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Enabling poor rural people  
to overcome poverty

## **Minutes of the seventy-ninth session of the Evaluation Committee**

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Evaluation Committee — Eightieth Session  
Rome, 18 November, 2013

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**For: Approval**

## Minutes of the seventy-ninth session of the Evaluation Committee

1. These minutes cover the deliberations of the Evaluation Committee during its seventy-ninth session held on 4 October 2013.
2. Committee members attended the session from Brazil, Germany, India, Indonesia, Japan, Nigeria and Norway. Observers were present from China. The Committee was joined by the Officer-in-Charge, Programme Management Department (PMD); the Officer-in-Charge, Independent Office of Evaluation of IFAD (IOE); and the Officer-in-Charge, Office of the Secretary (SEC).
3. The provisional agenda contained seven items for discussion, as follows: (i) opening of the session; (ii) adoption of the agenda; (iii) minutes of the seventy-eighth session of the Evaluation Committee; (iv) results-based work programme and budget for 2014 and indicative plan for 2015-2016 of the Independent Office of Evaluation of IFAD; (v) project performance assessment of the North-East Development Project in the Republic of Azerbaijan; (vi) country programme evaluation for Ecuador; and (vii) other business.

### **Adoption of the agenda**

4. The Committee discussed the agenda for the seventy-ninth session. The Chairperson explained that the PowerPoint presentation on key emerging findings from the corporate-level evaluation on the achievements of IFAD's replenishments had been removed as a result of the absence of the lead evaluator of this exercise. The Committee postponed consideration of the minutes of the seventy-eighth session of the Evaluation Committee until the next meeting in order to ensure that members had sufficient time for their review.
5. Two items were included under other business: (i) proposed retreat of the Evaluation Committee; and (ii) additional session of the Evaluation Committee on 18 November 2013.
6. The Chairperson informed the Committee that an informal focus group discussion would be held at the end of the session to better capture the priorities and opinions of members concerning the use of the grants instrument at IFAD.

### **Results-based work programme and budget for 2014 and indicative plan for 2015-2016 of the Independent Office of Evaluation of IFAD**

7. The Committee considered the 2014 work programme and budget of the Independent Office of Evaluation of IFAD (IOE), as contained in document EC 2013/79/W.P.3, which also reflected the comments of the Evaluation and Audit Committees, and Executive Board held in September 2013. The document would be submitted to the Audit Committee in November, together with the proposed IFAD administrative budget for 2014, and then the Executive Board in December 2013.
8. The Committee expressed its agreement with IOE's proposed objectives, divisional management results, work programme and budget for 2014. Members welcomed the improvements contained in the document and requested clarification on:
  - (a) **content and rationale for expenses related to communication, evaluation, outreach, knowledge-sharing and partnership.** IOE clarified that these activities covered learning events, participation in the United Nations Evaluation Group and the Evaluation Cooperation Group of the Multilateral Development Banks, and other dissemination initiatives.
  - (b) The rationale for the **cost of the second revision of the Evaluation Manual.** IOE indicated that the costs reflected a large number of activities beyond the production of the manual alone, including the refinement of IOE

methodologies, the integration of international best practices, and a review by a high-level panel of international experts. IOE further highlighted that the costs were of a one-time nature, while the benefits of the manual would be realized over a number of years.

- (c) The **rationale for and level of country programme evaluation costs**. IOE indicated that the allocated amount had decreased compared to the previous submission.
  - (d) The **nature of the 3 per cent carry-over expenses**, and the inadvisability of using these funds to finance regular or recurrent activities. IOE indicated that it utilized these funds for unplanned strategic activities, such as its first impact evaluation exercise, in line with the IFAD carry-over guidelines.
  - (e) With respect to the level of **costs associated with travel**, one member requested clarification on the reason why committed staff travel was budgeted at a lower level than the expected utilization, and suggested that IOE make greater use of economy class travel on a voluntary basis, while another member raised a concern that requiring economy travel for long distances might undermine productivity.
  - (f) The level of **consultants' fees**, and potential room to reduce these costs. IOE indicated that the consultants' fees envisioned for 2014 had decreased, while activities originally planned under a high-case budget scenario had been integrated into the low-case budget scenario, reducing the unit cost of consultants' services. IOE further clarified that it was seeking to expand its use of regional or country-based consultants where possible, and to increase the number of activities undertaken by IOE staff.
  - (g) The criteria for the **scoring of the selectivity framework**. It was explained that IOE carried out this task in consultation with PMD. For example, country programme evaluations were selected on the basis of a review of the size of the country portfolio and the timing of the country strategic opportunities programme (COSOP), in consultation with the regional divisions.
  - (h) With regard to the **middle-income country (MIC) synthesis study**, members requested clarification on the envisioned timing of the study in light of the IFAD10 Replenishment consultations. Concerns were raised about the apparent parallel activities that were being undertaken by Management and IOE, and it was recommended that IOE coordinate the related activities with IFAD Management.
  - (i) One member raised the issue of the corporate-level evaluation of IFAD's **grants** policy, encouraging consideration of the strategic results of the study before September 2014.
9. The Committee took note of the document, members' questions and the clarifications provided by IOE thereon.

#### **Project performance assessment of the North-East Development Project in the Republic of Azerbaijan**

- 10. The Committee considered document EC 2013/79/W.P.4., the project performance assessment of the North-East Development Project in the Republic of Azerbaijan.
- 11. The Committee complimented Management for the quality of the project and IOE for the strength of the evaluation report. Members requested further information on: (i) the use of baseline data, control groups, and attribution issues; (ii) the availability of gender-disaggregated data and analysis; (iii) the sustainability issues encountered; and (iv) the scope of policy dialogue in the project to date.
- 12. With respect to **baseline and follow-up surveys**, IOE noted that these had been undertaken, and that their quality was acceptable, in spite of the absence of a

credible control group. It was further indicated that a quantitative analysis had been carried out on a number of fronts, based on strong monitoring and evaluation data.

13. Disaggregated data on **gender** were available and found to be reliable. Establishing **attribution** had been difficult due to the general economic growth experienced by Azerbaijan during the project period.
14. In terms of **sustainability**, water users' organizations experienced challenges resulting from the centralized establishment of water prices, which made it difficult to set water prices at a level that generated sufficient revenues for infrastructure maintenance. This issue highlighted one potential area of intervention for IFAD in terms of policy dialogue.
15. Members noted the **extra-budgetary contributions** made by the Government of Azerbaijan and the high level of ownership that this implied, and requested clarification regarding the procedure for early repayment of loans. Management indicated that the repayment schedule was defined by the legal agreements and that the initiative for early repayment was at the discretion of the borrowing Member State.
16. A Committee member requested that it be noted in the minutes that Management was encouraged to undertake future enhancement of high-level outreach to the Government in terms of **policy dialogue** in order to make progress in the context of new approaches to middle-income countries. Management indicated that highly successful policy dialogue interventions had been undertaken in a previous project, and that there was scope for continued work in this area, in particular with regard to on-farm management of irrigation schemes. Furthermore, the 2014 midterm COSOP review would reflect on this issue, and focus in particular on the capacity-building undertaken at the grass-roots level, given the significant experience IFAD has gained over time in this area.
17. Another member requested information with respect to the **supervision** of the project. Management indicated that, as per common practice in IFAD, project monitoring and supervision had been undertaken by the United Nations Office for Project Services (UNOPS) prior to 2009, after which IFAD assumed responsibility for direct supervision.
18. Information was also requested on the technical challenges faced as a result of the conversion of larger collective farms into smaller private farms, and the scope for forming producer groups to invest in technology and achieve economies of scale. Management indicated that the previous project had illustrated the importance of policy dialogue on the legal framework for private holding and cadastral surveys in this regard, and that there was strong potential to build on IFAD's experience in this area.

#### **Country programme evaluation for Ecuador**

19. The Committee considered the country programme evaluation of Ecuador, as contained in document EC 2013/79/W.P.5.
20. Members noted the challenging environment facing the country programme, and expressed appreciation for the work done by IFAD given this fact, and also for the balanced study undertaken by IOE.
21. Clarification was requested on: (i) the period of analysis for country programme evaluations and the appropriate lead time for evaluation of operations; (ii) the approach to monitoring in volatile environments; (iii) the location of IFAD staff; and (iv) recommendations for the country programme.
22. Regarding the **period of analysis**, IOE stated that generally a **period of 10 years** is reviewed, but that in this case it extended over 15 years in part because of the limited level of intervention in Ecuador. With respect to the issue of **lead time**, IOE

indicated that the delay in the implementation reduced the attainment of early results.

23. It was clarified that, as a result of the **volatile circumstances**, IFAD had intensified its monitoring activities and missions, as per normal practice, and that rotation of personnel within partner institutions had contributed to challenges in approval and implementation.
24. With regard to the **location of IFAD staff**, Management indicated that the decision on the location of staff was dependent on programme size and regional characteristics, and that an Andean-wide coordination office based in Lima was considered optimal in this case.
25. Some members requested further clarification on specific **recommendations for the country programme**, noting some operational weaknesses in the areas of **gender, monitoring and evaluation**, and **collaboration with other institutions**. IOE indicated that the current focus on productive investments had worked well, and suggested that supporting the Government in its territorial development activities could be considered in the future. Moreover, the Government of Ecuador had already clearly defined public sectoral programmes with which future IFAD interventions would need to be aligned.
26. A member noted the evaluation finding that delayed revision of the COSOP had limited the results and effective implementation of the programme, and underscored the importance of Executive Board discussions of COSOPs in this regard.
27. Another member suggested that, in future, a paragraph describing limitations and methodological issues regarding data collection be included in similar evaluations. From a strategic perspective, members suggested that consideration be given to the range of instruments available to IFAD, and made reference to the IOE suggestion that IFAD be more flexible with its instruments and use them to support programmes rather than projects.
28. One member raised the issue of decentralization of government functions. IOE underscored the importance of providing institutional support to this process which, while incipient and ongoing, could represent a key approach to advancing rural development.
29. Further information was requested regarding the future expansion of IFAD's work with disadvantaged groups. It was indicated that discussions were ongoing with the Government regarding areas to be addressed in the next COSOP, which include: (i) territorial development; (ii) value chains; and (iii) policy dialogue. It was also noted that disadvantaged groups would receive substantial attention in the first of these areas of dialogue.

#### **Other business**

30. The Committee discussed two items under other business: (i) the proposed retreat of the Evaluation Committee; and (ii) the additional session of the Evaluation Committee on 18 November.

#### **(a) Proposed retreat of the Evaluation Committee**

**The Committee agreed that an informal meeting would be held before the 18 November Evaluation Committee session, and that the Chair would make a proposal to Committee members by e-mail in this regard.** The purpose of the informal meeting would be to discuss: (i) the revision of the Evaluation Policy as it pertains to the appointment of the Director, IOE; and (ii) the proposal for an Evaluation Committee annual report.

As agreed at its seventy-eighth session, the Evaluation Committee had asked IOE and Management to prepare a draft report prior to the Evaluation Committee's informal meeting. IOE indicated that some issues needed to be clarified in this regard to ensure that it would be feasible to collaborate on a written proposal by that date. Management indicated that it was prepared to meet this deadline.

(b) **Additional session of the Evaluation Committee on 18 November 2013**

**The Committee agreed that the additional Evaluation Committee session would be held to discuss the revision of the section of the Evaluation Policy pertaining to the appointment of the Director, IOE and the provisional work programme of the Evaluation Committee for 2014.**

31. Clarification was requested on when the corporate-level evaluation on replenishments would be discussed, given that significant progress had been made on the issue, as the Committee would need to discuss the results in time to allow them to inform the process of the Consultation on the Tenth Replenishment of IFAD's Resources. IOE indicated that the item remained on the agenda of the eighty-first session of the Committee.
32. In response to a question from an observer, **the Committee decided that Mexico and China would be invited to the informal session of the Evaluation Committee** owing to: (i) the fact that Mexico would be replacing Brazil on the Evaluation Committee as of 1 November; and (ii) China's chairing of the Ad hoc Working Group on the Appointment of the Director of IFAD's Independent Office of Evaluation. **China would also be welcome at the additional session of the Evaluation Committee**, by which time Mexico would have formally joined the Committee.
33. The Chairperson indicated that the summary notes of the meeting would be shared with members for comments during the next week, and that members would have one week to review and comment on the contents.
34. **The Chairperson raised the issue of the minutes of the closed sessions held during the seventy-fifth and seventy-sixth sessions, indicating that he would discuss the issue with the Secretariat and with the General Counsel, and report back to the Committee via e-mail.**
35. On behalf of the Committee, the Chair expressed his sincere appreciation for the commitment of Brazil's commitment during its term as member and the valuable contribution to made to Committeethe discussions of the Committee during its term as a member. The Chair also thanked the Officer-in-Charge, of the Office of the Secretary for her support and excellent work during the eight months in which she had supported the Committee.