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Enabling poor rural people
to overcome poverty

Draft minutes of the seventieth session of the Evaluation Committee

Note to Evaluation Committee members

Focal points:

Technical questions:

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

Dispatch of documentation:

Kelly Feenan
Head, Governing Bodies Office
Tel.: +39 06 5459 2058
e-mail: gb_office@ifad.org

Evaluation Committee — Seventy-first Session
Rome, 2 April 2012

For: Approval

Draft minutes of the seventieth session of the Evaluation Committee

1. These minutes cover the deliberations of the Evaluation Committee during its seventieth session, held on 9 December 2011. Seven agenda items were discussed: (i) the draft minutes of the Evaluation Committee's sixty-ninth session; (ii) the 2011 Annual Report on Results and Impact of IFAD Operations; (iii) the Report on IFAD's Development Effectiveness; (iv) the IFAD Private-Sector Strategy; (v) the draft IFAD Policy on Gender Equality and Women's Empowerment; (vi) the provisional agenda of the Evaluation Committee for 2012; and (vii) other business.
2. Canada, Indonesia, Ireland, Mexico and Norway attended the session, with Nigeria in the chair on behalf of India.¹ Observers were present from Egypt, Luxembourg, Netherlands and Sweden. The Committee was joined by IFAD's Associate Vice-President, Programmes, Programme Management Department (PMD); the Director of the Independent Office of Evaluation of IFAD (IOE); the Secretary of IFAD; the Head of the Replenishment Secretariat; the Director of the Policy and Technical Advisory Division; and other IFAD staff.

A. Minutes of the sixty-ninth session of the Evaluation Committee

3. The Committee discussed document EC 2011/70/W.P.2, the draft minutes of the sixty-ninth session of the Evaluation Committee, for approval by members. The minutes were adopted without further changes.

B. Annual Report on Results and Impact of IFAD Operations (ARRI)

4. The Committee discussed document EC 2011/70/W.P.3, the Annual Report on Results and Impact of IFAD Operations – the ninth ARRI prepared by IOE – before its final submission to the Executive Board in December 2011. It also considered IFAD Management's comments on the report.
5. The Committee commended IOE for a well-prepared document, which this year included new features such as: (i) new types of project evaluations (the project completion report validation and the project performance assessment); (ii) a clearer summary of the "why factor" and lessons learned; (iii) comparison of IOE's results with Management's self-evaluation results; and (iv) a dedicated section on the performance of IFAD-supported projects and programmes in promoting gender equality and women's empowerment.
6. Committee members were informed that there was only a small disconnect between the results reported through Management's self-evaluation system and the findings of IOE's independent evaluations. This was deemed encouraging, and a reflection of the increasing robustness of IFAD's overall evaluation system.
7. The Committee recognized the improvement in performance of IFAD-funded projects across several evaluation criteria, including the performance of IFAD as a partner. At the same time, members expressed concern about the performance in some evaluation criteria, such as efficiency, natural resource management, and sustainability. They underscored the need for continued efforts to improve performance in these areas.
8. The Committee took note of the conclusion of the ARRI that, although the performance of IFAD-financed operations continues to be strong in several areas and has improved in others, overall moderately satisfactory performance remains the norm. Further, while the percentage of projects rated as satisfactory or highly satisfactory for overall project achievement has risen, these remain a relatively

¹ The representative from India was in New Delhi for consultations with the Government of India and was therefore unable to attend.

small minority, which shows the need to make efforts to move the bar towards satisfactory performance. The Committee also took note of IFAD Management's explanation that IFAD uses the same norms and standards that other international financial institutions, including the World Bank, apply in measuring their performance.

9. With regard to sustainability, the Committee recognized that although Management had made efforts to address the challenges in this area since 2007, the year in which the topic was addressed as a learning theme by the ARRI, efficiency in projects remained an issue. It pointed out that the forthcoming corporate-level evaluation on efficiency could contribute to providing explanations and finding solutions to enhance the Fund's performance in this area. Members also acknowledged that there could be a trade-off when assessing efficiency and other criteria, which needed to be considered in the future.
10. The Committee discussed IOE findings that the analytical work underpinning country strategic opportunities programme preparation and project design was limited. It suggested that one measure to enhance IFAD's performance in this area would be through partnership with other agencies, including local and international think tanks and research institutions.
11. In response to enquiries from the Committee, IOE clarified the findings related to partnerships with other international financial institutions (IFIs), especially the Asian Development Bank and the African Development Bank. The Committee encouraged Management to review and possibly widen the scope of partnership with these organizations. Management replied that a partnership strategy would be submitted for Board approval in 2012, which, inter alia, would cover partnership with a broad range of institutions including IFIs.
12. Clarifications were provided on the benchmarking exercise. In this regard, IOE noted that in next year's ARRI – the tenth edition – it would undertake a more comprehensive benchmarking study with IFIs and other development organizations to obtain a deeper understanding of how IFAD performs compared with other development actors.
13. Committee members commented on the evolution in the IOE evaluation methodology over the past decade. They suggested that this be highlighted in the next ARRI, given the impact of methodology on the assessment and reporting of results.
14. Regarding improving the quality of monitoring and evaluation (M&E), several Committee members urged that mechanisms be developed to encourage partner governments to incorporate more effective M&E into projects.
15. With regard to the issue of formulating guidelines or principles for counterpart funding from governments for IFAD-funded projects, the Committee encouraged further reflection on this subject in order to promote greater ownership by governments and ensure wider impact on poverty.

C. Report on IFAD's Development Effectiveness (RIDE)

16. The Committee discussed document EC 2011/70/W.P.4, the Report on IFAD's Development Effectiveness, together with IOE's comments on the report prior to its consideration by the Executive Board in December 2011.
17. Both IOE and IFAD Management agreed that there was considerable synergy between this year's ARRI and the RIDE in terms of substance, recommendations and comments. This included the discussion on partnering with other institutions, and the efficiency and effectiveness of IFAD-supported projects.
18. The Committee asked for clarification on partnership arrangements and on other corporate performance indicators, including changes made by the Fund in response to internal audit recommendations, and gender representation at the senior staff

level in IFAD. In providing clarifications to the concerns raised by the Committee, Management informed Committee members of the forthcoming strategy on partnerships to be submitted to the Board for consideration in 2012. At that time, Board members will have the opportunity to have a comprehensive discussion on the subject.

D. Provisional agenda of the Evaluation Committee for 2012

19. The Committee considered document EC 2011/70/W.P.7/Rev.1 – the proposed provisional agenda of the Evaluation Committee for 2012.
20. IOE confirmed that the dates of the forthcoming country visit to Ghana would be 25 to 29 June 2012, subject to the agreement of the Government of Ghana and IFAD's West and Central Africa Division.
21. In the context of the country visit to Ghana, the Committee underlined the importance of facilitating dialogue with the Rome-based agencies at the country level.
22. The Committee noted that the possibility of increasing the participation in country visits of Board members not on the Evaluation Committee would be discussed during the forthcoming meeting of Convenors and Friends.

E. IFAD Private-Sector Strategy

23. The Committee considered document EC 2011/70/W.P.5, IFAD's Private-Sector Strategy, together with IOE's comments thereon.
24. The Committee underlined the importance of a strategy for engaging with the private sector, given this sector's central role in promoting agriculture and rural development especially in the context of IFAD-supported operations.
25. Committee members observed that it was important for IFAD to assess how the private sector viewed the potential of partnering with the Fund. They also acknowledged Management's intention to build on IFAD's existing instruments and to continue developing the expertise, including in country offices, for engaging more actively with the private sector in accordance with the IFAD Strategic Framework 2011-2015.
26. The Committee suggested that the issue of conducting an in-depth feasibility study be addressed during the discussion of the private-sector strategy at the Board. It also emphasized the importance of IFAD grant activities not causing market distortions. On this issue, it was recalled that, under the revised IFAD Policy on Grant Financing of 2009, all proposed grants to the private sector were to be submitted to the Board for approval.

F. IFAD Policy on Gender Equality and Women's Empowerment

27. The Committee discussed document EC 2011//W.P.6/Rev.1, the draft IFAD Policy on Gender Equality and Women's Empowerment, submitted by IFAD Management for preliminary consideration by the Committee.
28. The Committee welcomed the policy and suggested developing concrete mechanisms for resource allocation and accountability, including identifying possible bottlenecks for implementation. Committee members reiterated that the process needed to be overseen by a senior member of the IFAD Management Team.
29. The Committee discussed the possibility of holding a workshop on the United Nations system-wide action plan on gender with participation by the Rome-based agencies, and this suggestion was welcomed by IFAD.