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Investing in rural people

President's Report on a Proposed Grant under
the Global/Regional Grants Window to the
Center for Evaluation and Development
(C4ED) for the Theory and Practice of Impact
Assessment in Developing Countries

Note to Executive Board representatives

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For: Approval

Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed grant as contained in paragraph 14.

President's Report on a Proposed Grant under the Global/Regional Grants Window to the Center for Evaluation and Development (C4ED) for the Theory and Practice of Impact Assessment in Developing Countries

I. Background and compliance with IFAD Policy for Grant Financing

1. The High-Level Political Forum is the main United Nations platform on sustainable development and has a central role in reviewing and following up on the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) at the global level. During 2017, countries from all regions participating in the High-Level Political Forum reported significant challenges in collecting accurate and reliable data on the indicators needed to measure progress towards the SDGs. Common themes across regions include the need to address data gaps and build national and regional statistical capacities. Several developing countries have limited technical capacity to collect data, track progress and measure and evaluate development results to inform decision-making – particularly within rural areas.
2. It is widely agreed that the ability to measure and track progress towards the SDGs in rural areas – and learn from that process – requires substantive technical capacity, sound monitoring and evaluation (M&E) systems, and rigorous impact assessments of rural development projects.
3. Substantial efforts have been made to improve the capacity of project staff in developing countries for designing sound M&E systems that facilitate rigorous impact assessments. Typically, impact assessments are implemented by international firms and little in-country capacity is built. The proposed programme will assist project staff and other stakeholders in understanding the importance of impact assessments and their logical frameworks, and equip them with tools for successful implementation. This knowledge will be applied by implementing a rigorous impact assessment with technical assistance and supervision from qualified and experienced specialists. The proposed programme will therefore contribute to setting a higher global standard of evidence on the impact of rural development projects and data quality in developing countries.
4. The proposed programme is in line with the goal and objectives of the IFAD Policy for Grant Financing (2015).¹ It is also fully aligned with the objectives of IFAD's Grant Policy and Strategic Guidance for Grants 2018 Thematic Cluster 3: Better results measurement, since it aims to generate data for improved monitoring of progress on SDGs 1 and 2 in rural areas worldwide that are ready for use by international organizations, governments, national and local institutions, farmers' organizations and others. In line with IFAD's Strategic Guidance for Grants 2018 Priority Area 3: Information technology and applications, the project will use information technology to make these data available to all people, including small farmers and their organizations, in order to improve identification, monitoring, and evaluation of opportunities. Finally, it is aligned with the commitments to the Eleventh Replenishment of IFAD's Resources (IFAD11).

¹ See EB 2015/114/R.2/Rev.1.

II. The proposed programme

5. The overall goal of this programme is to enhance in-country capacity for conducting impact assessments of rural development projects in developing countries, especially for officers from governments and development institutions (including those involved in M&E). The objectives are to:
 - (i) Strengthen in-country capacity for conducting rigorous impact assessments of rural development projects by identifying successes and failures in components of various projects, and the mechanisms for implementing sound assessments, which will facilitate evidence-based design of future projects and programmes;
 - (ii) Learn lessons from experience gained through the implementation of rural development projects about their impacts on targeted beneficiaries and barriers encountered, particularly with relation to IFAD's Strategic Objectives of economic mobility, productive capacity, market access and resilience; and
 - (iii) Measure the effectiveness of rural development projects, which will contribute to the global knowledge base on rural development, strengthened by data from impact assessments in different national and regional contexts on different aspects of rural development, informing future policies and project designs, and scaling up successful interventions and best practices.

6. The target group will be composed of both direct and indirect beneficiaries.

The direct target group will include:

- (i) Government officers, development institution staff, researchers and employees of national statistical offices, researchers and practitioners from national universities, and research institutions in developing countries, totalling at least 600 (100 in each of six projects) trained on impact assessment methodologies, and given hands-on experience in designing and conducting high-quality impact assessments of rural development projects;
- (ii) At least 300 (50 from each project) staff from rural development projects, whose M&E systems will be improved as a result of lessons learned and best practices garnered from the training; and
- (iii) Other development practitioners, policy makers, technical specialists and researchers who will increase their skills through the extension of training and other capacity development via an online learning platform established by IFAD and C4ED, which will include data and results from these impact assessments. Data availability, tools, instruments and reports will also be expanded as an outcome of these impact assessments.

The indirect target group will include:

- (i) Beneficiaries of rural development projects will benefit from enhanced capacity to design theories of change following a results-based approach. These beneficiaries will also have increased capacity to assess and monitor the progress of rural development projects through improved M&E systems and high-quality impact assessments. The knowledge, evidence, and lessons from rigorous impact assessments will allow governments and development partners to design evidence-based projects and policies, and scale up existing initiatives to improve rural livelihoods.
- (ii) Governments of developing countries and the rural development community will benefit from this project through strengthened capacities of development practitioners to design and conduct rigorous impact assessments in developing countries. The project will also benefit governments and the broader development community as the knowledge and lessons from impact assessments informs their programming and investment decisions.

- (iii) Insights from rigorous impact assessments constitute public goods. They will help to promote successful projects that can be scaled up to the national level or adapted for other countries or settings. Governments, United Nations agencies (including IFAD), international donors and other development organizations can learn evaluation lessons from peer institutions. For this reason, IFAD staff are not considered beneficiaries of this programme.
7. The programme will be implemented over three years (36 months) and will have the following components:
- (i) Building capacities for impact assessments: This component will comprise in-depth training on the importance of conducting rigorous impact assessments, including methodological approaches, design, tool development and data quality. It will focus on the implementation of impact assessments in rural development projects utilizing a standardized management system that covers all stages of the assessment cycle and ensures consistency across countries.
 - (ii) Building experience in impact assessment: The individuals trained through component 1 will be included in teams conducting impact assessments together with technical specialists from C4ED. Their tasks will include developing a sampling strategy to ensure proper attribution of impacts, designing survey questionnaires, collecting high-quality data, conducting analysis and disseminating results.

III. Expected outcomes

8. The programme is expected to have the following outcomes:
- (i) Officers, development practitioners and employees of research and statistical offices will have increased capacity to design and implement impact assessments, and gain experience from conducting them in the field. This includes technical capacity to implement impact assessment activities through all stages of the impact assessment cycle.
 - (ii) Selected project teams will have greater knowledge of how impact assessments are conducted and be able to track project beneficiaries, impacts achieved and results.
 - (iii) Selected rural development projects will be measured rigorously, including results and impacts.
 - (iv) Governments, development partners, researchers and other stakeholders will have more evidence of the impacts of selected interventions to make informed programming and investment decisions.
 - (v) The global evidence base will be enhanced with results generated through assessed impacts of rural development projects.

IV. Implementation arrangements

9. C4ED, based in Mannheim, Germany, was selected to implement this programme through a competitive process. C4ED includes a team of researchers with experience conducting mixed-method research (quantitative and qualitative) using impact-assessment methodologies. It has a substantial track record of research, learning, and capacity-building initiatives related to rural development and agricultural projects. It is also present in several countries within each of the five regions in which IFAD operates.
10. IFAD's Research and Impact Assessment Division and Operational Policy and Results Division will be responsible for tracking progress, discussing implementation issues and obtaining outputs from C4ED. C4ED will report to IFAD as required.

11. C4ED guarantees access to data and relevant materials by IFAD. Any publications or knowledge products resulting from the activities implemented through this grant will receive clearance from IFAD before public dissemination.
12. There will be no deviations from IFAD's standard procedures for financial reporting and audits.

V. Indicative programme costs and financing

13. The total budget of the programme is US\$3,942,000, with IFAD financing constituting US\$3,280,000 and in-kind cofinancing totaling US\$662,000.

Table 1
Costs by component and financier
(Thousands of United States dollars)

<i>Components</i>	<i>IFAD</i>	<i>C4ED</i>	<i>Total</i>
1. Building capacities for impact assessments	469	137	606
2. Building experience in impact assessments	2 396	428	2 823
3. Project management	172	98	270
4. Overheads	243	0	243
Total	3 280	662	3 942

Table 2
Costs by expenditure category and financier
(Thousands of United States dollars)

<i>Expenditure category</i>	<i>IFAD</i>	<i>C4ED</i>	<i>Total</i>
1. Salaries and allowances	976	662	1 638
2. Consultancy	570	0	570
3. Equipment and materials	108	0	108
4. Operating costs	295	0	295
5. Training	328	0	328
6. Travel and allowances	760	0	760
7. Overheads	243	0	243
Total	3 280	662	3 942

VI. Recommendation

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

RESOLVED: that the Fund, in order to finance, in part, the Theory and Practice of Impact Assessment in Developing Countries, shall provide a grant of three million two hundred and eighty thousand United States dollars (US\$3,280,000) to the Center for Evaluation and Development (C4ED) for a three-year programme upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

Gilbert F. Hougbo
President

Results-based logical framework

	Objectives hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
Goal	Enhance in-country capacity to conduct impact assessments of rural development projects in developing countries, especially of officers from governments and development institutions (in particular officers involved in M&E)	Number of rural development projects in development countries with improved in-country capacity to conduct impact assessments by officers from governments and development institutions (in particular officers involved in M&E) by the end of 2021	Tracking of number of rural development projects adopting the impact assessment methodologies to rigorously evaluate; downloads of online self-paced training materials and supporting documentation; and citations as well as references of knowledge products produced	Training materials and hands-on participation in the impact assessment activities suitable to rural development project staff and are taken up for future project design and implementation
Objectives	<p>1. Strengthen the in-country capacity to conduct rigorous impact assessments of rural development projects through identification of successes but also of failure of the various components of the projects carried out and of the mechanisms to achieve them, which would facilitate evidence-based design of projects and programmes in the future</p> <p>2. Learn lessons from experience gained on implementation of rural development projects about effects and reachability on targeted beneficiaries as well as on potential barriers encountered on overall projects and particularly with relation to IFAD strategic objectives, namely economic mobility, productive capacity, market access, and resilience outcomes</p> <p>3. Measure the effectiveness of the rural development projects, which will contribute to the global knowledge on what works in rural development and what does not, strengthened by the conduction of impact assessments in different countries and regional contexts as well as different aspects of the general topic of rural development, which will feed into future policies and project designs and scale up successful</p>	<p>1. Number of people trained to improve capacity to conduct impact assessments of rural development projects by the end of 2021s</p> <p>2. Results and findings from six rural development projects assessed generated on outcomes related to economic mobility, productive capacity, market access, resilience, and food security shared with relevant stakeholders by the end of 2021</p> <p>3. The findings as well as lessons learned and best practices from the impact assessments of all six projects are consolidated, and are taken up by development practitioners and policy makers for project design and implementation as well as policy dialogue disseminated in workshops, conferences, publications by the end of 2021</p>	<p>1. Ability of trained people to conduct impact assessments of rural development projects</p> <p>2. Synthesis report and data set available</p> <p>2. Report of each Impact Assessment</p> <p>3. Knowledge products</p>	<p>1. Project participants continue to adapt and deepen their acquired knowledge on impact assessments.</p> <p>2. The impact assessments can be conducted within the given timeline. Delays due to external circumstances can be avoided.</p> <p>3. Findings of the impact assessments give new insights of the effectiveness of rural development projects</p>

	Objectives hierarchy	Objectively verifiable indicators	Means of verification	Assumptions
	interventions and best practices			
Outcomes/ Outputs	<ol style="list-style-type: none"> 1. Project participants increase their knowledge on how to design and conduct impact assessments of their projects 2. Project participants apply this knowledge in the field by conducting a real impact assessment 3. The selected six projects are rigorously assessed, and results are reported 4. Governments and other stakeholders of the projects have more evidence available helping them to make informed decisions on the projects 5. The generated evidence increases the evidence base of rural development projects 	<ol style="list-style-type: none"> 1. Trainings delivered 2. Attendance during trainings is high (30-40 participants per country) 3. Six rural development projects are assessed by project participants and reports are written (with technical guidance and under supervision of C4ED). 4. New project designs and scale up of previous projects reflects the results of IA reports 	<ol style="list-style-type: none"> 1. Attendance lists 2. Cleaned data sets 3. Country reports and synthesis report 4. Knowledge products 5. Presentations at final workshop 	<ol style="list-style-type: none"> 1. Project staff are not prevented to attend local workshops due to unforeseen circumstances. 2. The rural development projects have measurable impact and can be assessed ex post.
Key activities by component	<p>Component 1</p> <ul style="list-style-type: none"> - Selection of rural development projects - Selection of participants - Preparation of Training, Desk review - Training on Impact Assessments / Scoping Mission <p>Component 2</p> <ul style="list-style-type: none"> - Development of impact assessment plans - Development of tools and instruments - Preparation of data collection - Data collection - Data cleaning and data analysis - Elaboration of reports - Dissemination and communication strategy - Development of infographics, blog posts, social media entries, documentaries - Final workshop 	The project is implemented according to the previously developed timeline, work plan and carried out within the given budget.	<p>Personnel planning files & recording of working time, Project planning documentation, Lists of projects and participants, Workshop material, Developed IA plans, tools and instruments Knowledge management and dissemination strategy</p>	<p>There are sufficient rural development projects that meet the selection criteria.</p> <p>Project staff as well as other local stakeholders are interested in having their rural development projects undergo rigorous impact assessment.</p> <p>A sufficient number of committed peer reviewers can be identified.</p> <p>The grant project can be carried out within the previously defined timeframe and budget.</p>