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# President's report on a proposed grant modification under the global/regional grants window to a non CGIAR-supported international centre

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#### Note to Executive Board representatives

#### Focal points:

Technical questions:

Josefina Stubbs Associate Vice-President Strategy and Knowledge Department Tel.: +39 06 5459 2318 e-mail: j.stubbs@ifad.org

Alessandra Garbero Lead Econometrician Impact Assessment Cluster Tel.: +39 06 5459 2458 e-mail: a.garbero@ifad.org Dispatch of documentation:

Alessandra Zusi Bergés Officer-in-Charge Governing Bodies Office Tel.: +39 06 5459 2092 e-mail: gb\_office@ifad.org

For: Approval

# Recommendation for approval

The Executive Board is invited to approve the change in grant recipient from the Partnership for Economic Policy, Inc. to the International Initiative for Impact Evaluation (3ie), as contained in paragraph 7.

# President's Report

International Initiative for Impact Evaluation (3ie) – Technical Support to Ex post Impact Evaluation of Rural Development Projects

#### I. Background

- 1. IFAD is mandated to improve rural food security and nutrition, and to enable rural women and men to overcome poverty. During the Ninth Replenishment of IFAD's Resources (IFAD9), the Fund committed itself to: reaching 90 million people; contributing to moving 80 million people out of poverty from 2010 to 2015; demonstrating this by undertaking 30 rigorous impact assessments of projects completed during the same time frame; and providing a synthesis of lessons learned (on poverty reduction and impact evaluation methods) by end-2015. The approach to delivering on these commitments is described in Methodologies for Impact Assessments for IFAD9 (EB 2012/107/INF.7).
- 2. In November 2014, the Executive Board approved a large grant of US\$750,000 to the Partnership for Economic Policy, Inc. (PEP) (EB 2014/LOT/G.16). This grant specifically provides Technical Support to Ex post Impact Evaluation of Rural Development Projects in Kenya and Madagascar and is in line with the goal and outputs of the revised IFAD grant policy in that it: (a) focuses on the pro-poor capacity of partner institutions; and (b) supports corporate priorities, as expressed in corporate management results (better country programme management, and better project design, implementation support and international engagement and partnership). The programme is also in line with the IFAD Strategic Framework 2011-2015, the IFAD Medium-term Plan 2016-2018 and the strategy of IFAD's Strategic Planning and Impact Assessment Division.
- It was agreed at the project design phase, and specified in document EB 2014/LOT/G.16, that the International Centre of Insect Physiology and Ecology (ICIPE) would act as grant administrator of the project, through a tripartite agreement with IFAD, PEP and ICIPE.
- 4. All parties agreed to the tripartite arrangement and the standard terms and conditions of the grant at the time of project design. However, in 2015 negotiations were initiated among the parties on the specific terms and conditions of the grant and tripartite agreement, and a consensus of all stakeholders could not be reached. The planned impact evaluations in Kenya and Madagascar are important elements in measuring the overall IFAD9 commitment to reach 90 million people and contribute to moving 80 million people out of poverty from 2010 to 2015. Not carrying out these evaluations would lead to a reduction in the data required to measure the number of people moved out of poverty. Thus, in order to conduct the evaluations as planned, and having analyzed the advantages and disadvantages of transferring the project to another institution, IFAD proposes that this project be transferred to the International Initiative for Impact Evaluation (3ie). All other terms and conditions of the original proposal remain unchanged.

# II. Proposed new grant recipient

- 5. The new grant recipient, 3ie, is a non-profit corporation, centre of excellence and leading institution in the field of impact evaluation. 3ie funds impact evaluation of development interventions, offers resources and training and provides quality assurance. Its vision is to improve lives through impact evaluation, and its mission is to increase development effectiveness through better use of evidence in developing countries. Its aims are to: generate new evidence of what works; synthesize and disseminate this evidence; build a culture of evidence-based policymaking; and develop capacity to produce and use impact evaluations.
- 6. IFAD and 3ie are currently working in partnership, through a separate grant, to improve IFAD's evaluation capacity to generate strong evidence of project outcomes and impact (including poverty reduction, empowerment and economic resilience). The activities cover 24 participating countries, with 3ie reviewing key impact evaluation documents and providing quality assurance. A combination of its knowledge of IFAD's requirements, gained through this partnership, together with 3ie's expertise in the field of impact evaluation, makes IFAD consider this institution as the best candidate to replace PEP and carry out the Kenya and Madagascar impact evaluations. In addition, 3ie has the required financial management capacity to administer the grant funds.

#### III.Recommendation

7. I recommend that the Executive Board approve the proposed change to the grant in terms of the following resolution:

RESOLVED: that the Fund, in order to carry out the evaluations in Kenya and Madagascar under the Technical Support to Ex post Impact Evaluation of Rural Development Projects approved by the Executive Board through its lapse-oftime procedure in November 2014, approve the change of grant recipient from the Partnership for Economic Policy, Inc. (PEP) to the International Initiative for Impact Evaluation Inc. (3ie).

> Kanayo F. Nwanze President