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Investing in rural people

Comments of the Independent Office of Evaluation of IFAD on the document "Taking IFAD's Results and Impact Management System (RIMS) to the Next Level"

Note to Evaluation Committee members

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Comments of the Independent Office of Evaluation of IFAD on the document "Taking IFAD's Results and Impact Management System (RIMS) to the Next Level"

Note to Executive Board representatives

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Executive Board — 120th Session
Rome, 10-11 April 2017

For: Review

Comments of the Independent Office of Evaluation of IFAD on the document "Taking IFAD's Results and Impact Management System (RIMS) to the Next Level"

1. Background. The proposal submitted by IFAD's Management, ''Taking IFAD's Results and Impact Management System (RIMS) to the Next Level'' (EB 2017/120/R.7) has its genesis in the IFAD Development Effectiveness Framework that has been designed as the next logical step in IFAD's evolution as a results-based organization. A key activity proposed therein was to reform the RIMS by cascading IFAD corporate goals through country programmes and projects and to revise the current set of RIMS indicators and the method for measuring them.

2. As a result, a set of core indicators (CIs) has been developed at the output and outcome levels. By reducing the number of indicators, simplifying their measurement requirements and ensuring their relevance to project management, the proposed CIs will be more effectively mainstreamed in project monitoring and evaluation (M&E) systems. The document also lists the procedure for putting the CIs into operation and the capacity-building efforts to ensure their successful implementation.

3. In line with the IFAD Evaluation Policy (2011), the Independent Evaluation Office of IFAD (IOE) welcomes the opportunity to make comments, as contained in the following paragraphs.

4. General comments. IOE commends IFAD Management for its efforts in revising the RIMS framework, which is a reflection of the organization's increasing attention to improving project-level M&E towards measuring and reporting on results achieved by IFAD-funded interventions. It is also an indication of the Fund's resolve to learn from its operations and from independent evaluations, to improve the design and implementation of ongoing and future operations.

5. IOE appreciates the alignment and clearer linkages established between the RIMS and the new strategic objectives and areas of thematic focus of IFAD's Strategic Framework 2016-2025, as well as clearer linkages to the Sustainable Development Goals, the reduction and streamlining of the number of indicators and the inclusion of resources for project M&E in the Country Strategic Opportunities Programmes (COSOPs), including additional dimensions of data disaggregation.

6. There is, however, scope to further strengthen the methodological underpinning of the new RIMS framework. In this connection, based on a thorough review of the document presented by Management, IOE wishes to raise comments that merit reflection and discussion as IFAD moves forward with the roll-out plan of the new RIMS CIs. These are related to: (i) the measurement of impact on rural poverty; (ii) the measurement of outcome-level indicators; (iii) the aggregation of results; and (iv) definitions of selected indicators.

7. Measurement of rural poverty impact. The RIMS was established in 2003 with the purpose of measuring and reporting on the results and impact of IFAD-supported operations. The new proposed framework includes only CIs at the output and outcome levels to be embedded in project M&E systems, hence excluding the measurement of rural poverty impact on the ground from the RIMS.

8. The Research and Impact Assessment Division (RIA) will assess the latter through the impact assessment programme, focusing mainly on a subset of projects (15 per cent of the whole portfolio); and the results of this analysis will be projected to the portfolio. In this regard more clarity is needed as to:

   (i) The methodology and techniques for extrapolation that will be used to project the results of the impact analysis by RIA;

(ii) The complementarity between RIMS CIs and impact indicators measured by the Impact Assessment Initiative (IAI). Section V (paragraph 11) emphasizes that the CIs were developed consistently with the IAI, which is reassuring. Nonetheless, the document does not include a broader description of the linkages among output- and outcome-level CIs and the impact indicators measured by RIA; and

(iii) The assessment and reporting on rural poverty impact for the remaining 85 per cent of the projects. On the one hand, as explained in paragraph 12, all projects will be expected to report their impact on rural poverty reduction,[1] and countries will be encouraged to conduct impact assessments with support provided by IFAD through the two M&E capacity-building initiatives. On the other hand, since projects are no longer required to undertake baseline and endline surveys (paragraph 10, bullet 4), this may act as a disincentive to measuring impact.

9. Measurement of outcome-level indicators. Projects will assess outcome indicators using the annual outcome survey (AOS) methodology piloted in the Asia and the Pacific region, which is considered a successful practice. In this regard, the document would benefit from including a broader explanation of why this specific outcome assessment methodology has been successful and of the relevant shortcomings and issues encountered during its implementation. Outcome surveys are an improvement in IFAD's measurement practices. However, in the past, IOE has identified methodological shortcomings in outcome surveys to be addressed in the future. In particular, as noted by the IOE's country programme evaluations in India and Bangladesh, outcome surveys did not test for the statistical significance of differences between project and non-project (comparison) households; and they did not discuss the sampling strategy adopted and its implications for comparability between project and non-project samples. Improving upon these shortcomings should not entail significant cost increases.

10. Recent or new projects (e.g. those approved from September 2017 onwards) are expected to report on outcomes by 2019; but this seems somewhat ambitious since projects usually take until midterm to report on results at the outcome level.

11. Lastly, paragraph 27 mentions that: "As all outcome indicators are effectively new, in the initial years of their roll-out they will be considered as pilots to be refined over time (along with the associated AOS survey questionnaires) as experience is gained." Given the time and resources needed to implement, measure and report on the new CIs, it might be useful to conduct some pilot studies initially with clear deadlines (perhaps one in every region or for every thematic area), before rolling out the indicators comprehensively.

12. Aggregation and reporting to IFAD's governing bodies. The roll-out plan indicates that CIs will be introduced in all projects to be considered by the Executive Board as from September 2017, as well as retrofitted to ongoing projects closing in 2019 or after. However, projects that are currently reporting on any of the RIMS indicators in level 3 of the IFAD10 Results Measurement Framework (RMF) will need to continue doing so until their completion, to allow for complete reporting on the IFAD10 RMF. There will thus be a set of projects that report on both the old RIMS indicators and the new CIs. While the document notes that more detailed provisions on the reporting modality will be provided later, it would be useful if it could at least give an idea of the likely burden on projects of this extra requirement (e.g. resources for undertaking an AOS for outcome CIs not earmarked at the time of project design, etc.) and how this can be overcome.

[1] The new harmonization agreement between IFAD's self- and independent evaluation systems requires IFAD-funded projects to continue to assess rural poverty impact.

13. Definitions of selected indicators. At the impact level, the indicator on the "Number of people with greater resilience" (table 1) could be defined more clearly. Among the CIs (table 2), Management might consider revisiting the indicators for SO2 "Increase poor rural people's benefits from market participation", as the associated output and outcome indicators do not directly relate to market access. On the CIs related to nutrition (table 2), while the percentage of women reporting improved dietary quality is welcome progress, a reference to a more widely established indicator, such as stunting, would facilitate comparison with the work of other international partners.

14. Final remarks. IOE reiterates its appreciation for the efforts made by IFAD to revisit its results-reporting system (RIMS), to make it simpler, more streamlined and receptive to the organization's changing needs, and also the considerable amount of work that this requires and efforts to overcome the challenges encountered.

15. IOE encourages Management to carefully consider the above comments as it proceeds with the revision of the RIMS framework; and it remains available for further dialogue on the matter.