

Document: EC 2010/64/W.P.2/Add.2  
Agenda: 3  
Date: 7 October 2010  
Distribution: Public  
Original: English

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## Action Plan for the Implementation of the Findings and Recommendations of the Peer Review of IFAD's Evaluation System: Update as of 7 October 2010

### Note to Evaluation Committee members

#### Focal points:

#### Technical questions:

##### **Kevin Cleaver**

Associate Vice-President, Programmes  
Programme Management Department  
Tel.: +39 06 5459 2419  
e-mail: k.cleaver@ifad.org

##### **Luciano Lavizzari**

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

#### Dispatch of documentation:

##### **Liam F. Chicca**

Governing Bodies Officer  
Tel.: +39 06 5459 2462  
e-mail: l.chicca@ifad.org

Evaluation Committee — Sixty-fourth Session  
Rome, 8 October 2010

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For: **Information**

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Update as of 7 October 2010**

<b>Table 1: Major Written Products and Key Actions</b>			
<b>Major Written Products and Key Actions</b>	<b>Deadline</b>	<b>Responsibilities for Preparation and Approving Authority</b>	<b>Current status, deadlines</b>
1. Both Office of Evaluation and management prepare formal written responses to the Peer Review for the information of the Executive Board.	5 April 2010	Management and the Office of Evaluation	IFAD management submitted a management response and following the discussion in the management response in the Evaluation committee, an addendum, both of which were discussed in the 99 <sup>th</sup> Session of the Executive Board (April 2010). Office of Evaluation submitted its written responses, which was discussed at the Committee and the Board in April 2010.
2. The Executive Board, in considering the report of the Panel as well as the views of the Evaluation Committee, Office of Evaluation and management, weighs options and provides guidance, particularly in areas where some of the parties disagree, on key principles and a framework within which the Evaluation Committee, management and Office of evaluation can work together to develop detailed proposals to address the outstanding issues.	April 2010	Executive Board	After an engaging discussion, it was noted that 'there was broad endorsement by all parties of seven overarching recommendations arising from the report'. Further, '... agreement was reached that the Evaluation committee would be responsible for the review of outstanding issues and would benefit from the full assistance and support of the management and Office of Evaluation in this regard.' (EB Minutes para 17). As noted in the minutes, the President has started holding quarterly meetings with the Director, IOE. Overall, the communication and collaboration has improved.
3. Establish the Working Group <sup>a/</sup> to oversee revisions to the Evaluation Policy, President's Bulletin and Terms of Reference and Rules of Procedure of the Evaluation Committee	May 2010	Executive Board upon nomination by the Evaluation Committee	In the deliberations of the Evaluation Committee, the Panel's recommendation that a working group comprising of the chair of EC and 3 members and two members each from the management and IOE was not accepted. Instead, as decided by the Board, the assigned task would be carried out by EC, also benefiting from the full assistance and support of the management and IOE.
4. Revised Evaluation Policy	April 2011 Executive Board	Executive Board after discussion by the Evaluation Committee. Working Group oversees preparation.	As per the recommendation of the Evaluation Committee, IOE will take the lead in preparing the revised Evaluation Policy. IFAD Management will extend the support needed. This document is planned for Board submission in May 2011.
5. Revised President's Bulletin	December	Management and	IFAD Management will undertake this, working closely with the Evaluation

	2011	Office of Evaluation after discussion by the Evaluation Committee. Working Group oversees preparation.	Committee, and IOE, once the Evaluation Policy is approved. If the target date for the Evaluation Policy is complied, it should be possible to issue the PB by December, as envisaged.
6. Revised Terms of Reference and Rules of Procedure of the Evaluation Committee	September 2011	Executive Board after discussion by the Evaluation Committee. Working Group oversees preparation.	Under the guidance of the Evaluation Committee, IFAD Management will prepare a revised draft, submit it to the consultant for review and incorporate recommended changes, if any. IOE will extend the support needed. This will be submitted to the proposed March session of the EC for review and further guidance and submitted to the EB in May 2011 with changes, if any agreed by the Evaluation Committee.
7. Revised Evaluation Manual	June 2012	Office of Evaluation	The evaluation methodology will be enhanced to capture emerging priorities (such as gender, climate change) next year and as required thereafter.
8. Action Plan for Validation of Project Completion Reports	June 2010	Office of Evaluation and Management	IOE has started a pilot in 2010 for validating PCRs. IFAD Management has already extended the support required by IOE. It will provide full access to the PCRs and provide other supports in validating these when full implementation begins.
9. A paper prepared for the consideration of the Evaluation Committee that identifies options for the necessary changes to resolve any possible legal incompatibilities between the Evaluation Policy and the Agreement Establishing IFAD in a way that fully respects the wishes of the shareholders for an independent evaluation function, as expressed under the 6 <sup>th</sup> Replenishment.	September 2010 Executive Board	Executive Board after discussion by the Evaluation Committee. General Counsel, assisted by the Office of Evaluation responsible for the preparation of the paper.	A paper entitled 'Legal Issues Raised in the Report of the Peer Review of IFAD's Office of Evaluation and Evaluation Function' has been circulated.
10. Costed Action Plan for Further Development of the Self Evaluation System	December 2010	Management	IFAD management has started working on a costed Action Plan, keeping also in view of the central role the project completion reports will play in future. This will be submitted for the consideration of the EC in its session of March 2011 and to the EB in May 2011.
11. Review of the Financial Management Systems of the Office of Evaluation	December 2010	Commissioned by Office of Evaluation on behalf of the Evaluation	So far, the Office of Evaluation has undertaken a review of its financial management system and is implementing various activities to strengthen its financial and administrative management. Examples include the requirement to prepare a detailed budget estimates at the outset of each

		Committee	evaluation and submit for approval by Director IOE, or the development of a standard spreadsheet template to allow evaluation officers and assistants to monitor closely the commitments and disbursement made and ensure that IFAD rules have been followed, etc.
12. Biannual Compliance Review the Compliance of the Office of Evaluation with IFAD's Financial Management and Human Resources Policies and Practices	Begins in 2012.	Evaluation Committee using resources allocated to the Committee.	Not yet due
13. Develop the procedures for dismissing the Director of the Evaluation Office	15 September 2010	Evaluation Committee assisted by the Human resources Division and the Office of Evaluation.	The procedures will be captured in the revised Evaluation Policy.
14. Revise the Conflict of Interest Guidelines Covering Both the Staff and Consultants of the Office of Evaluation	15 September 2010	Evaluation Committee. Prepared by the Office of Evaluation and Human Resources Division.	IOE already has conflict of interest provisions for the hiring of consultants which are effective in ensuring that the consultants chosen are in a position to perform their duties and formulate evaluation judgements and conclusions objectively. IOE plans to develop more explicit conflict of interest provisions for its staff members in 2011.
15. A proposal prepared for the Evaluation Committee identifying how the detailed data available in IFAD's financial systems could best be analysed in the context of a results-based budget to strengthen its financial oversight of OE.	1 June 2010	Prepared by Office of Evaluation and the Finance and Administration Department for consideration of the Evaluation Committee.	IOE has reviewed the types of data available in IFAD's financial systems, and used them in the context of developing its results-based budget for the next year, IOE has provided significantly additional amount of financial data to the Evaluation Committee in 2010, to enhance their financial oversight of IOE.

Notes:

a = The Working Group refers to the Working Group suggested in Para 141 (iv) of the report of the Peer Review of IFAD's Evaluation System.

**Table 2: Major Actions to be taken on Recommendations of the Peer Review**

Recommendation and Actions	Ref. to main txt	Evaluati on Policy	President's Bulletin	Evaluation Committee Terms of Reference	Evaluati on Manual	Action Plan to Strengthen Self-Evaluation System	Progress made/ Actions proposed
<b>1. The Executive Board reaffirms its commitment to the principles of IFAD's independent evaluation function and asks the General Counsel to prepare a paper for its consideration that identifies options for the necessary changes to resolve any possible legal incompatibilities between the Evaluation Policy and the Agreement Establishing IFAD in a way that fully respects the wishes of the shareholders for an independent evaluation function, as expressed under the 6<sup>th</sup> Replenishment.</b>	R#1 §#140						EB has broadly endorsed the Peer Review recommendations reaffirming its commitment to the principles of IFAD's independent evaluation function. A paper entitled 'Legal Issues Raised in the Report of the Peer Review of IFAD's Office of Evaluation and Evaluation Function' has been submitted for the consideration of the Evaluation Committee during the meeting being held on 8 October 2010.
a. The institutional and behavioural independence of Office of Evaluation (OE) must be safeguarded by the Executive Board and not compromised.	R#1 §#140	X	X	X			This will be captured in the revised Evaluation Policy.
b. The Executive Board must ensure that management does not create a perception of undermining OE's independence by raising questions about the legal interpretation of certain clauses in the Evaluation Policy concerning the delegation of powers to Director OE to make all personnel decisions related to OE staff.	R#1 §#140	X	X	X			EB has been assured of the President's 'commitment to safeguard the independence of IOE ...' EB Minutes, April 2010
c. The Executive Board must ensure that OE recognises that independence requires the transparent and responsible application of the IFAD's internal control framework.	R#1 §#140	X	X	X			This will be captured in the revised Evaluation Policy.
<b>2. The Executive Board, through the Evaluation Committee, strengthens the oversight and accountability of the Office of Evaluation and its independence from management.</b>	R#2 §#140						This will be captured in the revised Evaluation Policy.
a. The Executive Board, actively supported by the Evaluation Committee, is responsible for all procedures related to appointing, dismissing and supervising Director OE. Management is consulted but has no decision making authority.	R#2 §#140	X	X	X			This will be captured in the revised Evaluation Policy
b. Strengthening the Evaluation Committee and its role in the governance and oversight of OE, including having only Executive Board members and alternates as formal members of the Committee.	R#2 §#140	X		X			This will be captured in the revised Evaluation Policy and Terms of Reference and Rural of Procedure of the Evaluation Committee.
c. More active Evaluation Committee scrutiny of OE's budget request and financial management.	R#2 §#140	X	X	X			This is ongoing. As per the request of the EC, IOE has been providing a significant amount of additional financial data in its work programme and budget document in 2010.
d. Requiring consultation with the Evaluation Committee for any proposed special audit of OE and empowering it, in consultation with the chair of the Audit Committee, to agree to the audit proposal, prescribe an external audit or veto the proposed audit.	R#2 §#140	X	X	X			This will be captured in the revised Evaluation Policy and in the revised Terms of Reference and Rules of Procedure of the Evaluation Committee.
e. Harmonising OE and IFAD practices regarding staff recruitment, appointment and promotion, approval of waivers for consultant fees and procurement, while retaining the delegation of the President's powers to Director OE in these areas and ensuring that any changes do not impinge adversely on OE's independence.	R#2 §#140	X	X				This will be captured in the revised Evaluation Policy.
<b>3. OE harmonises its approach to evaluation with that of Evaluation Cooperation Group good practice by basing OE's portfolio and</b>	R#3 §#140						

Recommendation and Actions	Ref. to main txt	Evaluation on Policy	President's Bulletin	Evaluation Committee Terms of Reference	Evaluation Manual	Action Plan to Strengthen Self-Evaluation System	Progress made/ Actions proposed
<b>project assessments more heavily on evidence drawn from validated Project Completion Reports.</b>							
a. The transition to validating Project Completion Reports (PCRs) should begin immediately with a target date to base the portfolio analysis in the 2011 Annual Report on Results and Impact of IFAD Operations on both validated PCRs and OE's project evaluations.	R#3 §#140	X	X		X	X	IOE has undertaken a pilot to introduce PCR validations and PPAs into its array of products. Starting from 2011, following good practices of other IFIs, IOE will undertake PCR validations for all projects completed in a given year. PPAs will be undertaken taken for around 25% of the projects of which PCRs have been validated. The 2011 ARRI will also be based on the results from PCRs validations and PPAs. Management has been supporting this process fully.
b. Consistent with the ECG approach, management would take the lead for the Agreement at Completion Point process with strong input from OE.	R#3 §#140	X	X		X	X	IOE and management are discussing a new template which will also bring changes in the consultation and drafting process giving a much more enhanced role to the management.
<b>4. IFAD further strengthens the use of evaluation findings, learning and the feedback loop.</b>	R#4 §#140						
a. The Executive Board develops a strategy to use evaluation results better to support accountability and learning.	R#4 §#140	X		X			This will be captured in the revised Evaluation Policy and in the revised Terms of Reference and Rules of Procedure of the Evaluation Committee.
b. Management develops incentives for IFAD to become a learning organisation, so that staff use evaluation findings to improve future operations and IFAD's development effectiveness.	R#4 §#140	X	X				This is an on-going process.
c. OE contributes more actively to IFAD knowledge management work.	R#4 §#140	X	X				Starting from 2011, IOE will not only participate in selected OSCs and CPMTs but also the QE and QA processes, as well as in key platforms that will enable it to share lessons and good practices based on evaluation.
d. OE places more emphasis on knowledge management.	R#4 §#140	X	X		X		Starting from 2011, IOE will not only participate in selected OSCs and CPMTs but also the QE and QA processes. It will also participate in external platforms such as UNEG, ECG, NONIE in order to exchange knowledge and lessons learned and remain engaged in the international debate on evaluation.
e. Greater OE engagement in existing IFAD mechanisms.	R#4 §#140	X	X				Starting from 2011, IOE will not only participate in selected OSCs and CPMTs but also the QE and QA processes
f. OE produces more evaluation syntheses.	R#4 §#140	X			X		Evaluation syntheses have been included as a new product of IOE starting from 2011

Recommendation and Actions	Ref. to main txt	Evaluation Policy	President's Bulletin	Evaluation Committee Terms of Reference	Evaluation Manual	Action Plan to Strengthen Self-Evaluation System	Progress made/ Actions proposed
g. Management extracts information from the PCRs and the self-evaluation system.	R#4 §#140					X	This is already in practice. In fact, RIDE draws heavily from the PCRs in reporting outcomes/impact. More emphasis will be put in future in using PCRs for sharing knowledge, however.
h. OE broadens the forums used to disseminate evaluation findings.	R#4 §#140				X		IOE will continue to participate actively in internal and external learning events to disseminate evaluation findings. It has also started to disseminate electronic copies of evaluation reports rather than following the past practice of distributing printed copies, in order to gain efficiency and reduce costs.
<b>5. OE identifies ways to improve further the quality through use of a broader range of evaluation approaches and methodologies.</b>	R#5 §#140						
a. Change product mix to devote more resources to higher-order evaluations, including those covering aspects of operational corporate management and institutional support for corporate management.	R#5 §#140	X			X		This is ongoing practice. High proportions of IOE resources are allocated for higher plane evaluations (corporate level evaluations and country programme evaluations). Corporate level evaluations on efficiency (including both project and institutional efficiency), on supervision and implementation support are in IOE's work plan for the coming years
b. Avoid an overly standardised evaluation approach.	R#5 §#140				X		IOE continues to invest greater efforts and resources to the preparation of the evaluation Approach Paper, which is the place where the evaluation methodology and approach can be customized taking into account the specific context and requirements of the evaluation
c. Place greater reliance on validated information generated by the self-evaluation system.	R#5 §#140				X		The 2011 ARRI will be based on data from the validation of PCRs. Management has already started supporting this process.
d. Address issues related to ratings and measuring impact.	R#5 §#140				X		IOE will continue to make adjustments to the evaluation methodology to make evaluations rigorous and evidence based, and also address the emerging issues and priorities
e. Continue efforts to address better the <u>why</u> question.	R#5 §#140				X		This is ongoing practice in all IOE evaluations. Further efforts and resources will continue to be invested in understanding the proximate causes of performance. The 2010 ARRI clearly demonstrates IOE efforts in this regard by summarizing at the end of each section the underlying proximate causes of good or less good performance.
f. Strengthen OE's human resources in the areas of both evaluation expertise and operational experience through recruitment when vacancies arise, including encouraging the transfer of operational staff to OE, and through training and professional development of OE staff.	R#5 §#140				X		IOE has been sending its staff to established evaluation training courses and will continue to do so in the future.

Recommendation and Actions	Ref. to main txt	Evaluation on Policy	President's Bulletin	Evaluation Committee Terms of Reference	Evaluation Manual	Action Plan to Strengthen Self-Evaluation System	Progress made/ Actions proposed
g. More effective management and use of consultants.					X		IOE has started working on this by having a clearer definition on the division of labour and responsibilities between IOE staff and consultants in undertaking evaluations in order to eliminate possible duplications. IOE's consultant management working group has been reinvigorated and will continue to work on this issue in 2011.
h. Address various methodological issues.					X		Evaluation methodology will continue to be adjusted to address emerging issues.
<b>6. Management prepares a costed action plan covering the next five years, which establishes priorities and makes the case for additional funding and more staff time within a feasible resource envelope to strengthen the self-evaluation system, so that is it increasingly used to help achieve development results.</b>	R#6 §#140						IFAD management has started working on a costed Action Plan (CAP). , keeping also in view of the central role the project completion reports will play in future. This will be submitted for the consideration of the EC in its session of March 2011 and to the EB in May 2011.
a. Identify ways to extract knowledge systematically to make the self-evaluation system more useful in supporting new policies, country strategies and projects.	R#6 §#140					X	Will form part of the CAP.
b. Continuing to take measures to improve the quality and use of PCRs.	R#6 §#140					X	Management currently monitors the quality of PCRs. The CAP will propose the most optimum way to support the government and IFAD staff to enhance the quality further.
c. Harmonise the Results and Impact Management System with the self-evaluation and independent evaluation systems.	R#6 §#140					X	A review of RIMS is on-going. Necessary changes will be introduced in the IOE evaluation methodology and revised harmonisation agreement.
d. Develop practical ways to improve project level monitoring and evaluation, recognising that this will be a long-term endeavour, including considering whether it is feasible and necessary to undertake three surveys for every project as is envisioned in the design of the Results and Impact Management System.	R#6 §#140					X	The requirement for the RIMS mid-term survey is conditional now. It will be made fully optional henceforth.
e. Identify the priorities and sequencing to request OE to evaluate systematically the various components of the self-evaluation system, using focused real-time evaluations	R#6 §#140					X	Management will work closely with IOE in undertaking such evaluations. IOE will do a CLE on supervision in 2012, and within the context of the CLE on efficiency in 2011 review selected components of the self evaluation system (e.g., quality assurance system)
<b>7. OE improves its efficiency by using more cost efficient approaches, while enhancing quality and effectiveness, in carrying out its programme of work and more efficient ways of undertaking its work</b>	R#7 §#140						Ongoing – IOE has been working on improving its efficiency by introducing an activity plan to strengthen its financial, human resources and administrative management.
a. Efficiency gains for the most part will come from doing things differently to achieve similar outcomes (e.g., validating PCRs; shifting support for the Evaluation Committee and for Executive Board field visits to the Secretary's Office; shifting responsibility for the Agreement at Completion	R#7 §#140	X			X		IOE has completed a pilot project to introduce PCR validations and PPAs into its array of products. Starting from 2011, PCR validations will be undertaken for all projects completed in



Recommendation and Actions	Ref. to main txt	Evaluation Policy	President's Bulletin	Evaluation Committee Terms of Reference	Evaluation Manual	Action Plan to Strengthen Self-Evaluation System	Progress made/ Actions proposed
Point process to Program Management Department).							a given year. Financial resources for the field visit have been removed from IOE budget. IOE and Management are working together on a revised guidelines and template for the ACP process
b. Other measures include changes in the use of the hybrid model, using lighter evaluations when possible, streamlining evaluation processes and strengthening OE's internal management and administrative processes.	R#7 §#140	X			X		<p>IOE has changed its approach to project evaluation to undertaking PCR validations and project performance assessments, which are less costly and can be undertaken more quickly.</p> <p>IOE has allocated fifty per cent time of one existing professional staff position to financial and administrative function. An activity plan to enhance IOE's financial systems, human resource management and administrative processes have been developed and implemented to a great extent.</p>
c. Some of these savings should be redeployed to other forms of evaluation activities (e.g., strengthening the feedback and learning loop, validating PCRs, preparing evaluation syntheses, and undertaking a greater number of lighter evaluations of a variety of policy issues and project assessments).	R#7 §#140	X			X		Done. As indicated in IOE's work programme and budget document, some of the savings have been redeployed to other forms of evaluation activities including PCRs validations, project performance assessments and evaluation syntheses