.
26. Equally, we fully support the JE's focus on enhancing the gender orientation of ARD operations and filling the knowledge and innovation gaps that plague ARD in Africa. Specifically, AfDB and IFAD should play a more active role in support for improved agricultural research management in the region and in the promotion of actions needed to take full advantage of the biotechnology revolution. In this context, greater

priority should be given to supporting the research and education capacity of African universities.

27. Finally, the JE's recommended focus on fragile states is fully warranted. These countries have been neglected by donors. Community based agricultural and rural development programs in post-conflict setting have considerable potential. A more explicit acknowledgement of the "aid orphan" problem created by the performance based aid allocation formulas adopted by both institutions would have been appropriate. Furthermore, the critical importance of conflict sensitivity (through reduction of group and regional inequalities, priority to youth employment, effective natural resource management, economic diversification, etc) could have been made more explicit.

#### **Addressing performance issues**

28. Project quality matters. In this context, the JE's meta-evaluation of performance yielded sobering results. It described recent business reforms but confirmed that further efforts are needed to enhance the development effectiveness of ARD operations in both organizations. In particular, the share of moderately satisfactory ratings embedded in the current 60-70 satisfactory outcome ratings is too high for comfort.
29. We also wish to note that evaluation practices do not focus sufficiently on impact. In this context, the finding that only 35-40 percent of projects covered by the meta-evaluation are likely to generate sustainable benefits should be a wake up call. To be sure ARD operational performance in other development agencies is not dissimilar and both IFAD and AfDB have initiated business process reforms focused on operational quality. But these reforms should be intensified through the introduction of independent quality assurance in real time.
30. The strengthening of monitoring and evaluation systems and processes in borrowing countries is another important priority given the critical lack of baseline information and field level evidence of progress identified by the evaluation. The current "disconnect" between project level and country level performance ratings (micro-macro paradox) also needs serious management attention in terms of enhancing the relevance of ARD operations and improving the links between country strategy formulation and project designs.
31. We also note that overall operational performance is somewhat better for IFAD than for AfDB. This may be due to the tight resource envelope within which AfDB operates but it also suggests that AfDB would gain a great deal from a sharper policy stance and a tighter partnership with IFAD. For both institutions urgent progress towards Paris declaration objectives by connecting AfDB and IFAD operations more closely to country led processes and revisiting the instrument mix (e.g. more SWAPs).
32. All of these quality improvement objectives will not be met without improvements in country dialogue and non lending services quality as well as shifts in corporate management processes. Fortunately, both IFAD and AfDB are committed to become knowledge organizations, to enhance their country presence, and to make their operating processes more businesslike and efficient.
33. Finally, the JE is on firm evaluative grounds when it highlights the need to focus more directly on the underlying capacity constraints that hinder borrower performance. While governments need to be in the driver seat, IFAD and AfDB should offer principled and meaningful support which may call for an honest, transparent and robust debate so that adequate policies and programs are encouraged.

34. Such a role is relevant and appropriate given that both agencies are trusted and respected partners in most countries of the region and very well placed to work with regional organizations and other development partners to help address policy and capacity gaps.

**The partnership dimension**

35. In addition to the enhanced country focus recommended by the JE we endorse its call for improved outreach to the civil society and the private sector. Promotion of goal oriented alliances for ARD would improve overall policy coherence in the currently fragmented aid architecture.
36. Until recently clear parameters, objectives and indicators were not established despite a 30 year long relationship. Neither IFAD nor AfDB have made a serious effort to engage with each other. The lackluster results of their partnership in terms of supervision and co-financing are striking. Both institutions have failed to (i) establish appropriate staff incentives that would lead to a stronger partnership, (ii) translate the corporate level agreements with effective business practices at country and sector level; and (iii) set priorities in the plethora of partnerships that both institutions have pretended to forge without establishing effective structures or monitoring systems.
37. Hence, AfDB and IFAD should strengthen their alliance. This is justified by strategic considerations: the recent shifts in the aid architecture; the all important Paris Declaration; the need for both institutions to improve country dialogues and knowledge management; etc. The JE accurately identifies the complementarities between AfDB's 'hardware' advantages and IFAD's 'software' assets. It confirms the substantial benefits that would flow from their effective partnering. We also believe that the partnership would be greatly strengthened by joint country strategies and systematic up-scaling of promising innovations.

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