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Enabling poor rural people
to overcome poverty

Comments of the Office of Evaluation on IFAD's Country Presence Policy and Strategy

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For: Review

Comments of the Office of Evaluation on IFAD's Country Presence Policy and Strategy

1. In line with the provisions of the Evaluation Committee's Terms of Reference and Rules of Procedure, the Committee decided in November 2010 that IFAD's Country Presence Strategy would be discussed by the Committee together with the Office of Evaluation (IOE) comments thereon, prior to the Board's consideration of the policy and strategy at the May 2011 Board session. Moreover, as per established practice, the IOE comments will also be made available to Board members, as an addendum to the policy document.
2. The Field Presence Pilot Programme (FPPP) was initiated in 2004 and evaluated by IOE in 2006-2007. In light of the evaluation findings and recommendations, IFAD's Executive Board decided: i) that IFAD continue implementing 15 country presence activities with further experimentation using different models for country presence; and ii) that IFAD Management undertake a self-assessment of country presence in 2010, and present a country presence policy to the Executive Board in 2011.
3. IOE welcomes IFAD's country presence policy and strategy, and supports the broad directions proposed by the document, as it is overall in line with findings and recommendations from the 2007 FPPP evaluation as well as evaluation evidence collected in various Country Programme Evaluations undertaken after the FPPP evaluation. IOE also commends the strong commitment to promoting country presence, as reflected in IFAD's country presence policy and strategy as well as the attention devoted in particular to non-lending activities (e.g. partnership building, policy dialogue, knowledge management), which are essential contributors to enhance IFAD's development effectiveness in a given country.
4. The policy and strategy proposes several valid country selection criteria for establishing new country offices (e.g. IFAD's programme size, dependency on agriculture, prevalence of poverty, etc). However, it focuses mostly on demand considerations and does not include other key criteria such as e.g. portfolio performance. Moreover, there is no discussion on differentiated approaches to middle-income countries, where IFAD's country presence is likely to have different priorities and requirements, as compared to fragile states and other low income countries. Similarly, the document could have elaborated further on the analysis to elucidate the criteria guiding IFAD to select the most appropriate modality for country presence, for example, out posted CPM from HQ or national officer recruited locally.
5. Currently UNDP is hosting most IFAD country offices (16 out of 27 hosting agreements signed). However, the document recognizes that many offices find that the services provided are only moderately satisfactory. Even though the proposed policy and strategy identify both "UN agencies and other international institutions" for setting up IFAD offices, there is no discussion of advantages/disadvantages based on experience accumulated so far. In general, IOE believes it would be useful to explore opportunities for IFAD country presence to be hosted in the country offices of the multilateral development banks. This would provide a further opportunity for exploring partnerships with such organisations, for example, for scaling up, co-financing and policy dialogue.
6. As far as the alternative modalities for country presence are concerned, the policy and strategy recognises that the out posting of CPMs is behind schedule (6 out posted compared to 12 planned). While the document points to complex accreditation process and lack of incentives as main reasons, it does not provide a comprehensive analysis of the difficulties encountered with the out posting of CPMs

from IFAD Headquarters. The policy also indicates that IFAD human resources policy concerning out posting and re-entry/ rotation is being revised. While this revision is certainly timely and necessary, the strategy should be further complemented by developing internal management procedure to describe the criteria that will be used in the future to justify in which cases CPM out posting is required.

7. The issue of CPM out posting becomes even more central in view of the fact that IFAD country offices are expected to contribute not only to direct supervision, but also to implementation support, country programme development, policy dialogue, and partnership building. IOE believes that the country presence policy and strategy should be followed by internal decisions that show a firmer commitment to outpost 20 CPMs as projected in the strategy paper (paragraph 58) within specific timelines, as independent evaluations are increasingly revealing that out-posting CPMs is more effective as compared to other models of IFAD country presence. The need for clearly articulating a coherent incentives and accountability framework for out-posting CPMs from Rome to the country level is also essential.
8. In this regard, adequate training becomes an essential component of the country presence policy and strategy. While the document mentions commendable efforts undertaken by IFAD in training on supervision, procurement and financial management, the country presence policy and strategy does not mention training in other important areas such as implementation support. In this respect, IOE understands that an intensive one week training was provided following the conclusion of the self-assessment and this will be followed by more training in the future.
9. So far IFAD has established one regional office in Nairobi, which inter alia provides loan administration services for the region. The proposed policy and strategy does not discuss the merits or the possibility to establish additional regional offices in the future. In particular, the possibility of establishing a sub-regional office in India should be included as an explicit provision within the document for consideration of the Board, as contemplated in the India Country Programme Evaluation Agreement at Completion Point, which has been subscribed to by both the IFAD management and the Government.
10. The position of IFAD Country Offices within IFAD organizational structure is not clear from the current IFAD's country presence policy and strategy. The document (section on operational principles and priorities, paragraph 49) indicates that "while IFAD country offices will have some representational responsibilities, its main task will be to contribute directly to IFAD country programmes". In particular, it is important that country presence responds to the requirements of other IFAD organisation outfits beyond PMD (e.g., independent evaluation, communication, legal, loan administration, etc.), which also contribute to improving IFAD's development effectiveness at the country level. That is, the document should more clearly specify the corporate dimension of IFAD's country presence. Moreover country office objectives would benefit from additional reflection as they are not clearly presented and articulated. In this regard, paragraph 39 at the moment mixes objectives with task and activities.
11. IOE is pleased to find a section in the policy and strategy on independent evaluation findings as well as an annex which further describe them. While the main findings summarized in the document (e.g. countries with country presence by and large perform much better on the key dimensions of implementation support, policy dialogue, partnership development and knowledge management) are correct, the document should also clearly refer to areas that need betterment as identified by evaluations.

12. The country presence policy and strategy makes an effort to present the cost implications of country presence. However, it is based on the assumptions that “in absence of the ICOs, these staff would be recruited at IFAD Headquarters in Rome”. If current staff are reassigned, the amount of cost savings would be different.