

profile

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2012 ARRI

ANNUAL REPORT ON RESULTS AND IMPACT OF IFAD OPERATIONS

It has been a decade since the Independent Office of Evaluation of IFAD (IOE) produced the first Annual Report on Results and Impact of IFAD Operations. The report – known by its acronym ARRI – provides an independent analysis of the performance of IFAD operations with the goal of improving the Fund's results on combating rural poverty. This 10th edition of IOE's flagship report examines the range of evaluations carried out in 2011, and reviews progress made since the first ARRI was produced in 2003.

The report is a cause for pride as IFAD is one of the few development organizations (among multilateral and bilateral agencies) to produce such an annual review. This reflects its commitment to measuring and conveying results, thus promoting accountability and learning. In a nutshell, the 2012 ARRI shows that IFAD continues to improve its contribution to reducing rural poverty in all regions. On the other hand, it is evident that important challenges need to be addressed while moving forward.

Performance and trends

Three broad performance trends can be observed from the 2002-2011 project evaluation data. Ratings for two evaluation criteria – natural resources and the environment, and IFAD's performance as a partner – have improved over the decade. Performance in promoting gender equality and women's empowerment is generally in the satisfactory zone as well. A second group of evaluation criteria – sustainability, innovation and scaling up, and two rural poverty impact domains (human and social capital and empowerment, and institutions and policies) – show a marked improvement since 2002-2004, but more recently, a decline. A final group of evaluation criteria – relevance, effectiveness, efficiency, and the performance of government as a partner – show flat and/or declining performance. Three other features have not changed over the years. First, a pattern

of high project relevance, reasonable effectiveness, but only moderate efficiency and sustainability. Second, the predominance of moderately satisfactory performance. And third, the importance of the country context. In this regard, the ARRI finds that performance in fragile states is markedly lower than in non-fragile states.

Eighteen country programme evaluations have been completed since 2006. They show clear improvement in all three non-lending activities since 2006-2008 – knowledge management, partnership-building and policy dialogue – though there is room for improvement in policy dialogue at the country level. Notwithstanding improvement in knowledge management, additional efforts are needed at the country level, including a larger allocation of resources for this purpose. Similarly, as underlined in past ARRIs, more efforts are needed for greater engagement with the multilateral development banks and selected United Nations organizations at the country level, including the Rome-based agencies.



Republic of Haiti

Food Crops Intensification Project, Phase II

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Six project and programme issues

This ARRI highlights six selected issues that remain important challenges for IFAD-supported operations. These issues have been raised by previous ARRIs and deserve special attention in the future:

- (i) Sustainability has improved, but remains a challenge.
- (ii) The effectiveness of different targeting strategies, and the distribution of benefits among diverse types of poor people, remain key issues for IFAD.
- (iii) Improving the efficiency of IFAD-supported programmes, and of IFAD's own institutional efficiency, are important and connected challenges.
- (iv) The importance of effective project and programme management was confirmed by the 2011 evaluations.
- (v) Weaknesses in project and programme monitoring and evaluation are evident and important.
- (vi) The performance of recipient governments is one of the most fundamental determinants of success, but has remained more or less unchanged over the last decade.

Benchmarking

This year, the ARRI made a particular effort to obtain data to compare the performance of IFAD operations with other organizations. Only two development agencies – the World Bank and the Asian Development Bank (ADB) – were found to have datasets that would enable a meaningful and fair comparison with IFAD operations. Analysis of these datasets suggests that the performance of IFAD-assisted operations is considerably better than ADB's in the Asia and the Pacific region since 2000, and broadly similar to World Bank operations globally. However, it could be argued that the performance of IFAD operations is better than that of the World Bank as well, given the challenging rural and remote contexts in which IFAD operates and the nature of activities it finances. Finally, the performance of IFAD operations is somewhat better than the African Development Bank (AfDB) in Africa, as revealed by the joint evaluation with AfDB on agriculture in Africa done a few years ago.

Internal benchmarking against the 2005 Independent External Evaluation of IFAD shows that performance has improved in all areas except relevance, but this may be due to more stringent assessment metrics for this criterion. With regard to commitments under the corporate Results Measurement Framework, the targets for relevance, gender and innovation either have been met, or are likely to be met. However, given current trends, it is unlikely that the 2012 targets for effectiveness, efficiency, rural poverty impact and sustainability will be met.



Republic of The Philippines

Northern Mindanao Community Initiatives and Resource Management Project

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2012 ARRI learning theme: Policy dialogue

Policy dialogue was the learning theme covered by the 2012 ARRI. Evaluations reveal that IFAD's policy dialogue at the global and regional level is satisfactory. While there are some examples of achievements in policy dialogue at the country level, these remain episodic and not systematic across the board.

At the learning workshop on policy dialogue held at IFAD in September 2012, there was overall understanding that IFAD's policy dialogue should focus on: (i) ensuring a supportive institutional and policy context for IFAD-supported initiatives; and (ii) scaling up successful interventions in the areas or business lines in which IFAD is engaged through projects in a particular client country. In addition, it was recognized that continuity and long-term engagement were crucial for IFAD to enhance its contribution to policy dialogue.

There was also recognition that more human and financial resources will need to be allocated to policy dialogue issues, and staff skills and competencies enhanced in this area to enable them to better participate in policy processes at the country level.