

Document: EC 2010/63/W.P.3
Agenda: 4
Date: 9 July 2010
Distribution: Public
Original: English

E



Enabling poor rural people
to overcome poverty

Preview of the Office of Evaluation's results-based work programme and budget for 2011 and indicative plan for 2012-2013

Note to Evaluation Committee members

Focal points:

Technical questions:

Luciano Lavizzari
Director, Office of Evaluation
Tel.: +39 06 5459 2274
e-mail: l.lavizzari@ifad.org

Dispatch of documentation:

Deirdre McGrenra
Governing Bodies Officer
telephone: +39 06 5459 2374
e-mail: d.mcgrenra@ifad.org

Evaluation Committee — Sixty-third Session
Rome, 15-16 July 2010

For: Review

Contents

Abbreviations and acronyms	ii
I. Introduction	1
II. An evolving environment	1
III. IOE's results chain	5
IV. Highlights of 2010 work programme	7
V. The 2011 results-based work programme and indicative plan for 2012-2013	10
VI. 2011 resource issues	16
A. Efficiency gains	16
B. Proposed budget for 2011	17
Annexes	
I. IOE achievements in 2010	20
II. Proposed IOE activities for 2011 and indicative plan for 2012-2013	24
III. Evaluations included in the 2011-2012 work programme, which are now proposed to be dropped or deferred	28
IV. IOE staff levels for 2011	29
V. Proposed IOE budget for 2011	30
VI. Recommendations of the Peer Review and IFAD's governing bodies on IOE's work programme and budget	33

Abbreviations and acronyms

AfDB	African Development Bank
ARRI	Annual Report on Results and Impact of IFAD Operations
CLE	corporate-level evaluation
COSOP	country strategic opportunities programme
CPE	country programme evaluation
CPMT	country programme management team
DMR	divisional management result
ECG	Evaluation Cooperation Group
IOE	IFAD's Office of Evaluation
M&E	monitoring and evaluation
NONIE	Network of Networks on Impact Evaluation
OECD/DAC	Development Assistance Committee of the Organisation of Economic Co-operation and Development
OSC	Operational Strategy and Policy Guidance Committee
PCR	project completion report
PMD	Programme Management Department
PPA	project performance assessment
PRISMA	President's Report on the Implementation Status of Evaluation Recommendations and Management Actions
SDC	Swiss Agency for Development and Cooperation
SHIPDET	Shanghai International Programme for Development Evaluation Training
UNEG	United Nations Evaluation Group

Preview of the Office of Evaluation's results-based work programme and budget for 2011 and indicative plan for 2012-2013

I. Introduction

1. As requested by the Executive Board, this is the third three-year rolling evaluation work programme prepared by IFAD's Office of Evaluation (IOE). The document contains a preview of IOE's work programme and budget for 2011 and indicative plan for 2012-2013. For the first time, IOE has followed the zero-based budget approach and linked its resource requirements to the achievement of key results,¹ which is the practice followed in IFAD's annual administrative budget for 2011.
2. This proposal comes at a crucial time of evolving development challenges, major corporate reforms in IFAD and internal changes within IOE resulting from the Peer Review of IFAD's Office of Evaluation and Evaluation Function.² This changing internal and external environment will require more than a "business as usual" approach by the division. Strategic reorientation and adjustments are needed to ensure high-quality, timely and useful independent evaluations that provide value for money.
3. This document has six sections. Section II includes an overview of key changes in both the external and the internal context and their implications for IOE. Section III sets forth IOE's results chain, including the proposed objectives,³ IOE's divisional management results and their linkages with IFAD's corporate management results.⁴ Section IV summarizes the achievements with regard to the 2010 evaluation work programme, whereas section V charts the activities that will contribute to each IOE divisional management result and objective. Section VI outlines the proposed 2011 budget and human resources needed for IOE to implement its evaluation activities and achieve the divisional management results and objectives.
4. Following the incorporation of any comments made by the Evaluation Committee at its sixty-third session in July 2010 and based on guidance and comments provided by the Audit Committee and the Executive Board during their sessions in September 2010, IOE will prepare a comprehensive results-based work programme and budget for 2011 and indicative plan for 2012-2013, for discussion with the Evaluation Committee at its sixty-fourth session in October. The same document will be discussed by the Executive Board in December 2010. Prior to this, as in the past, the budget proposal will be considered by the Audit Committee in November 2010, together with the administrative budget of IFAD for 2011.

II. An evolving environment

5. This results-based work programme has been developed after carefully considering key changes in the external context, the evolving strategic directions within IFAD, the implications of the Peer Review, and the guidance provided by the Evaluation Committee and the Executive Board last year (see annex VI for the

¹ IFAD introduced its first results-based annual programme of work and administrative budget in 2010.

² The Peer Review was undertaken by the Evaluation Cooperation Group (ECG) of the multilateral development banks, and the final report was presented to the Executive Board in April 2010.

³ This is the first year that IOE has followed the results-based management approach by identifying its core objectives and the results and activities necessary to achieve those results and objectives.

⁴ IFAD has 10 corporate management results, aimed at sustaining the Fund's strategic objectives. These are applied across the organization, according to their relevance to each division's programme of work. Following IFAD's results-based management approach, IOE has also identified its divisional management results, which aim at sustaining the division's proposed objectives.

recommendations of the Peer Review and IFAD's governing bodies on the IOE work programme and budget). IOE has also conducted a gap analysis (see paragraph 43) to identify areas that have not been evaluated in the recent past or are new and in need of evaluation attention. The following paragraphs cover the main issues considered by IOE in preparing its 2011-2013 work programme.

6. **Changes in external environment.** The Paris Declaration on Aid Effectiveness (2005), of which IFAD is a signatory, promotes the principles of country ownership, harmonization, partnership, alignment and accountability for results. These principles are reaffirmed in the Accra Agenda for Action (2008). As a consequence the adoption of joint country assistance strategies, joint development programmes and joint evaluations is becoming increasingly important to donor and recipient countries alike.
7. Joint evaluations offer the opportunity for harmonization among the evaluation approaches of different donor agencies and/or partners, and thus support the implementation of the Paris Declaration and Accra Agenda. Joint evaluations also help reduce transaction costs for partner countries; widen the scope of a given evaluation and offer greater possibilities for learning. IOE has experience in undertaking joint evaluations, having completed one last year with the African Development Bank (AfDB) on agriculture and rural development policies and operations in Africa. This joint evaluation was the first of its kind in terms of its joint nature,⁵ objectives and coverage. Importantly, the experience demonstrated that compared with evaluations carried out by a single organization, joint evaluations can require more staff time for coordination and communication, in addition to more financial resources and longer implementation periods. These factors must be taken into consideration by IOE when exploring suitable opportunities for joint evaluations in 2011 for inclusion in the final IOE work programme and budget document to be presented to the Evaluation Committee in October 2010.
8. Of special significance to IFAD is climate change, given its impact on agriculture, the main source of livelihood for the majority of IFAD's target group. In response to the growing importance of climate change, IFAD is increasingly integrating climate change adaptation and mitigation activities into its operations. Climate change is currently addressed by IOE as part of the assessment of impact on natural resources and the environment of IFAD-funded operations, but it is not treated as a separate impact domain or evaluation criterion. It is therefore important for IOE to assess the implications of IFAD's climate change activities for IOE evaluation methodology and approaches.
9. There is growing diversity among IFAD's borrowing Member States (e.g. lower-middle-income, middle-income and upper-middle-income countries; fragile states including countries affected by conflict and natural disasters, highly indebted countries). The range of contexts and priorities of these states will require IOE to customize its evaluation methods and approaches in a way that ensures that its evaluations remain useful and independent. For example, IOE will need to devote greater attention to assessing IFAD's non-lending activities (knowledge management, partnership-building and policy dialogue) in middle-income countries. Similarly, evaluations in countries experiencing conflict will require IOE to mobilize specific consultant expertise in conflict issues. The guidance of the Development Assistance Committee (DAC) of the Organisation of Economic Co-operation and Development (OECD) will also be needed with regard to evaluating conflict prevention and peacebuilding activities when defining the methodology and key questions.

⁵ For instance, the joint evaluation was conducted with a single team of consultants, the budget was pooled, and a joint final evaluation report was issued.

10. **IFAD is going through major internal corporate reform initiatives.** These entail, inter alia, the imminent introduction of a new corporate strategic framework for 2011-2014, the preparation of a medium-term plan for 2010-2012 (see paragraph 12), human resources reform, zero-based budgeting, wider country presence, greater attention to knowledge management and scaling up and more efforts devoted to self-evaluation.
11. The new strategic framework for 2011-2014 is being developed by IFAD Management and is scheduled to be submitted for Board approval in December 2010. Once the full draft document is available, IOE will analyse the implications of the new strategic framework's objectives and principles of engagement for IOE's work and will reflect these in its final results-based work programme and budget for 2011 and indicative plan for 2012-2013; this will also be presented to the Board in December 2010.
12. The medium-term plan – which covers the Eighth Replenishment period from 2010 to 2012 – is the first of its kind for IFAD and provides a medium-term perspective of the programme of work (i.e. loans and grants) that the Fund intends to deliver during that time frame. It also serves to align IFAD's available resources (both human and financial) to deliver the planned programme of work. In 2009, IOE introduced the practice of preparing a three-year rolling work programme similar to the medium-term plan model.
13. As is the case for the rest of IFAD, IOE's budget proposal for next year is based on the zero-based budget approach. This approach aims to ensure that the budget is focused on providing the appropriate level and type of workforce as well as the financial allocations necessary for delivering the planned work programme in an effective and timely manner.
14. The Fund's administrative budget is earmarked against 10 corporate management results (CMRs), and illustrates the amount of administrative resources used to achieve each CMR. IOE has followed a similar approach in preparing its 2011 work programme and budget, by defining eight specific divisional management results (DMRs) and showing how the division's overall budget will be allocated to meet each DMR (see table 4 in annex V).
15. Since 2006, the IFAD self-evaluation system has been strengthened, although there is room for further enhancement: project-level monitoring and evaluation (M&E) systems remain generally weak and the quality of the project completion reports (PCRs) prepared by governments is not yet satisfactory overall. In spite of the aforementioned, compared to when the Evaluation Policy was approved in 2003, improvements in IFAD's self-evaluation capabilities have implications for how IOE operates. In particular, the improved self-evaluation system is expected to have an impact on the amount of primary data IOE needs to collect for independent evaluation work. With better self-evaluation, it will be increasingly possible for IOE to base its analysis of IFAD's portfolio performance systematically on the data contained in supervision reports, mid-term reviews, PCRs and other self-evaluation reports. Therefore, it is important for IOE to continue working closely with Management in developing IFAD's self-evaluation system, for example, by undertaking evaluations of such components as the quality enhancement and quality assurance processes, supervision and implementation support, and by providing comments on the annual Report on IFAD's Development Effectiveness.
16. A number of core issues are likely to receive attention during the Consultation on the Ninth Replenishment of IFAD Resources in 2011. These include results measurement, direct supervision and implementation support, country presence, scaling up, gender, engagement of the private sector and efficiency. IOE needs to take these into account in developing its work programme, as it may need to contribute to the debate on these or other topics during Ninth Replenishment consultation.

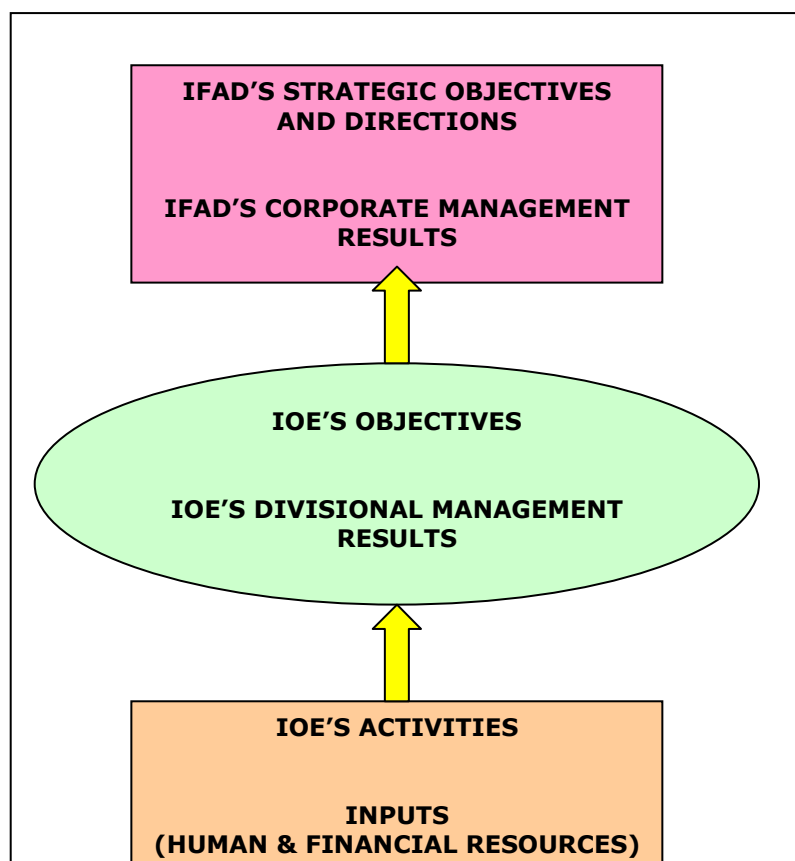
17. **Peer Review of IFAD's Office of Evaluation and Evaluation Function and the implications for IOE.** The Peer Review made a number of recommendations with important implications for IOE, the Evaluation Committee and IFAD Management.
18. The recommendations affecting IOE's future evaluation work are:
- (i) Change IOE's product mix to devote proportionately more resources to higher-plane evaluations. The latter include corporate level-evaluations (CLEs) – such as the one IOE is currently undertaking on gender equality and women's empowerment – and country programme evaluations (CPEs). The Peer Review also recommended that future CLEs should cover selected aspects of operational corporate management and institutional support, such as loan administration and procurement, quality enhancement and quality assurance, and human resources;
 - (ii) Undertake validation of PCRs. Unlike in other multilateral development banks where PCRs are prepared by Management, in IFAD PCRs are prepared by borrowing governments within six months after the completion of a project. After submission by the government, staff in the office of the Associate Vice-President of IFAD's Programme Management Department (PMD) review the PCR and assign ratings to the various evaluation criteria covered in the report. Validation of PCRs by IOE would entail reviewing the ratings assigned by PMD as well as the overall quality of the reports prepared by the borrowing governments;
 - (iii) Conduct project performance assessments (PPAs) on a selective basis. In multilateral development banks where PCR validations are conducted, PPAs are undertaken for a sample of projects that have undergone validation. PPAs are normally completed within three months, including the field visit, and require less investment than the comprehensive type of project evaluations done by IOE at present; and
 - (iv) Enhance knowledge management to strengthen the evaluation learning loop. This is essential in order to ensure that lessons learned from evaluation inform the formulation and implementation of IFAD-funded policies and operations and raise attention to key issues related to agriculture and rural development that merit further reflection and debate among development practitioners.
19. The Peer Review noted that IOE's budget "appears to be high relative to ECG [Evaluation Cooperation Group] members" and recommended that IOE improve its efficiency by using more cost-efficient approaches, while enhancing quality and effectiveness, in carrying out its work programme. This could be done by:
- (i) Moving away from the current comprehensive project evaluations to undertake PCR validations and PPAs, which are lighter, quicker and less costly;
 - (ii) Shifting Evaluation Committee some of the support traditionally provided by IOE to the Office of the Secretary (in particular, the organization of annual country visits);
 - (iii) Finding an appropriate balance between the use of staff and consultants in conducting evaluations;
 - (iv) Strengthening IOE's financial management and administrative processes; and
 - (v) Ensuring that the structure and layout of IOE's annual administrative budget are aligned with IFAD's administrative budget.

20. Annex VI includes a table with the Peer Review recommendations regarding IOE's work programme and budget, and how IOE plans to act upon them.

III. IOE's results chain

21. As mentioned earlier, the Peer Review suggested that IOE harmonize its budget presentation with that of IFAD's administrative budget. To achieve this, IOE has followed the zero-based budget approach in developing its 2011 administrative budget, and linked its resource requirements to specific results that it aims to achieve. The IOE results chain is displayed in the figure below.

IOE results chain



22. As indicated in the figure above, IOE's human and financial resources will provide the required inputs for the division's evaluation activities. These activities and the corresponding outputs will allow IOE to achieve its DMRs (see table 1), which will in turn enable IOE to meet its own objectives (see paragraphs 23-24), and contribute to the achievement of IFAD's CMRs and, eventually, IFAD's overall strategic objectives.
23. As specified in the IFAD Evaluation Policy, IOE's overarching purpose is to contribute, through its evaluation work, to enhancing the Fund's development effectiveness. Therefore, for 2011 and its indicative plan 2012-2013, IOE proposes the following two strategic objectives:
- (i) **Strategic objective 1: Contribute to improving the performance of IFAD-funded policies and operations.** This strategic objective reflects the twofold purpose of the independent evaluation function at the Fund, namely to promote not only accountability and results assessment, but also learning to improve the performance of IFAD-supported policies and operations.

- (ii) **Strategic objective 2: Promote effective knowledge management and learning.** The aim of this strategic objective is to enhance evaluation feedback on cross-cutting contemporary themes and issues of corporate priority and interest to IFAD and the development community at large. The knowledge management and learning activities proposed under this strategic objective therefore are more wide-ranging than the learning promoted under strategic objective one, which is specific to individual country programmes and/or projects financed by IFAD.
24. In support of these objectives, IOE has identified the following operational objectives.
- (i) **Operational objective 1: Enhanced IOE efficiency.** More robust internal financial systems and administrative processes are critical to enhancing efficiency and delivering the annual work programme in a timely manner.
 - (ii) **Operational objective 2: Methodology development.** An enhanced methodology and better processes for independent evaluation, together with strengthened self-evaluation systems will provide IOE with valuable instruments to achieve both its strategic objectives.
25. The operational objectives can be considered as “the nuts and bolts” of IOE’s work, and therefore as fundamental to achieving the two strategic objectives. Better budget execution, human resources management, and administrative processes are important for enhancing efficiency and ensuring value for money. On the other hand, methodology development for both independent and self-evaluation functions is not an isolated action but a continuous process that needs to adapt to the evolving requirements of IFAD Management and the Fund’s governing bodies.
26. Following the results-based budgeting approach, eight DMRs have been defined for each IOE objective. The DMRs will allow the division to track the implementation progress and effectiveness of its work programme and report on the achievement of its strategic and operational objectives. The following table summarizes the proposed DMRs, the strategic and operational objectives and their linkages with the CMRs.

Table 1
IOE's divisional management results, objectives and linkages with IFAD's corporate management results

<i>IOE DMRs</i>	<i>IOE objectives</i>	<i>Linkages with IFAD CMRs</i>
DMR 1: High-quality annual reports on the results and impact of IFAD operations (ARRIs) and CLEs that provide building blocks for the development and implementation of better corporate policies and processes	Strategic objective 1: Contribute to improving the performance of IFAD-funded policies and operations.	CMRs 1, 2 and 3
DMR 2: High-quality CPEs that serve as building blocks for better results-based country strategic opportunities programmes (COSOPs)		
DMR 3: PCR validations and PPAs that contribute to better IFAD-supported operations		
DMR 4: Systematic communication and outreach of IOE's work	Strategic objective 2: Promote effective knowledge management and learning	CMR 8
DMR 5: Production of evaluation syntheses and ARRI learning themes		
DMR 6: More efficient financial, human resource and administrative management	Operational objective 1: Enhanced IOE efficiency	CMRs 4, 5, 6 and 7
DMR 7: Methodology development for independent evaluation work	Operational objective 2: Methodology development	CMRs 1, 2, 3 and 8
DMR 8: Support to the self-evaluation function of IFAD and its Member States		

IFAD corporate management results: CMR 1: Better country programme management; CMR 2: Better project design (loans and grants); CMR 3: Better supervision and implementation support; CMR 4: Better financial resource management; CMR 5: Better human resource management; CMR 6: Better results and risk management; CMR 7: Better administrative efficiency and an enabling work and information-and-communications technology (ICT) environment; CMR 8: Better inputs into global policy dialogues for rural poverty reduction; CMR 9: Effective and efficient platform for Members' governance of IFAD; CMR 10: Increased mobilization of resources for rural poverty reduction.

27. In line with IFAD's results-based budget approach, the 2011 IOE budget (staff and non-staff costs) has been earmarked against each DMR and each strategic and operational objective (see table 4, annex V for details).

IV. Highlights of 2010 work programme

28. Overall, by the end of 2010, IOE expects to implement all the activities planned under the four priorities identified by the 2010 work programme, namely: (i) conducting of selected corporate-level, country programme and project evaluations; (ii) specific evaluation work required by the IFAD Evaluation Policy and the Terms of Reference of the Evaluation Committee; (iii) evaluation outreach and partnerships; and (iv) evaluation methodology and effectiveness of IOE. (Details of the implementation progress of evaluations planned in 2010 are provided in annex I, including reasons for any delays.)
29. **Conducting of selected corporate-level, country programme and project evaluations.** IOE presented the final report of the CLE on IFAD's capacity to promote innovation and scaling up to the Evaluation Committee and the Executive Board in April 2010. As requested by the Board, IOE is also implementing various outreach activities related to the AfDB-IFAD joint evaluation of the agriculture and rural development policies and operations in Africa, which was completed in December 2009. A presentation on the findings and recommendations of the joint evaluation is planned at the African Green Revolution Forum, which is being organized by the Alliance for a Green Revolution in Africa in September 2010.

30. The CLE on gender equality and women's empowerment is in full swing. Thus far, a comprehensive desk review⁶ and country visits⁷ have been completed and the final evaluation report is being prepared. A PowerPoint presentation on the preliminary findings and recommendations will be delivered to the Evaluation Committee in July 2010, to solicit its feedback before the evaluation report is finalized. Moreover, for the first time, IOE is planning to organize jointly with IFAD Management a corporate learning workshop on the topic in September/October. The aim of this event is to discuss the draft final report and capture the views of multiple stakeholders, including participants from developing countries, before completing the evaluation. This final evaluation report will be discussed at the sixty-fifth session of the Evaluation Committee in November 2010 and thereafter with the Executive Board in December 2010.
31. IOE is also working on the CLE of IFAD's Private-Sector Development and Partnership Strategy (2005). The approach paper has been prepared, a portfolio review is being undertaken and country visits have been planned. The evaluation will assess the relevance, implementation and achievements of the strategy. This evaluation is scheduled to be presented to the Evaluation Committee and the Board in 2011.
32. IOE is working on a number of CPEs in 2010. It completed the Mozambique CPE by organizing a national round-table workshop in Maputo in May. The 2010 country visit of the Evaluation Committee to Mozambique coincided with the workshop. The Argentina CPE has been completed and the national round-table workshop was organized in June 2010. The evaluation will be discussed at the Evaluation Committee in October. The Niger CPE will be finalized in the coming months. The report is being sent to the Government for its review and comments.
33. The CPEs in Kenya and Yemen are under way, but at different stages. IOE will soon start the preparatory work for CPEs in Ghana, Rwanda and Viet Nam, which are all scheduled to be completed in 2011. IOE is also providing inputs to the self-evaluation of the country programme in China by the Asia and the Pacific Division, in particular by commenting on the approach paper and the draft final report.
34. IOE is working on six project evaluations in Brazil, the Dominican Republic, Ghana, the Lao People's Democratic Republic, Rwanda and the United Republic of Tanzania. The evaluations are at different stages of implementation. Those for Brazil, Ghana, Rwanda and the United Republic of Tanzania are interim evaluations of projects for which the concerned regional IFAD division is planning a follow-up phase; those for the Dominican Republic and the Lao People's Democratic Republic are project completion evaluations.
35. **Specific evaluation work required by the Evaluation Policy and the Terms of Reference of the Evaluation Committee.** The 2010 ARRI – the eighth edition of the document – is under preparation. The document will be discussed first in the Evaluation Committee, and then with the Executive Board in December 2010. As per past practice, the ARRI devotes due space to learning, in addition to providing an account of the performance and impact of IFAD operations. As agreed with the Board last year, the 2010 ARRI focuses on only one learning theme: efficiency of IFAD operations. In this regard, IOE and PMD are currently preparing a research paper that will be discussed in a dedicated in-house learning workshop with the participation of IFAD Management, country programme managers and other staff, before finalizing the ARRI.

⁶ The desk review phase (which includes interviews with IFAD Management and staff) produces the following outputs: (i) a benchmarking study; (ii) a meta-evaluation of IFAD's results on gender equality and women's empowerment; (iii) a review of the ongoing portfolio; and (iv) a review of IFAD's corporate systems and processes to determine how well they support IFAD's ability to contribute to gender equality and women's empowerment.

⁷ Visits were undertaken to five countries, one in each IFAD geographic region: Bangladesh, Egypt, Guatemala, Mauritania and Zambia. A working paper was prepared for each country based on the desk review and data collected during the country visit.

36. So far in 2010, IOE has organized three formal sessions of the Evaluation Committee in January, April and July, in addition to an informal session (related to the Mozambique country visit) and an orientation session for new members. As mentioned above, the annual country visit of the Committee was organized in May, this year to Mozambique, as part of the national round-table learning workshop in the country.
37. **Evaluation outreach and partnerships.** IOE continued to strengthen its engagement in a limited number of international evaluation platforms and evaluation-related processes. The office took part in the 2010 annual general meeting of the United Nations Evaluation Group (UNEG) and is involved in a number of UNEG task forces. Similarly, IOE participated in meetings of the ECG of the multilateral development banks and the Network of Networks on Impact Evaluation (NONIE). The third phase of the partnership agreement between IOE and the Swiss Agency for Development and Cooperation (SDC) came into effect last year and is now under implementation. The partnership allows IOE to finance additional activities of an innovative and experimental nature, which would not be covered by IOE's annual administrative budget.⁸
38. IOE staff participated in selected in-house committees and platforms, such as meetings of the Operational Strategy and Policy Guidance Committee (OSC) and country programme management teams (CPMTs), to ensure that lessons learned from evaluations are adequately internalized in the development of new IFAD policies, strategies and projects.
39. **Evaluation methodology and effectiveness of IOE.** Training on IOE's Evaluation Manual will be organized for all IOE staff before the end of 2010. The division continues to apply a systematic approach to internal peer reviews, and as agreed with the Board, hires senior independent advisers for all higher-plane evaluations to provide guidance and comment on key evaluation deliverables throughout the evaluation process.
40. The final report of the Peer Review of IFAD's Office of Evaluation and Evaluation Function was completed and presented to the Evaluation Committee and the Board in April 2010. IOE prepared a comprehensive self-evaluation report, and provided the requested information as well as logistic and administrative support to the Peer Review team. IOE also prepared written comments on the draft final and the final Peer Review report. The Peer Review absorbed significantly more IOE staff time than initially anticipated.
41. **Additional activities undertaken by IOE in 2010.** While the Evaluation Committee will discuss during its July 2010 session ways and means to move forward with the Peer Review process, IOE has already taken steps towards implementing the main Peer Review recommendations, which the Board broadly endorsed at its April 2010 session:
- (i) Pilot project to introduce PCR validations and PPAs into the array of IOE products. The objective is for IOE to develop this year a customized PCR validation system and approach to conducting PPAs. As part of this pilot, IOE intends to undertake four to five PCR validations and one PPA before the end of the year using supplementary funds as required. This will allow IOE to learn from the pilot and fine-tune the system as required, and therefore be better prepared for when PCR validations and PPAs become an integral part of its work programme starting from 2011.
 - (ii) Measures to strengthen IOE's financial systems, human resource management and administrative processes. Fifty per cent time of one existing IOE Professional staff position has been allocated to financial

⁸ In 2010, IOE expects to receive maximum CHF 400,000 of supplementary funds under the partnership with SDC.

and administrative functions in 2010. Taking into account the recommendations of the Peer Review, this staff member has developed an activity plan to enhance IOE's financial systems, human resource management and administrative processes. The main elements of the plan are: (a) ensuring full tracking of all expenditures and commitments; (b) streamlining process for identifying, selecting, contracting and managing consultants; and (c) tracking the implementation progress of evaluation activities. Numerous tasks have already been undertaken under the plan. For example, detailed budget estimates⁹ are now prepared at the outset of each evaluation and submitted for approval to the Director, IOE. A standard spreadsheet template has been developed to allow evaluation officers and evaluation assistants to monitor closely the commitments and disbursements made and ensure that IFAD rules (on human resources, travel, etc.) have been followed. Last, a concept note has been prepared to develop a second version of IOE's Evaluation Processes Tracking System. The latter is a tool to facilitate tracking of the implementation progress of all evaluations under way and serve as a repository for information and knowledge on the evaluations included in the work programme.

- (iii) Recast the process leading up to the signature of the agreement at completion point.¹⁰ IOE is presently working with Management to develop and introduce before the end of 2010 a new process and format for this document. This is necessary since, at present, there is no provision for articulating in a transparent manner any potential differences of opinion among Management, the government or IOE on any aspect contained in the agreement at completion point. The new process will also clarify the role of the Evaluation Committee and Executive Board, especially in cases where a difference of opinion arises.

V. The 2011 results-based work programme and indicative plan for 2012-2013

- 42. This section charts the proposed activities to enable IOE to achieve its DMRs and the strategic and operational objectives contained in table 1. Once IOE has received feedback from the Evaluation Committee and the Board on the objectives and DMRs proposed, it will develop the key performance indicators to measure the achievements of those DMRs and include them in the final IOE work programme and budget document to be presented to the Evaluation Committee in October 2010. These indicators will allow IOE to report year by year on the achievement of the DMRs and objectives while submitting its work programme and budget document to the Committee and the Board.
- 43. As mentioned, a gap analysis was undertaken to review the nature of evaluations recently conducted by IOE and the areas that should be prioritized to respond to the changing context. The gap analysis included assessing evaluations conducted in the five geographic regions covered by IFAD operations with the aim of identifying corporate issues, countries, and projects that need to be prioritized in the evaluation work programme.
- 44. Details of the proposed evaluations for 2011 and the indicative plan for 2012-13 are provided in annex II. Moreover, as suggested by the Peer Review, annex III

⁹ This would include the number of consultants required and number of days for consultants, fee rates, travel, etc.

¹⁰ Agreement at completion point is a document signed by IFAD Management and the government. It captures their understanding of key evaluation findings, as well as their commitment to adopt and implement evaluation recommendations within specific time frames. The role of IOE is to facilitate the agreement at completion point process and bring it to a conclusion in a timely manner.

contains a list of evaluations included in the 2011-2012 work programme that are now proposed to be dropped or deferred until a later date, and provides the rationale for doing so.

Strategic objective 1: Contribute to improving the performance of IFAD-funded policies and operations

45. **DMR 1: High-quality ARRI and CLEs that provide building blocks for the development and implementation of better corporate policies and processes.** Under this DMR, IOE will complete the CLE on IFAD's Private-Sector Development and Partnership Strategy. IOE will prepare the ninth edition of the ARRI and start the CLE on efficiency in 2011, which will also cover selected corporate processes such as loan administration, procurement, consultants management, and the quality enhancement and quality assurance processes.
46. The indicative plan for 2012-2013 includes the preparation of the tenth and eleventh editions of the ARRI, as well as the undertaking of two further corporate-level evaluations: (i) a CLE on supervision and implementation support to be undertaken in 2012;¹¹ and (ii) a CLE on the Revised IFAD Policy on Grant Financing to be undertaken in 2013, as decided by the Board in December 2009.
47. Also under this DMR, as required by the Terms of Reference of the Evaluation Committee, IOE will prepare written comments on selected corporate policy proposals submitted by Management to the Board. IOE will only provide comments on new corporate policies or strategies where it has accumulated evaluative evidence and lessons¹² on the topic. As per past practice, IOE's comments will be submitted for the consideration to the Committee and the Board together with the new policy or strategy proposal. In 2011, IOE foresees that it will be required to prepare comments on corporate policies/strategies prepared by Management on country presence, gender and the private sector. There may be other policies or strategies for comments by IOE next year; requirements will be more clearly defined as the work programme and budget process advances.
48. **DMR 2: High-quality CPEs that serve as building blocks for better results-based COSOPs.** Under this DMR, IOE will complete the CPEs in Ghana, Rwanda, Viet Nam and Yemen. The division will commence CPEs in Haiti, Jordan, Nepal and Uganda, for completion in 2012. The indicative plan for 2012-2013 also includes CPEs for Burkina Faso, Ecuador, Guatemala, Madagascar, Mauritania, the Philippines, the Plurinational State of Bolivia, Senegal, the Syrian Arab Republic and the United Republic of Tanzania. As in the past, priority will be given to countries with large portfolios and where the regional division intends to develop a new COSOP after the CPE is completed.
49. IOE intends to undertake one of the CPEs as a joint exercise and this will be reflected in the final IOE work programme and budget document to be presented to the Evaluation Committee in October. Based on the experience of the joint evaluation undertaken with the AfDB (see paragraph 7), IOE is considering what form this collaboration should take. For example, a joint evaluation between two organizations could focus on exchanging experiences and lessons throughout the process rather than establishing a single evaluation team and preparing a joint final report, as was the case for the joint Africa evaluation.

¹¹ Six years after the Board's approval of the IFAD Policy on Supervision and Implementation Support.

¹² For example, IOE prepared written comments on the new grants policy in December 2009, given that it had previously undertaken a CLE on the agricultural research component of IFAD's grants programme and because an assessment of grants is made as part of CPEs on a systematic basis.

50. **DMR 3: PCR validations and PPAs that contribute to better IFAD-supported operations.** The Peer Review has recommended IOE's portfolio and project assessments rely more heavily on validated PCRs. The validation of PCRs will be IOE's responsibility in the future. The review also recommended that IOE's project evaluations be replaced by PPAs, and that the mandatory undertaking of an interim project evaluation before preparing a subsequent phase be abolished. PPAs will be carried out for a sample of completed projects for which PCRs have been validated. Therefore, all project evaluations included in the rolling work programme discussed by the Board in December 2009 have been removed from both the proposed work programme 2011 and the indicative plan 2012-2013, and replaced by PCR validations and PPAs.
51. IOE proposes to follow the practice of other international financial institutions¹³ by validating PCRs for all closed projects within a given period. In IFAD at present, around 35 projects are closed each year, which implies that IOE will conduct 35 PCR validation exercises in one calendar year. This will allow for a relatively rapid expansion over time of the sample size of evaluation ratings available for inclusion in the ARRI, and enable IOE to provide a more reliable account, through the ARRI, of the performance of the IFAD-funded project portfolio at large, based on a larger sample of evaluated projects.
52. It is proposed that PPAs be undertaken for about 25 per cent of closed projects, which will mean conducting about eight PPAs per year. The criteria for selecting projects for assessment and the appropriate methodology and process will be developed by IOE in the latter half of 2010, after a review of the lessons learned from the pilot project (see paragraph 41(i)), and outlined in the final work programme and budget document.¹⁴

Strategic objective 2: Promote effective knowledge management and learning

53. **DMR 4: Systematic communication and outreach of IOE's work.** Activities under this DMR include the dissemination of printed copies of evaluation reports and evaluation Profiles¹⁵ and Insights¹⁶ to Executive Board members, Management, and governments and partners in developing countries and regular updating of the evaluation section on the IFAD website. Evaluation reports will also be made available through external websites, such as those maintained by the ECG, UNEG, and IFAD's regional knowledge networks.¹⁷ For example, although the CLE on gender will be completed in 2010, key outreach activities will be undertaken in 2011 to ensure a wider dissemination of the evaluation's main findings.
54. IOE will continue to participate in IFAD's internal platforms (e.g. OSC and CPMT) to improve the understanding of evaluation lessons and recommendations. Furthermore, IOE will assess the feasibility of more systematic involvement with the in-house quality enhancement and quality assurance groups, as they offer specific possibilities for ensuring that evaluation-based knowledge inform the design of new policies, strategies and operations. IOE's limited resources do not allow it to

¹³ IOE has had meetings with staff from the Independent Evaluation Group of the World Bank and the Evaluation Office of the European Bank for Reconstruction and Development on the topic.

¹⁴ Some of the criteria that could be applied in selecting projects for PPAs include: projects that are innovative and offer specific opportunities for learning and scaling up; projects for which IOE's validated ratings for one or more evaluation criteria are significantly different from the ratings by PMD as contained in the PCRs; projects in a country where a CPE may be planned in the near future; and ensuring adequate geographic coverage across all the regions in which IFAD works.

¹⁵ Evaluation Profiles are two-page summaries of the main conclusions and recommendations arising from each IFAD evaluation. They provide a sampling of evaluation results and an incentive for readers to delve deeper and follow up on interesting issues in the full report.

¹⁶ Evaluation Insights focus on one learning issue emerging from corporate, thematic, or country programme evaluations. The hypothesis presented in the insights will form the basis for debate and discussion among development professionals and policymakers within IFAD and outside the institution.

¹⁷ Such as ENRAP and FIDAMERICA.

- participate in all such internal platforms. It will therefore develop specific criteria to identify the platforms where the evaluative knowledge and experience that it has accumulated over the years will be of maximum benefit.
55. As in 2010, quarterly meetings will be held between IOE and the Office of the President to exchange information and share knowledge on emerging evaluation issues. Given their institution-wide implications, informal seminars will be organized with Board members on CLEs as appropriate, before the final reports are considered by the Board.
 56. In-country learning workshops will be organized for each CPE undertaken to discuss evaluation results and lessons learned with multiple stakeholders. As in the recent past, learning workshops will be held with greater support from the governments concerned. This will help lower the costs for IOE and enhance country ownership and follow-up.
 57. IOE will participate actively in the following international evaluation groups: (i) UNEG, a professional network that brings together the heads of units responsible for evaluation in the United Nations system, of which IOE is a full member. It will continue to engage in a number of UNEG task forces;¹⁸ (ii) the ECG which brings together the heads of the evaluation units of the multilateral development banks, of which IOE is an aspiring member; and (iii) NONIE, which comprises the OECD/DAC evaluation network, UNEG, ECG and the International Organization for Cooperation in Evaluation, which is a network of regional evaluation associations. The purpose of NONIE is to foster a programme of "impact evaluation" activities based on a common understanding of the term and using approaches suited to this type of evaluation. IOE has been a member of NONIE since its establishment in 2006. Moreover, IOE will take part in key international and regional conferences on evaluation, including those organized by selected evaluation societies and associations (e.g. the African Evaluation Association and the European Evaluation Society). The aim of IOE's participation in these platforms is to exchange knowledge and lessons learned, remain engaged in the international debate on evaluation and network with evaluators from different organizations and from developing countries.
 58. IOE will continue to strengthen its partnership with SDC, which will allow IOE to pilot innovative evaluation methods and processes that cannot be financed through its regular administrative budget (see paragraph 37).
 59. **DMR 5: Production of evaluation syntheses and ARRI learning themes.** In order to enhance its engagement in knowledge management, in 2011, IOE will start preparing evaluation syntheses. These will identify and capture evaluative knowledge from a variety of evaluations produced by IFAD and evaluation outfits of other organizations, and present lessons learned from academic literature and targeted interviews to promote learning and the use of evaluation findings. A possible topic for an evaluation synthesis in 2011 is supervision and implementation support. This is a critical issue and could provide the basis for the proposed CLE on the same subject provisionally planned to commence in 2012.
 60. The division will also continue its in-depth treatment of a specific learning theme in ARRI each year (for example, the learning theme covered by the 2010 ARRI is the efficiency of IFAD operations). An in-house workshop will be organized on the learning theme selected. The proposal for next year's theme will be included in this year's ARRI, which will be considered by the Evaluation Committee and Executive Board before the end of 2010. One option is to choose supervision and implementation as the theme for 2011. The corresponding ARRI learning workshop would be an opportunity to discuss and disseminate the findings of the evaluation

¹⁸ These include task forces on (i) impact evaluation; (ii) evaluation of the evaluation function; and (iii) evaluation capacity development.

synthesis; both activities would provide the basis for the proposed CLE on the same subject in 2012.

Operational objective 1: Enhanced IOE efficiency

61. **DMR 6: More efficient financial, human resources and administrative management.** As recommended by the Peer Review, in 2011 the division will continue implementing various activities included in its plan to strengthen its financial and administrative management (see paragraph 41(ii)). This activity plan will be completed and its results will be mainstreamed into IOE's regular operations. The supervision of the improved financial and administration processes will require allocating 50 per cent of a professional staff member's time on a permanent basis. The planned activities for 2011 include:
- (i) Defining more clearly the respective roles, responsibilities and standard level of effort of IOE staff and consultants for each type of evaluation. This would help optimize the use of staff time and consultant resources throughout the evaluation process. In this regard, it is expected that IOE evaluation officers will, in addition to ensuring the quality of the entire evaluation process as in the past, have a greater role in preparing the final evaluation report, thus "in-sourcing" a number of related tasks that in the past were outsourced to consultants;
 - (ii) Developing a tool for improving overall divisional work planning and staffing decisions. This tool will assist IOE to optimize the use of divisional resources by improving the balance and distribution of tasks among staff. In particular, IOE will aim to pre-identify peaks of activity within the standard evaluation cycle and then sequence the start and end dates of individual evaluations to make the best use of the skills and time available;
 - (iii) Consolidating the activities already implemented in 2010 (see paragraph 41(ii)) and mainstreaming them into IOE's regular operations. These include streamlining process for identifying, selecting and managing consultants; undertaking quarterly stock-taking of the division's overall budget execution; and ensuring compliance with IFAD's financial and human resource rules through detailed internal scrutiny of all proposed financial commitments by the division.
62. Moreover, in response to the Peer Review's suggestion to strengthen the skill sets of IOE staff, a new training working group has been introduced within the division. The role of this group will be to identify individual and collective training requirements and organize corresponding training events.
63. Regarding human resources, the Peer Review found that IOE's conflict of interest provisions for the hiring of consultants¹⁹ were effective in ensuring that the consultants chosen are in a position to perform their duties and formulate evaluative judgements and conclusions objectively. In line with the Peer Review's recommendation, next year IOE plans to develop more explicit conflict of interest provisions also for its regular staff members.
64. Finally, next year IOE will prepare a results-based work programme and budget for 2012, together with an indicative plan for 2013-2014. This document will also include an account of the achievement of the eight DMRs, and four divisional objectives and a summary of the main opportunities and challenges faced in the implementation of the annual work programme and budget.

¹⁹ For example, the conflict of interest provisions would prevent IOE from hiring a consultant if he/she had previously worked on designing or implementing a strategy or operation subject to evaluation by the division. Each consultant is required to sign a specific conflict of interest declaration before IOE will agree to their recruitment for independent evaluation work. The full IOE conflict of interest provisions for consultants are provided in annex VI of the Evaluation Manual (http://www.ifad.org/evaluation/process_methodology/index.htm)

Operational objective 2: Methodology development

65. **DMR 7: Methodology development for independent evaluation work.**

Methodology development is not a isolated action but rather a continuous process. The following activities are planned:

- (i) As next year will be the first year of implementing PCR validations and PPAs, IOE will take stock of its experience and enhance the corresponding system accordingly.
- (ii) IOE will continue to make adjustments to the Evaluation Manual to reflect key emerging issues (such as climate change and scaling up). Efforts and resources will continue to be invested in understanding the proximate causes of performance (i.e. the "why factor").
- (iii) The international development community has long debated the issue of impact. In response, evaluation networks such as NONIE have been formed to focus on impact evaluation. At this stage, no consensus has emerged regarding agreed methodologies for rigorously attributing the impact of development projects and programmes on society to specific factors or causes. This ongoing debate needs to be carefully tracked by IOE in view of the special importance that the Executive Board attributes to impact assessment. Therefore, IOE will remain engaged in NONIE's discussions on this topic.
- (iv) IOE's active participation in ECG, UNEG, and other evaluation conferences (see paragraph 57) will contribute to achieving this DMR because these platforms enable IOE to keep in step with evolving approaches in the international arena for state-of-the-art independent evaluations.
- (v) Rigorous methodology is essential for the quality of each evaluation. Therefore, the practice of hiring senior independent advisors for higher-plane evaluations such as CLEs and CPEs will continue. In addition to reviewing and preparing written comments on key evaluation deliverables produced throughout the evaluation process, these senior independent advisors play a critical role in the design of evaluations, especially in providing inputs on the methodology to be applied. The use of senior independent advisors will reassure Management and the Board of the soundness of the evaluation conclusions and recommendations.

66. **DMR 8: Support to the self-evaluation function of IFAD and its Member States.**

The division will contribute to improving the quality of IFAD's self-evaluation system, which is critical both for improving IFAD's performance and for conducting independent evaluations (see paragraph 15). In 2011, IOE will work with Management to further harmonize IFAD's self-evaluation and independent evaluation methodologies and processes. In particular, the introduction of the new Evaluation Manual in 2009, and the forthcoming PCR validations and PPAs by IOE will require adjustments to IFAD's PCRs, its supervision guidelines and the other building blocks of the self-evaluation system. In this regard, a new harmonization agreement²⁰ will be signed in 2011 between IOE and IFAD Management. This will document, among other issues, the respective roles and responsibilities of IOE and Management in ensuring an effective and efficient evaluation system within IFAD.

67. As in the past, IOE will review and prepare comments on the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) and the Report on IFAD's Development Effectiveness (RIDE). It will also continue to assess the quality of monitoring and evaluation systems at the

²⁰ The previous agreement was signed in 2006.

project and country level, through its regular evaluation work, and participate in any in-house task forces on results measurement.

68. IOE will contribute to strengthening the evaluation capabilities of Member States by supporting evaluation capacity development (ECD). As requested by the Board, IOE's engagement in ECD will be commensurate with its priorities and available resources. IOE will continue to strengthen its partnership with the Asia-Pacific Finance and Development Center in Shanghai, which serves as an evaluation knowledge provider and is currently in charge of organizing the Shanghai International Programme for Development Evaluation Training (SHIPDET), whose outreach covers the Asia and the Pacific region. In the context of this partnership, IOE will hold a training session on evaluation criteria and methods applicable to the agriculture and rural development sector. In addition, IOE will continue its engagement in ECD in the context of regular evaluation processes, and will also invite national evaluation associations to participate in the core learning partnership. IOE will continue its partnership with government oversight authorities to provide on-the-job training during evaluation field work.

VI. 2011 resource issues

A. Efficiency gains

69. As mentioned in section II, the Peer Review underlined the importance for IOE to improve its efficiency. This section outlines the main efficiency gains that IOE plans to achieve by implementing various cost-saving initiatives.
70. The most important of these is the discontinuation of project evaluations, to be replaced by PCR validations and a limited number of PPAs, which require less time and are less costly. In the past, each year IOE undertook around six project evaluations, which cost US\$540,000 and 360 days of staff time in total.²¹
71. In the future, IOE plans to undertake 35 PCR validations annually using exclusively IOE staff resources. IOE is currently developing customized methods and a system for PCR validations based on a thorough review of good international practice and the experiences of other multilateral development banks that have similar evaluation instruments. Based on an initial analysis, IOE plans to allocate six working days for undertaking each PCR validation, which will amount to a total of 210 working days for validating all PCRs produced in a given year.²²
72. With regard to PPAs, IOE plans to assess eight closed projects per year that have previously undergone the PCR validation process. Before the submission of the final work programme and budget proposal in October 2010, IOE will define the specific criteria for selecting projects to be exposed to PPA and, for PCR validation, it will conduct a pilot PPA and subsequently refine its methods and processes accordingly. Footnote 14 provides possible criteria for use in selecting projects for assessment.
73. IOE estimates that each PPA will require about 20 IOE staff days. This is significantly lower than the 60 days allocated in the past to project evaluations by IOE. In addition, each PPA will require the use of one consultant for approximately 15 days, which is expected to cost around US\$20,000, inclusive of any travel costs. Again, this figure is significantly lower than the costs (US\$90,000) associated with

²¹ The unit cost for each project evaluation in the past was US\$90,000, with 60 days of staff time allocated per evaluation.

²² This is higher than the time allocated by the evaluation outfits in other multilateral development banks (which allocate around 3-4 days for each PCR validation). The main reason for proposing a higher allocation in IOE is due to the high variability in the quality of PCRs currently produced and the fact that 2011 will be an experimental year both for IOE and the Management, and therefore provisions need to be made for some contingency time. IOE will however assess and revisit the time allocation per PCR validation at the end of 2011, based on the experiences accumulated in 2011.

hiring consultants for project evaluations. Therefore, IOE plans to budget 160 days of staff time and US\$160,000 for conducting eight PPAs in 2011.²³

74. The second initiative to save costs – and in line the Peer Review recommendation – is to shift some of the support currently provided by IOE to the Evaluation Committee over to the Office of the Secretary of IFAD. Up to now, each year significant IOE staff time was needed for administrative support to the Evaluation Committee (e.g. for preparing agendas, drafting minutes). In addition, IOE allocated US\$100,000 plus staff time for the Committee’s annual country visit. In line with the Peer Review’s suggestion, it is proposed that responsibility for organizing visits for Board members be transferred to the Office of the Secretary. However, IOE will still need to allocate adequate staff time to the functioning of the Evaluation Committee (e.g. briefing the Evaluation Committee chairperson on evaluation issues, providing members with information and clarification of key topics being considered by the Committee), over and above the time normally allocated to preparing documents and participating in regular Committee sessions. This is extremely important, especially in 2011, when the Office of the Secretary will begin assuming a greater role in supporting the Evaluation Committee. The efficiency gains described in the preceding paragraphs are summarized in table 2.

Table 2

Efficiency gains in project evaluations and annual country visit of the Evaluation Committee

Activity type	<i>'As is' situation</i>		<i>From 2011 onwards</i>		
	Staff time (per unit)	Non-staff cost (per unit)	Activity type	Staff time (per unit)	Non-staff cost (per unit)
Project evaluation	60 days	US\$90 000	PCR validation	6 days	-
Total for six project evaluations /year	360 days	US\$540 000	Total for 35 PCR validations/year	210 days	-
			PPA	20 days	US\$20 000
			Total for 8 PPAs/year	160 days	US\$160 000
Annual country visit of the Evaluation Committee	20 days	US\$100 000	-	-	-
Total	380 days	US\$640 000	Total	370 days	US\$160 000
			Total savings	10 days	US\$480 000

75. Other efficiency gains have already been or are currently being achieved through the ongoing IOE team-building and renewal initiative²⁴ and as a result of the implementation of IOE’s activity plan to strengthen financial and human resource management and administrative management (see paragraph 41). This includes better processes for the recruitment and management of consultants, improved relationships between supervisor and supervisee, and decentralization of budget execution to evaluation officers within a framework of rigorous checks and balances. Other measures to achieve savings include ensuring that governments take the lead in organizing and sharing the costs of evaluation learning workshops. Overall, these efforts result in considerable saving of resources (see paragraph 81).

B. Proposed budget for 2011

76. This is the first time IOE has prepared a results-based work programme and budget, and followed the zero-based budget approach (see paragraph 13). The next

²³ As for PCR validations, it is to be noted that following the piloting this year, IOE is likely to have a better idea of the resource requirements for those tasks. If there are any differences with the aforementioned estimates, IOE will reflect them in the final 2011 work programme and budget document, to be discussed by the Evaluation Committee in October 2010.

²⁴ As part of this initiative, which started in 2007, a number of improvement working groups have been established within the division. The main objective is to improve communication, consultants management, knowledge sharing and team work in IOE.

two sections provide an overview of the human resource requirement and budget proposal for 2011.

77. **Human resources.** The gap analysis undertaken (see paragraph 43), as well as the consultations with each regional division and IFAD Senior Management undertaken by IOE in developing its work programme, reveal that the demand for independent evaluations is high, and exceeds the level of human resources available to the division. Evaluation work that will require additional staff resources, as compared with 2010, includes:
- (i) IOE's plans to undertake more higher-plane evaluations (1.8 full-time equivalent CLEs and 4.8 full-time equivalent CPEs in 2011 compared with 1.8 full-time equivalent CLEs and 2.8 full-time equivalent CPEs in 2010).
 - (ii) The preparation of a new product: evaluation syntheses.
 - (iii) The formulation and implementation of the revised harmonization agreement between IOE and IFAD Management.
 - (iv) More contributions to internal and external knowledge management platforms and learning processes, including the in-house quality enhancement and quality assurance groups.
 - (v) An appropriate contribution to discussions during the Consultation on the Ninth Replenishment of IFAD's Resources (see paragraph 16).
78. Finally, in 2010, IOE made a provisional allocation of 50 per cent of a Professional staff member's time to supervise the financial and administrative management of the division (see paragraph 41(ii)). IOE needs to fill the resulting gap in the professional resources available for evaluation work, given the division's decision to establish the permanent post of finance and administration officer.
79. While part of these additional human resource requirements will be offset by the savings reflected in table 2 and paragraph 75, it is difficult at this stage to assess whether the above-mentioned activities can be performed with the current level of human resources. More analysis is required, including the finalization of the list of evaluations proposed for 2011 – something that is possible only in the second part of the year. Therefore, for the time being, IOE does not plan to request an increase in the number of staff. Instead, before making the final proposal for the IOE 2011 work programme and budget for consideration by the Evaluation Committee in October 2010, IOE will make a more systematic assessment of its human resource requirements, including whether it would be necessary and feasible to propose the conversion of an existing vacant General Service staff position²⁵ into professional positions. Annex IV provides details of the division's human resource requirements.
80. The Peer Review underlined the importance for the division to enhance the knowledge and competencies of its staff in state-of-the-art evaluation methods and systems. In this regard, the division will utilize international training programmes, such as the International Program for Development Evaluation Training (IPDET),²⁶ to build expertise. IOE plans to finance training needs specific to its staff through supplementary funds, and will also participate in relevant corporate training programmes organized by the Human Resources Division.
81. **Budget.** IOE has sought to quantify the costs of achieving each DMR, both in terms of staff time and non-staff costs. Using the inflation factors (1.3 per cent for non-staff costs and 2.8 per cent for staff costs) and the exchange rate (US\$/EUR = 0.8)

²⁵ The Peer Review found that, as in the rest of IFAD, the General Service-Professional staff ratio was high in IOE.

²⁶ IPDET is an intensive four-week training programme for evaluation managers and professionals. It is an initiative of the Independent Evaluation Group of the World Bank and Carleton University. The training provides comprehensive knowledge of development monitoring and evaluation, and focuses on certain topics for in-depth understanding and knowledge exchange.

suggested by the Strategic Planning Division and applied by the Fund in the construction of its preview document on the 2011 annual administrative budget, IOE's budget proposal for 2011 is approximately US\$5.65 million (see annex V). This reflects a decrease of 5.3 per cent (US\$330,000) in real terms or 9.2 per cent in nominal terms compared with IOE's 2010 administrative budget.

82. Tables 1 and 3 in annex V present the proposed IOE 2011 budget by cost category, as in the past. Table 4 instead illustrates IOE's results-based budget, in which the total resources required in terms of both staff and non-staff have been earmarked against the eight DMRs. The total resources required to achieve each strategic and operational objective are shown in the same table.
83. Finally, as requested by the Audit Committee and the Executive Board in 2008, starting from 2009, IOE introduced a cap on its administrative budget. In particular, the Board decided that the total IOE budget should remain within 0.9 per cent of IFAD's annual programme of work. The proposed administrative budget for 2011 is around 0.56 per cent of the Fund's proposed programme of work (foreseen at US\$1 billion for next year), as compared with 0.78 per cent in 2010. Table 2 in annex V presents the evolution of the IOE budget as a percentage of IFAD's programme of work since 2005.

IOE achievements in 2010

<i>Priority area</i>	<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>	
Priority A: Conducting of selected corporate-level, country programme and project evaluations	1. Corporate-level evaluations	Completion of the Peer Review of IFAD's Office of Evaluation and Evaluation Function and implementation of the recommendations of the Peer Review	Peer Review discussed at the Evaluation Committee and the Executive Board in April 2010	Peer Review completed and discussed as planned. In July 2010, the Evaluation Committee will discuss the way forward in the Peer Review process.	
		Approaches and results in promoting gender equality and women's empowerment in IFAD operations	To be completed in December 2010	Will be completed and discussed with the Evaluation Committee in November 2010 and the Executive Board in December 2010. Some outreach activities will be carried out in 2011.	
		IFAD's Private-Sector Development and Partnership Strategy	To be completed in April 2011	Undertaken as planned.	
		AfDB-IFAD joint evaluation on agriculture and rural development policies and operations in Africa	Various outreach activities scheduled in 2010	Undertaken as planned.	
		Innovation and scaling up	In December 2009, the Board decided to defer the consideration of this evaluation to the April 2010 Evaluation Committee and Executive Board sessions	Completed.	
	2. Country programme evaluations	Argentina		To be completed in June 2010	Evaluation report finalized and learning workshop undertaken in June. Agreement at completion point being finalized. Evaluation will be fully completed in early September.
		China: Support PMD in undertaking the self-evaluation		To be completed in December 2010	Undertaken as planned.
		Ghana		To start in November 2010	Will start as planned.
Kenya			To be completed in December 2010	Undertaken as planned.	
Mozambique (only national round-table workshop)			To be completed in April 2010	Completed.	
Niger (only national round-table workshop)			To be completed in April 2010	Delayed due to the unforeseen departure of the lead evaluator at the beginning of 2010. CPE will be completed in the last quarter of 2010.	

<i>Priority area</i>	<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>
		Rwanda	To start in November 2010	Will start as planned.
		Viet Nam	To start in November 2010	Will start as planned.
		Yemen	To be completed in December 2010	Main mission will be fielded in September-October 2010 and CPE will be completed in the first part of 2011. Delayed due to difficulties in identifying consultants' team leader, who has been now selected.
	3. Project evaluations 3.1. Interim evaluations	Brazil: Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East	To be completed in October 2010	Undertaken as planned.
		Ghana: Rural Enterprises Project – Phase II	To be completed in December 2010	Undertaken as planned.
		Rwanda: Smallholder Cash and Export Crops Development Project	To be completed in December 2010	Undertaken as planned.
		United Republic of Tanzania: Rural Financial Services Programme	To be completed in December 2010	Undertaken as planned.
	3.2. Completion evaluations	Dominican Republic: South Western Region Small Farmers Project – Phase II	To be completed in June 2010	Will be completed in September 2010. Delayed due to departure of designated lead evaluator.
		Lao People's Democratic Republic: Oudomxai Community Initiatives Support Project	To be completed in December 2010	Undertaken as planned.
Priority B: Specific evaluation work required by the Evaluation Policy and the Terms of Reference of the Evaluation Committee	4. Evaluation Committee and Executive Board	Country visit of the Evaluation Committee to Mozambique	To be completed in May 2010	Completed. Evaluation Committee Chairperson will provide written report to the Board in September 2010 with the Committee's observations on the country visit.
		Review of the implementation of the three-year rolling work programme and budget 2010-2012 and preparation of the work programme and budget for 2011 and indicative plan for 2012-2013	To be completed in December 2010	Undertaken as planned.
		Eighth Annual Report on Results and Impact of IFAD's Operations (ARRI)	To be completed in December 2010	Undertaken as planned.
		IOE comments on the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)	To be completed in September 2010	Completed.
		IOE comments on the Report on IFAD's Development Effectiveness (RIDE)	To be completed in December 2010	Will be undertaken as planned. RIDE with comments will be discussed with the Evaluation

<i>Priority area</i>	<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>
				Committee at its November session and thereafter in the Board in December 2010.
		IOE comments on selected IFAD operations policies prepared by IFAD Management for consideration by the Evaluation Committee	To be completed in December 2010	Middle-income countries strategy with IOE's comments will be discussed at the November session of the Evaluation Committee and the December 2010 session of the Executive Board.
		Holding of four regular sessions, and additional ad hoc sessions, according to the revised Terms of Reference and Rules of Procedure of the Evaluation Committee	To be completed in December 2010	Thus far, three formal and two informal sessions have been held. Two more formal sessions are planned in October and November respectively.
Priority C: Evaluation outreach and partnerships	5. Communication activities	Evaluation reports, Profiles, Insights, IOE website, etc.	January-December 2010	Undertaken as planned.
	6. Partnerships	ECG, NONIE, UNEG and SDC	January-December 2010	Undertaken as planned.
	7. Participation in CPMTs and OSCs	Attend all OSCs that discuss corporate policies and strategies, COSOPs and projects evaluated by IOE being considered for a follow-up phase. Attend selectively CPMTs.	January-December 2010	Undertaken as planned. In addition, staff participated in several seminars on scaling up, to ensure adequate internalization of lessons from the CLE on innovation and scaling up.
	8. Evaluation capacity development	Implementation of activities in partner countries related to evaluation capacity development	January-December 2010	IOE will build on its 2009 experience in supporting the SHIPDET by contributing to the course curriculum related to agriculture and rural development type evaluation. SHIPDET is a regional training programme supported by the Government of China, the Asian Development Bank (AsDB) and the World Bank.
Priority D: Evaluation methodology and effectiveness of IOE	9. Methodological work	Quality assurance and supervision of methodology application	January-December 2010	Undertaken as planned.
		Implementation of the results measurement matrix for monitoring and strengthening the effectiveness and quality of IOE's work, including reporting to the Evaluation Committee	January-December 2010	The former results measurement matrix has been discontinued with the move in 2011 to a results- based work

<i>Priority area</i>	<i>Type of work</i>	<i>Evaluation activities</i>	<i>Planned implementation status</i>	<i>Present status</i>
		and Executive Board		programme and budget. Elements from the former results measurement matrix have been used to define IOE's objectives and DMRs.
		IOE internal peer reviews of all evaluations	January-December 2010	Undertaken as planned.
Additional activities				
		A pilot project for PCR validation and PPAs (4-5 PCRs validations and one PPA)	July-December 2010	Preparatory work commenced and pilot will be undertaken in the last quarter of 2010.
		Strengthen IOE's financial and human resource management, and administrative management	February-December 2010	Activity plan developed and being implemented to address key issues raised by the Peer Review.
		Development of new process and format for the agreement at completion point	June-September 2010	Being undertaken: the current format and process do not make provisions for dealing potential differences of opinion between Management, the Government or IOE.

Proposed IOE activities for 2011 and indicative plan for 2012-2013

Table 1: Provisional IOE's proposed activities according to types of activities

<i>Type of work</i>	<i>IOE proposed activities for 2011</i>	<i>IOE proposed indicative plan for 2012-2013</i>
1. Corporate-level evaluation	IFAD's Private-Sector Development and Partnership Strategy	Supervision and implementation support (2012)
	Approaches and results in promoting gender equity and women's empowerment in IFAD operations (outreach activities only)	Grants policy (2013)
	Efficiency	
2. Country programme evaluation	Ghana	Bolivia (Plurinational State of)
	Haiti	Burkina Faso
	Jordan	Ecuador
	Nepal	Guatemala
	Rwanda	Madagascar
	Uganda	Mauritania
	Viet Nam	Philippines
	Yemen	Senegal
		Syrian Arab Republic
		United Republic of Tanzania
3. Project completion report validation	Around 35 PCR validations	Around 35 PCR validations/year
4. Project performance assessment	Around 8 PPAs	Around 8 PPAs/year
5. Evaluation Committee and Executive Board	Review of the implementation of the results-based work programme for 2011 and indicative plan for 2012-2013, and preparation of the results-based work programme and budget for 2012 and indicative plan for 2013-2014	Review of the implementation of the results-based work programme for 2012 and indicative plan for 2013-2014 and preparation of the results-based work programme and budget for 2013 and indicative plan for 2014-2015
		Review of the implementation of the results-based work programme for 2013 and indicative plan for 2014-2015 and preparation of the results-based work programme and budget for 2014 and indicative plan for 2015-2016
	Ninth Annual Report on Results and Impact of IFAD Operations (ARRI)	Tenth and eleventh ARRIs
	IOE comments on the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)	IOE comments on the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA)
	IOE comments on the Report on IFAD's Development Effectiveness (RIDE)	IOE comments on the Report on IFAD's Development Effectiveness (RIDE)
IOE comments on selected IFAD operations policies (on country presence, gender and private sector) prepared by	IOE comments on selected IFAD operations policies prepared by IFAD Management for consideration by the Evaluation Committee	

<i>Type of work</i>	<i>IOE proposed activities for 2011</i>	<i>IOE proposed indicative plan for 2012-2013</i>
	IFAD Management for consideration by the Evaluation Committee	
	Holding of four regular sessions, and additional ad hoc sessions, according to the Terms of Reference and Rules of Procedure of the Evaluation Committee	Holding of four regular sessions, and additional ad hoc sessions, according to the revised Terms of Reference and Rules of Procedure of the Evaluation Committee
6. Communication and knowledge management activities	Evaluation reports, Profiles, Insights, website, etc.	Evaluation reports, Profiles, Insights, website, etc.
	<u>Evaluation syntheses</u>	<u>Evaluation syntheses</u>
	Attend all OSCs that discuss corporate policies and strategies, COSOPs and selected projects evaluated by IOE. Attend selectively CPMTs, and define criteria for engagement in quality enhancement and quality assurance groups	Attend all OSCs that discuss corporate policies and strategies, COSOPs and selected projects evaluated by IOE. Attend selectively CPMTs, and define criteria for engagement in quality enhancement and quality assurance groups
7. Partnerships	ECG, NONIE, SDC and UNEG partnership	ECG, NONIE, SDC and UNEG partnership
8. Methodology	Fine-tune, as needed, the methodology for PCR validation and PPAs	Fine-tune, as needed, the methodology for PCR validation and PPAs
	Continue to make adjustments to the Evaluation Manual to reflect key emerging issues	Continue to make adjustments to the Evaluation Manual to reflect key emerging issues
	Revise and implement harmonization agreement between IOE and IFAD Management on independent and self-evaluation methodology and processes	Implement revised harmonization agreement between IOE and IFAD Management on independent and self-evaluation methodology and processes
9. Evaluation capacity development	Implementation of activities in partner countries related to evaluation capacity development	Implementation of activities in partner countries related to evaluation capacity development
10. Financial, human resources and administrative management	Activities for strengthening financial, human resources and administrative management including, inter alia, consultants management, evaluation planning and budget monitoring	Activities for strengthening financial, human resources and administrative management including, inter alia, consultants management, evaluation planning and budget monitoring
	Establish the post of IOE Finance and Administration Officer (50 per cent)	

Table 2:
Provisional IOE's proposed activities according to IOE divisional management results and objectives

<i>IOE's objectives</i>	<i>IOE divisional management results</i>	<i>IOE proposed activities for 2011</i>	<i>IOE proposed indicative plan for 2012-2013</i>
Strategic objective 1: Contribute to improving the performance of IFAD-funded policies and operations	DMR 1: High-quality ARRIs and CLEs that provide building blocks for the development and implementation of better corporate policies and processes	Ninth ARRI CLE on IFAD's Private-Sector Development and Partnership Strategy. CLE on efficiency Comments on policies (country presence, gender and private sector)	Tenth and eleventh ARRIs 2012: CLE on supervision and implementation support 2013: CLE on grants policy Comments on policies, as required
	DMR 2: High-quality CPEs that serve as building blocks for better results-based COSOPs	Complete CPEs in Ghana, Rwanda, Viet Nam and Yemen Start CPEs in Haiti, Jordan, Nepal, Uganda to be completed in 2012	Options to be selected from include: the Plurinational State of Bolivia, Burkina Faso, Ecuador, Guatemala, Madagascar, Mauritania, the Philippines, Senegal, the Syrian Arab Republic and the United Republic of Tanzania PCR validations (around 35/year)
	DMR 3: PCR validations and PPAs that contribute to better IFAD-supported operations	PCR validations (around 35/year) PPAs (around 8/year)	PPAs (around 8/year)
Strategic objective 2: Promote effective knowledge management and learning	DMR 4: Systematic communication and outreach of IOE work	Evaluation reports, Profiles, Insights, and website	Evaluation reports, Profiles, Insights, and website
		Internal platforms (OSCs, CPMTs, quality enhancement and quality assurance)	Internal platforms (OSCs, CPMTs, quality enhancement and quality assurance)
		In-country learning workshops	In-country learning workshops
		Partnership: ECG, UNEG, NONIE, SDC	Partnership: ECG, UNEG, NONIE, SDC
		Participation in learning events or meetings of evaluation societies	Participation in learning events or meetings of evaluation societies
DMR 5: Production of evaluation syntheses and ARRI learning themes	Other outreach activities (i.e. CLE gender, CLE private sector, etc.)	Other outreach activities	
	Evaluation syntheses	Evaluation syntheses	
Operational objective 1: Enhanced IOE efficiency	DMR 6: More efficient financial, human resource and administrative management	Analysis of one ARRI learning theme	Analysis of one ARRI learning theme each year
		Activities for strengthening financial, human resources and administrative management including consultants management, evaluation planning and budget monitoring Review of the implementation of the results-based work programme for 2011 and indicative plan for 2012-2013, and preparation of the results-based work programme and budget for 2012 and indicative plan 2013-2014	Activities for strengthening financial, human resources and administrative management including consultants management, evaluation planning and budget monitoring Review of the implementation of the results-based work programme for 2012 and indicative plan for 2013-2014 and preparation of the results-based work programme and budget 2013 and indicative plan 2014-2015

<i>IOE's objectives</i>	<i>IOE divisional management results</i>	<i>IOE proposed activities for 2011</i>	<i>IOE proposed indicative plan for 2012-2013</i>
		Establish the post of IOE Finance and Administration Officer (50 per cent)	Review of the implementation of the results-based work programme for 2013 and indicative plan for 2014-2015 and preparation of the results-based work programme and budget 2014 and indicative plan 2015-2016
Operational objective 2: Methodology development	DMR 7: Methodology development for independent evaluation work	Enhance the methodology for PCR validation and PPAs, harmonize independent and self-evaluation methodology	Enhance the methodology for PCR validation and PPAs
		Continue to make adjustments to the Evaluation Manual to reflect key emerging issues	Continue to make adjustments to the Evaluation Manual to reflect key emerging issues
		Partnership: ECG, NONIE, SDC, UNEG (indirect contribution to this DMR)	Partnership: ECG, NONIE, SDC, UNEG (indirect contribution to this DMR)
	DMR 8: Support to the self-evaluation function of IFAD and its Member States.	Revise and implement harmonization agreement between IOE and IFAD Management on independent and self-evaluation methodology and processes	Implement revised harmonization agreement on independent and self-evaluation methodology and processes.
		Comments on RIDE, PRISMA	Comments on RIDE, PRISMA
		Assessing quality of M&E systems at the project and country level and participating in in-house task force on results measurement	Assessing quality of M&E systems at the project and country level and participating in in-house task force on results measurement
		Implementation of activities in partner countries related to evaluation capacity development	Implementation of activities in partner countries related to evaluation capacity development

Evaluations included in the 2011-2012 work programme, which are now proposed to be dropped or deferred

<i>Nature of evaluation</i>	<i>IOE's proposal to drop or defer and rationale</i>
CLE on IFAD Policy on Supervision and Implementation Support in 2013	The proposal is to conduct this evaluation in 2012, six years after the Board's approval of the supervision policy.
CLE on IFAD's policy dialogue approaches and results in 2012	This evaluation will be deferred to a later date, to make space for other priority CLEs. Policy dialogue performance is being covered in all CPEs done by IOE, and in corporate-level evaluations on specific subjects (e.g. gender, private sector).
Thematic evaluation of a portfolio of projects and programmes on small island developing states in 2012 in the Asia and the Pacific region	This evaluation will be dropped, especially as IFAD has not financed sizeable operations in small island developing states in the past decade.
Thematic evaluation of emergency responses in the Asia and the Pacific region to be undertaken in 2012	Such a thematic evaluation is not considered a priority given IFAD's mandate to promote sustainable rural poverty reduction through investment projects in agriculture and rural development.
Technical assistance in the Latin American and the Caribbean region – time to be determined	This evaluation has been dropped as it is no longer a priority for the relevant regional division.
<p>Project completion evaluations: Cape Verde: Rural Poverty Alleviation Programme in 2011 Egypt: East Delta Newlands Agricultural Services Project in 2012 Haiti: Food Crops Intensification Project – Phase II in 2011 Madagascar: North–East Agricultural Improvement and Development Project in 2011 Mongolia: Rural Poverty-Reduction Programme in 2011 Peru: Market Strengthening and Livelihood Diversification in the Southern Highlands Project in 2012 Senegal: Agricultural Development Project in Matam – Phase II in 2011 Uruguay: National Smallholder Support Programme – Phase II (PRONAPPA II) in 2011</p> <p>Project interim evaluation: Morocco: Rural Development Project in the Mountain Zones of Al-Haouz Province in 2011 Uganda: Rural Financial Services Programme Tunisia: Agropastoral Development and Local Initiatives Promotion Programme for the South-East</p>	<p>All project completion evaluations will be dropped as per the recommendation of the Peer Review of IFAD's Office of Evaluation and Evaluation Function for IOE to move to PCR validations and PPAs.</p> <p>All project interim evaluations will be dropped as the Peer Review of IFAD's Office of Evaluation and Evaluation Function has recommended abolishing the mandatory undertaking of interim evaluations before the preparation and approval of a subsequent phase of a project.</p>

IOE staff levels for 2011

2007 level	2008 level	2009 level	2010 level	2011		
				Professional staff	General Service staff	Total
20	18.5	19.5	19.5	11.5	8	19.5

Human resource category

Human resource category	Number in 2010	Number in 2011
Director	1	1
Deputy Director	1	1
Senior evaluation officers	3	3
Evaluation officers	4	4
Evaluation/communication officer	1.5	1.5
Evaluation research analyst/Finance and administration officer	1	1
Total Professional staff	11.5	11.5
Administrative assistant	1	1
Assistant to the Director	1	1
Evaluation assistants	6	6
Total General Service staff	8	8
Grand total	19.5	19.5

In 2011, IOE will also benefit from the services of three associate professional officers from Belgium, Germany and Sweden.

IOE's general service staff level over years

2005	2006	2007	2008	2009	2010	2011 (proposed)
9.5	9.5	9.5	8.5	8.5	8	8

Proposed IOE budget for 2011

Table 1
IOE's overall budget 2011
(In United States dollars)

	2007 budget ^a	2008 budget ^a	2009 budget ^b	2010 budget ^b (1)	Proposed 2011 budget			
					Real decrease (2)	Price increase ^c (3)	Exchange rate decrease ^d (4)	Total 2011 budget at US\$/EUR=0.8 (5)=(1)-(2)+(3)-(4)
Evaluation work								
Non-staff costs	2 990 565	2 465 565	2 696 000	2 600 000	330 297	29 506	11 209	2 288 000 ^e
Evaluation work								
Staff costs	2 835 130	2 777 012	3 157 851	3 620 204	0	101 366	362 853	3 358 717
Total	5 825 695	5 242 577	5 853 851	6 220 204	330 297	130 872	374 062	5 646 717
Percentage over 2010 budget				100%	5.3%	2.1%	6.0%	90.8%

^a Restated budget. As for the rest of IFAD, figures are restated during the year by IFAD's Strategic Planning Division to take into account fluctuations of the EUR/US\$ exchange rate.

^b As approved by the Governing Council (at the exchange rate of US\$/EUR = 0.79 in 2009 and US\$/EUR = 0.722 in 2010).

^c As for the rest of IFAD and conveyed by the Strategic Planning Division. Price increase for non-staff costs is 1.3 per cent and for staff costs is 2.8 per cent.

^d As conveyed by the Strategic Planning Division, the exchange rate to be applied is US\$/EUR = 0.8, and 100% of staff costs need to be restated with the new exchange rate. It is estimated that around 5 per cent of IOE's non staff costs are in euro and therefore need to be restated.

^e See table 3 for further details on non-staff costs

Table 2
IOE budget as a percentage of IFAD's programme of work
(In millions of United States dollars)

	2005	2006	2007	2008	2009	2010	2011 (proposed)
IOE budget	4.69	4.79	5.69	5.47	5.85	6.22	5.65
IFAD programme of work	500	550	605	650	715	800	1000
Percentage	0.94%	0.87%	0.94%	0.84%	0.82%	0.78%	0.56%

↑
IOE introduced a cap on its administrative budget following the Executive Board's decision (0.9% of IFAD's annual programme of work)

Table 3
IOE budget proposal breakdown for non-staff costs

<i>Cost category</i>	<i>Absolute number</i>	<i>Number in full time equivalent^a</i>	<i>Standard unit costs^b(US\$)</i>	<i>Proposed non-staff costs in 2011 (US\$)</i>
ARRI	1	1	150 000	150 000
Corporate-level evaluations	3	1.8	Differentiated cost based on the scope and nature of issues to be assessed: 300 000-450 000	480 000
Country programme evaluations	8	4.8	Differentiated cost based on the size of the portfolio, size of the country, travel cost and the availability of evaluative evidence: 235 000-315 000	1 195 000
PCR validations	Around 35	Around 35	-	- ^c
PPAs	Around 8	Around 8	20 000	160 000
Evaluation syntheses	1	1	-	100 000
Communication, outreach, knowledge sharing and partnership activities	-	-		88 000
Methodology	-	-		30 000
Evaluation capacity development				25 000
Overhead and miscellaneous costs	-	-		60 000
Total				2 288 000

^a Many evaluations start in a particular year but are completed in the following year. This figure represents the percentage of time that IOE will devote to such evaluations in 2011.

^b Standard unit costs include also the costs for staff travel when necessary.

^c However, this activity will involve around 210 days of staff time (the standard unit cost in terms of staff time is six days/PCR validation).

Table 4

IOE proposed budget allocation (staff and non staff costs) by objective and divisional management result

(In United States dollars)

<i>IOE objectives</i>	<i>IOE DMR</i>	<i>Proposed budget (staff and non-staff cost)</i>	<i>Percentage overall total proposed budget</i>
Strategic objective 1: Contribute to improving the performance of IFAD-funded policies and operations	DMR 1: High-quality ARRI and CLEs that provide building blocks for the development and implementation of better corporate policies and processes	999 446	18%
	DMR 2: High-quality CPEs that serve as building blocks for better results-based COSOPs	1 907 277	34%
	DMR 3: PCR validations and PPAs that contribute to better IFAD-supported operations	689 218	12%
Total for strategic objective 1		3 595 941	64%
Strategic objective 2: Promote effective knowledge management and learning	DMR 4: Systematic communication and outreach of IOE's work	693 008	12%
	DMR 5: Production of evaluation syntheses and ARRI learning themes	461 183	8%
Total for strategic objective 2		1 154 191	20%
Operational objective 1: Enhanced IOE efficiency	DMR 6: More efficient financial, human resource and administrative management	344 802	6%
Total for operational objective 1		344 802	6%
Operational objective 2: Methodology development	DMR 7: Methodology development for independent evaluation work	352 909	6%
	DMR 8: Support to the self-evaluation function of IFAD and its Member States	198 874	4%
Total for operational objective 2		551 783	10%
GRAND TOTAL		5 646 717	100%

Recommendations of the Peer Review and IFAD's governing bodies on IOE's work programme and budget

<i>Recommendations of the Peer Review and IFAD's governing bodies on IOE's work programme and budget</i>	<i>IOE's responses</i>
A. Recommendations of the Peer Review	
The documentation for IOE's workplan submitted to the Evaluation Committee should include an appendix providing the criteria used to set priorities for inclusion of evaluations in the work programme; and listing the requested evaluations that were not included, as well as the evaluations included in the previous work programme approved by the Executive Board that were dropped or deferred	Criteria used to set priorities for inclusion of evaluations in the work programme are described in section V Annex III provides a list of requested evaluations that were not included, as well as evaluations included in the previous work programme approved by the Executive Board but now proposed for elimination or deferral.
IOE should provide a more detailed financial breakdown in the budget submissions to the Evaluation Committee in order for the Committee to assess IOE's budget request and the efficiency with which financial resources are being used	IOE provides more budget information in this document (see annex V)
IOE should present its budget in conformity with IFAD's rules for budget structure and layout	Similar to IFAD's annual administrative budget for 2011, this is the first time IOE has followed the zero-based budget approach and linked its resource requirements to the achievement of key results
Shift the primary responsibility for providing support to the Evaluation Committee and its Chair from IOE to the Office of the Secretary (administrative support and field visit)	This has been taken into consideration by IOE in preparing its work programme and budget (see annex II). There is no provision for the Evaluation Committee visit to be organized by IOE
IOE should move to a scenario in which evaluation of the core operations portfolio is based on validated evidence from PCRs and IOE's project performance assessments. IOE should adopt a lighter, less costly approach for project evaluations - particularly for projects for which satisfactory PCRs have been produced - and drop the costly, intensive project evaluations, replacing them with project assessments drawing more heavily on the available PCRs	This has been taken into consideration by IOE in preparing its work programme and budget (see annex II). IOE will no longer undertake project evaluations, and will start validating all PCRs and undertaking selected project performance assessments
PMD and IOE should ensure full harmonization of their approach in order to facilitate the transition to PCR validation by IOE	This has been taken into consideration by IOE in preparing its work programme and budget (see annex II). The harmonization agreement will be amended to reflect the new roles and responsibilities of IOE and PMD
Transfer responsibility for the agreement at completion point process from IOE to PMD	This has been taken into consideration by IOE in preparing its work programme and budget (see annex II). New process and format for the agreement at completion point will be developed
IOE should produce more syntheses to facilitate learning and the use of evaluation findings	This has been taken into consideration by IOE in preparing its work programme and budget (see annex II). Syntheses will be produced from 2011
IOE should seek opportunities to present evaluation findings in various external forums organized by others	This has been taken into consideration by IOE in preparing its work programme and budget (see annex II). IOE will participate in both internal and external platforms and forum to present evaluation findings
B. Recommendations of IFAD's governing bodies	
In developing the list of CLEs, IOE should consider the commitments that IFAD has to fulfil during the Eighth Replenishment period	This has been taken into consideration by IOE when developing its plan for CLEs (see sections II and IV)

<i>Recommendations of the Peer Review and IFAD's governing bodies on IOE's work programme and budget</i>	<i>IOE's responses</i>
IOE should reflect upon the implications for its work programme and resources of the planned increases in IFAD's overall programme of work in the Eighth Replenishment period	This has been taken into consideration by IOE when developing its work programme (see section II)
IOE should provide more details with respect to its requirements in terms of human and financial resources, including cost of different evaluation activities	More detailed budget information has been provided in this document (see annexes IV and V)
