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Project performance assessment of IFAD of the Environment Conservation and Poverty-Reduction Programme in Ningxia and Shanxi (ECPRPNS) - Management response

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Evaluation Committee — Ninety-second Session
Rome, 21 June 2016

For: Review
Project performance assessment of IFAD of the Environment Conservation and Poverty-Reduction Programme in Ningxia and Shanxi (ECPRPNS) - Management response

1. Management welcomes the project performance assessment (PPA) of the Environment Conservation and Poverty-Reduction Programme in Ningxia and Shanxi (ECPRPNS) and the quality of the report.

2. Overall, Management agrees with the assessment of the programme’s performance by the Independent Office of Evaluation of IFAD (IOE) and notes that the assessment recognizes the remarkable contribution made by ECPRPNS to the sustainable reduction in poverty and improvement in environmental conservation in one of China’s poorest areas and the location of some of the worst environmental degradation in the country.

3. Despite a relevant design, Management recognizes that the implementation lag and the thin stretch of the programme weakened the overall relevance and effectiveness of ECPRPNS. Management acknowledges also the complex multisectoral approach adopted by the programme, as well as the shortcomings in monitoring and evaluation (M&E), particularly with regard to the integration of results and impact management system (RIMS) indicators into the overall M&E system of the programme.

4. Management appreciates the PPA recommendations, which are generally already being internalized and acted upon. Management’s view of the proposed recommendations is presented below.

(a) **Targeting**

Continue to focus on chronic poverty and ethnic minorities, but develop more sophisticated strategies to ensure that economically active poor people benefit.

*Agreed.* Management notes the PPA’s suggestion to continue working in poor areas, with a focus on areas that have potential for agricultural production but are environmentally fragile. Management confirms that this will be done as and where appropriate, as per the new targeting strategy being developed under the new country strategic opportunities programme (COSOP). According to the new COSOP, IFAD’s operations from 2016 to 2020 would target: (i) the 14 national poverty priority areas; (ii) within those 14 priority areas, poor villages with production and market potential, not necessarily in very remote locations; and (iii) among the population in the targeted villages: (a) women; (b) rural youth – even those not living below the poverty line – who want to make farming a business; and (c) ethnic minorities, regardless of their poverty status.

(b) **Partnerships**

IFAD needs to engage more strongly in partnerships to improve performance and impact on the ground, and learn from partners’ experiences.

*Agreed.* Management agrees on the general recommendation that in China IFAD should invest more in partnership-building and adopt a more strategic approach to partnership. A number of steps in this direction have been undertaken in recent years. Management is currently enhancing its engagement and collaboration with several partners, particularly at national level, including the International Poverty Reduction Centre in China (IPRCC), the Foreign Economic Cooperation Centre (FECC), various universities and research centers, the Asian Development Bank (ADB) and the World Bank. IFAD is also making a concerted effort to continue expanding its roster of
national and international consultants. It is working to establish collaboration with various institutions, think tanks and research centres to allow it to easily mobilize a broad range of experts in different domains to support the country programme. On learning and knowledge, an IFAD grant to facilitate knowledge generation and learning, as recommended by the evaluation, has been recently approved.

(c) **Monitoring and evaluation (M&E)**

The Programme Management Department (PMD) should: (i) design key performance indicators that are linked to the intervention’s logic and that can be monitored and evaluated at the programme level; (ii) build on national data systems; and (iii) secure credible data at programme completion. **Agreed.** Management is pleased to inform IOE that PMD, in collaboration with the Strategy and Knowledge Department (SKD), has initiated an upgrading process for the M&E systems and tools used by IFAD projects and programmes. The main element of the upgrading is the central role of the logical framework in the self-evaluation process throughout the project cycle, to ensure alignment with the intervention logic. Other elements include: (i) an M&E training curriculum that is to be delivered through an international service provider, to enhance M&E capacity in projects and national institutions; (ii) alignment of the supervision and completion reporting processes and guidelines to ensure coherent and credible results measurement throughout the project cycle; and (iii) a reform of the RIMS framework covering indicators, reporting processes and methodologies. Further, all these changes are being initiated in alignment with IFAD’s improved understanding of impact assessment.

Going forward, Management is confident that the upgraded self-evaluation and M&E processes will address the issues raised in the evaluation recommendation.

5. Management thanks IOE for the productive process and is committed to internalizing the lessons learned and outcomes of this exercise to further improve the performance of IFAD-funded programmes in China and elsewhere.