

Document: EC 2012/74/W.P.2
Agenda: 3
Date: 13 November 2012
Distribution: Public
Original: English

E



Enabling poor rural people
to overcome poverty

Minutes of the seventy-third session of the Evaluation Committee

Note to Evaluation Committee members

Focal points:

Technical questions:

Ashwani Muthoo
Acting Director
Independent Office of Evaluation of IFAD
Tel.: +39 06 5459 2053
e-mail: a.muthoo@ifad.org

Dispatch of documentation:

Deirdre McGrenra
Head, Governing Bodies Office
Tel.: +39 06 5459 2374
e-mail: gb_office@ifad.org

Evaluation Committee — Seventy-fourth Session
Rome, 21-22 November 2012

For: Approval

Minutes of the seventy-third session of the Evaluation Committee

1. These minutes cover the deliberations of the Evaluation Committee during its seventy-third session, held on 2 October 2012. Eight agenda items were included in the provisional agenda: (i) opening of the session; (ii) adoption of the agenda; (iii) draft minutes of the seventy-second session of the Evaluation Committee; (iv) results-based work programme and budget for 2013 and indicative plan for 2014-2015 of IOE; (v) update on the progress of the corporate-level evaluation: an assessment of IFAD's institutional efficiency and the efficiency of IFAD-funded operations; (vi) project performance assessment of the Community-Based Rural Development Project in Kampong Thom and Kampot in Cambodia; (vii) project performance assessment of the Rural Recovery and Development Programme in the Republic of Burundi; and (viii) other business, including (a) a briefing on the IFAD Evaluation Policy and the terms of reference and rules of procedure of the Evaluation Committee, and (b) appointment of the Director, Independent Office of Evaluation of IFAD (IOE).
2. All Committee members, with the exception of Luxembourg, attended the session (Brazil, Canada, Egypt, Finland, India, Indonesia, Nigeria and Norway). Observers were present from China, Germany, the Netherlands and the United States of America. The Committee was joined by IFAD's Associate Vice-President, Programmes, Programme Management Department (PMD); the Director, Human Resources Division; the General Counsel of IFAD; the Director, East and Southern Africa Division; the Deputy Director, IOE; the Head, Governing Bodies Office; the Acting Director, Asia and the Pacific Division; and other IFAD staff.

A. Opening and adoption of the agenda

3. The Committee discussed and adopted the agenda for its seventy-third session. It was agreed that the Committee will be briefed on selected aspects of IOE's evaluation methodology during the next Committee meeting in November 2012, following consultations between IOE and PMD on this subject.

B. Draft minutes of the seventy-second session of the Evaluation Committee

4. The Committee discussed the minutes of the seventy-second session of the Evaluation Committee. It was agreed that paragraphs 22 and 26 be amended to reflect changes suggested by Committee members. With these changes, the minutes were approved.

C. Results-based work programme and budget for 2013 and indicative plan for 2014-2015 of IOE

5. The Committee discussed the results-based work programme and budget for 2013 and indicative plan for 2014-2015 of IOE, before its final submission to the Audit Committee in November and the Executive Board in December 2012, and expressed its broad agreement with IOE's proposed objectives, divisional management results, work programme and budget for 2013.
6. It was noted that this version of the document addressed the main comments raised by the Committee and Board members earlier, such as share of consultancy costs, IOE 2012 budget utilization, sequence of evaluation synthesis reports to be produced by IOE ("youth" before "pastoral development"), and other issues. An update on revised indicators, as needed, and targets against IOE key performance indicators will be provided for the December Board meeting in order to include the latest progress in this regard.
7. Several Committee members stressed the importance of including impact evaluations in the IOE work programme and enquired whether the programme contains the requisite resources, including staff time. It was also noted that the

overall budget information will benefit from a more detailed breakdown of consultancy costs, including allocations for fees and travel.

8. IOE responded that the next version of the document will include more detail as suggested by Committee members. It also clarified that impact assessments are included in IOE evaluations, using mostly mixed evaluation methods and techniques. As for quantitative impact evaluations, IOE noted that a senior staff member is serving as a focal point and member of the IFAD-wide working group on this subject. IOE also cooperates closely with structures such as the Network of Networks on Impact Evaluation and the United Nations Evaluation Group on impact evaluation. IOE added that in 2013 it will conduct one impact evaluation within the framework of either a project and/or a country programme evaluation (CPE), using, if necessary, supplementary funds not anticipated in this budget document.

D. Update on the progress of the corporate-level evaluation: an assessment of IFAD's institutional efficiency and the efficiency of IFAD-funded operations

9. IOE briefed the Committee on the progress and time line of the corporate-level evaluation (CLE).
10. Several Committee members stressed that, following the common practice for CLEs, this report should first be presented to the Committee before presentation to the Board. A few speakers noted that, instead of a presentation at an informal seminar of the Board in December as suggested, a presentation should be made to the Committee session in November for a more comprehensive discussion of the report. This presentation should benefit from the presence of the CLE consultants' team leader and, if possible, the consultant responsible for assessing the efficiency of IFAD governing bodies. It was also noted that Committee members would benefit from additional information on the process and methodology of this evaluation, such as the inception report.
11. Several members expressed concern about the delay in producing this CLE and asked whether IOE would be able to share the current interim report, presently being commented on by IFAD Management. Other members noted that the depth of the report warrants more time to allow for proper preparation and to guarantee the high quality of the final output. Several participants were interested in knowing whether similar evaluations have been conducted in other multilateral development banks (MDBs) or United Nations agencies, and stressed the importance of benchmarking as a measure of comparison. They also noted that a more direct dialogue with members of the Board should be established while preparing the background paper on the governing bodies, thus supplementing the questionnaire provided to Board members. Some speakers underlined the importance of independent quality review of this kind of evaluation, including its methodology and conclusions, in order to maintain the robustness and independence of analysis.
12. IOE clarified that it will follow the normal procedure and present the evaluation to the Committee before discussion at the Board session. IOE also noted that there have been no comparable studies on institutional efficiency done in other organizations. It was explained that delays were caused partly by the lengthy process of selecting a consultancy firm, the more complicated than anticipated nature of the evaluation, and the long time required by Management to provide its comments on the interim report. Management noted that the staff concerned have accorded this a very high priority and comments would be provided in the coming days. Management further clarified that consolidation of these comments had proven difficult, given the incomplete nature of the interim report, which was issued prior to the completion of important field visits.
13. As far as the inception report was concerned, IOE noted that it would be able to share the report with Committee members in the interests of transparency. It also underlined that evaluations similar in complexity done by other MDBs took about two years to complete. IOE stressed that the lengthy IFAD bidding process for the

selection of consultants allowed them to deploy high-level expertise with which to produce and peer review the report – a fact that will be reflected in the inception report. This includes two senior independent advisors, who will produce an independent quality assessment of the evaluation: Robert Picciotto (former Director General of the Independent Evaluation Group of the World Bank) and Richard Manning (former Chairperson of the Organisation for Economic Co-operation and Development – Development Assistance Committee [OECD-DAC]).

14. Responding to the request for disclosure of earlier versions of the report and background studies, IOE noted that these documents will be made public once the evaluation is finalized, in accordance with IFAD's disclosure policy. IOE also added that this CLE follows standard procedures in terms of management review and comments, as described in the IFAD Evaluation Policy.
15. In conclusion, the Committee agreed that IOE will prepare a detailed presentation of the main findings of the CLE for the November Committee session, which all other Board members will be encouraged to attend. The presentation will be shared with Committee members about a week before the 74th session. The full report will be reviewed in accordance with standard procedures and presented to the Committee prior to presentation to the Executive Board session tentatively scheduled for April 2013.

E. Project performance assessment of the Community-Based Rural Development Project in Kampong Thom and Kampot in Cambodia

16. The Committee considered the project performance assessment (PPA) of the Community-Based Rural Development Project in Kampong Thom and Kampot in Cambodia.
17. The Committee appreciated that satisfactory results have been achieved in developing human social capital and empowerment, institution-building and innovation and scaling up. It noted good results in increasing agricultural productivity and crop diversification, as well as some of the challenges identified by the evaluation in reaching the target groups and some design issues in the infrastructure component.
18. IOE noted that this is the first presentation of a PPA to the Evaluation Committee and briefed Committee members on the general approach to producing these evaluations, which reflects the recommendations of the peer review conducted by the Evaluation Cooperation Group (ECG).
19. Management commended IOE for preparing a thorough and informative report and complimented the use of economic rate of return analysis as a good practice for this type of evaluation. Overall, Management welcomed the recommendations contained in the report and stressed that they will be taken into account when preparing the next COSOP for Cambodia. Management also noted that the overall rating for efficiency could have been higher, given the high economic rate of return. At the same time, PMD acknowledged that its own rating of this project was on a par with that of IOE because the same methodology was used.
20. On behalf of the Committee member from Luxembourg, Norway briefed the Committee on the field trip to Cambodia and emphasized that the trip showed the value added by IFAD-supported projects. The field visit report underlined the importance of building trust and human capacity, devoting sufficient time to achieve change and development, and presenting best-practice techniques in the field. It also communicated a request from the Government of Cambodia to open an IFAD field office in the country.
21. Committee members welcomed the report and commended its sound methodology and conclusions, including a good understanding of gender issues. They also stressed the importance of identifying clear baselines and using control groups. Some members emphasized the importance of a broader presentation of the

country context, including issues such as land distribution, ethnic minorities, initial conditions and others. In this context, some speakers questioned whether IOE has adequate resources to produce PPAs that contain the full range of information required.

22. IOE responded that it is important to recognize the relatively limited amount of resources available to the division for performing PPAs. Yet, it will consider presenting the country context more broadly in the future, despite the time and resource limits. As far as the overall rating for the project, IOE noted that despite the high efficiency of investments in certain areas, the project design and other impact domains reflected weaknesses that eventually translated into the current rating. Responding to a question about benchmarking this type of project against other donors' projects, IOE clarified that, as a member of the ECG, it uses a harmonized approach to evaluations and that this year's Annual Report on Results and Impact of IFAD Operations will reflect comparisons with other MDBs in more detail. In addition, responding to a query on methodological differences with Management, IOE stressed that it will continue dialogue with PMD in this regard.

F. Project performance assessment of the Rural Recovery and Development Programme in Burundi

23. The Committee discussed the PPA of the Rural Recovery and Development Programme in the Republic of Burundi.
24. The Committee appreciated that the programme was successful in contributing to restoring the productive base and increasing the incomes and food security of targeted households. The programme, designed during the crisis in 1998, provides an important reference point for Burundi, IFAD and the international community active in the country. Management welcomed IOE's evaluation and noted that it would take all recommendations into account in its future work.
25. Some members noted the need for a fuller account of the evaluation methods used and more specificity regarding data and baselines. It was also noted that this and future PPAs should include more information on the role of donor partners and cofinancing. Some speakers emphasized the importance of addressing intrinsic weaknesses in sustainability and institutional development at the community level. It was noted that this PPA adopted a more global approach.
26. IOE clarified that PPAs are constrained in terms of resources, and covering all pertinent issues can be a challenge. It was also noted that partnerships with other donors are normally addressed in detail in CPEs. In the case of PPAs, this issue will be dealt with in more depth in the section on relevance of the design and objectives.
27. Responding to an enquiry about quality control of rating assignments, IOE noted that it is currently following a rigorous internal peer review process that addresses these issues to the extent possible. IOE added that the lack of quantitative data will be addressed in the upcoming Burundi CPE.

G. Other business

- (a) **Briefing on the IFAD Evaluation Policy and the terms of reference and rules of procedure of the Evaluation Committee.** As requested, Committee members were provided with an overview of the Committee's terms of reference and rules of procedure and of the IFAD Evaluation Policy. They were reminded of the Peer Review of IFAD's Office of Evaluation and Evaluation Function and the resulting revisions to both documents.

Regarding an enquiry on the performance evaluation of the Director, IOE, Management explained the procedure followed within IFAD for performance evaluations; that the performance of the Director, IOE, was regulated by the IFAD Evaluation Policy; and that it was within the Committee's purview to decide how to fulfil this obligation. Recognizing that an annual performance report should be completed by the Director, IOE, and the chairperson of the

Evaluation Committee, in consultation with Committee members, the President of IFAD and other stakeholders as appropriate, the Committee agreed that the performance report should be completed at the end of each year and would then be considered by the Committee at the first meeting of the subsequent year.

On the issue of field visits, the Committee emphasized the importance of such visits and agreed that the main issues to consider were: ensuring continued effectiveness; allowing access to Executive Board members who were not members of the Evaluation Committee; observing the principle of equal treatment and the resulting cost implications if all members' travel costs were covered by IFAD; and exploring possible cost savings that could be achieved in order to make field trips sustainable. The Committee would consider these issues further and resume the discussion in the future.

Regarding procedures for interim arrangements for the position of the Director, IOE, the General Counsel noted that procedures are outlined in the IFAD Evaluation Policy. Following those rules, interim arrangements have been agreed to by the Executive Board.

Should the Committee decide to regulate this issue specifically, the General Counsel suggested that the Committee task Management with formulating a draft proposal. The Committee decided to deliberate further on this issue and noted that the item would be included on a future agenda. The Committee would request Management's support in this regard as and when necessary.

Answering a query on the procedure followed for evaluations of cofinanced projects and programmes, IOE explained that the project was evaluated in its entirety and that, in general, evaluation reports were shared with cofinanciers. In this regard, IOE undertook to be more rigorous in applying this practice and to conduct joint evaluations with cofinanciers.

Regarding consultants, IOE outlined the rigorous process undertaken to identify and choose consultant team leaders for CPEs and CLEs. IOE also noted that the evaluation guidelines addressed the issue of conflict of interest.

Finally, it was suggested that summaries, reports and minutes of Committee sessions be more thorough and detailed and that they include more incisive conclusions and recommendations.

- (b) **Appointment of the Director, IOE.** Having received an update on the search panel's activities, the Committee agreed, on a "no objection" basis, to the nomination of Indran Naidoo, Director, Evaluation Office, United Nations Development Programme, and Caroline Heider, Director-General, Independent Evaluation Group, World Bank, to join the panel as independent experts. The panel, thus constituted, would now move ahead and return to the Committee as and when necessary to provide updates on progress made and receive guidance. The Committee also requested that the process followed be recorded for future reference, inclusive of information on costs.

28. In concluding the session, the Committee was informed that, in light of the large workload foreseen for its seventy-fourth meeting planned for 22 November, and in consultation with IOE, an additional day would be needed. The exact timing would be communicated to the Committee and Executive Board in the meeting invitation.