



Indonesia Country Programme Evaluation

National Roundtable Workshop, Jakarta, 21 March 2013

**Speaking Points - Mr Ashwani Muthoo, Acting Director,
Independent Office of Evaluation of IFAD**

- Distinguished representatives of government agencies,
- Ladies and Gentlemen,

A. Introduction to the Evaluation, IOE and the purpose of the workshop

- First of all, I would like to welcome you and thank you very much for participating in today's National Roundtable Workshop on the Indonesia country programme evaluation. I am really pleased to see so many participants from very diverse organizations and backgrounds, which will enrich the debate and exchange that we shall have during the day. I am particularly happy to see many friends among the participants, whom I have known since the previous Indonesia country programme evaluation in 2003.
- Just as a background, the Independent Office of Evaluation of IFAD is an integral division in the organizational architecture of the Fund. However, our independence as an office is primarily derived by the fact that we report functionally directly to IFAD's Executive Board. IFAD is in fact the only United Nations Specialised Agency, Programme or Fund to have such an Independent Office of Evaluation, which has contributed to promoting accountability and learning in the organisation. In this regard, I am pleased to inform you that this year, we will be celebrating ten years of the independent evaluation function at IFAD, which was set up in 2003. This is an important landmark for our organization, and a series of events are being planned as part of the celebrations.
- The mandate of our office is to undertake evaluations of projects, country programmes – such as for example the country programme evaluation in Indonesia - and corporate policies, with the aim of assessing results achieved, and generating lessons for further strengthening the performance of IFAD-financed operations. In particular, the purpose of the Indonesia country programme evaluation is therefore to provide building blocks that

can assist Government, IFAD and other concerned partners in developing the next country strategy - COSOP - and projects financed by IFAD in Indonesia.

- As mentioned and some of you may know, this is the second country programme evaluation done by the Independent Office of Evaluation in Indonesia. The first one was done in 2003, and at that time, the final workshop was held in Yogyakarta in March 2004. It also included the participation of members of the Evaluation Committee of IFAD's Executive Board. Given that our Office conducts only around 5 to 7 country program evaluations per year in all regions of the world, having conducted two country programme evaluations in Indonesia within a decade may be an indication of the importance IFAD and its Executive Board attributes to supporting the Government of Indonesia in its own efforts to reduce rural poverty in the country.
- The objective of the workshop today is to have an opportunity to discuss with you the main findings and recommendations from the Indonesia country programme evaluation, and reflect on their implications for the future co-operation between IFAD and Indonesia. In particular, the workshop will provide valuable inputs towards the preparation of the evaluation's Agreement at Completion Point. The Agreement at Completion Point is a short document that will be formulated soon after the workshop, containing the main recommendations from the country programme evaluation that Government of Indonesia and IFAD Management agree to adopt and implement within specific timeframes. As per IFAD's Evaluation Policy, the Agreement at Completion Point will be signed by the designated representative of the Government and IFAD's Associate Vice President for Programmes or his representative.
- Moreover, I would like to inform you that, as per a recent decision taken by the Executive Board, country programme evaluations inclusive of the corresponding Agreement at Completion Point will be discussed in IFAD's Executive Board at the same time when the Fund submits the next COSOP for consideration of the Board. Therefore, the final Indonesia CPE report will be discussed in the IFAD Executive Board together with the next COSOP.
- Indonesia has had a strong tradition of supporting independent evaluation at IFAD, which we very much appreciate. As one example, Indonesia has been a member of the Evaluation Committee of IFAD's Executive Board for around 15 years, and made wide ranging contributions by advising the Executive Board and IFAD management on evaluation lessons that need to be incorporated in future projects and programme for better results on the ground. Moreover, Indonesia has in the past served as the chairperson of the Evaluation Committee on two different occasions, which is an important responsibility that your country's representatives in Rome discharged with

great commitment and effectiveness. I am pleased to inform you that Indonesia has again been elected as Chairperson of the Evaluation Committee, starting from April 2013 till 2015.

B. Highlights from the Indonesia CPE

- We have circulated for your information a power point presentation which contains a summary of the CPE's process and main findings. Therefore, later this morning, my colleague Mr Jayasankar Shivakumar, consultants' team leader for the Indonesia country programme evaluation, will present the main recommendations from the evaluation. Hence, at this stage, I will confine myself to highlighting only a few findings from the evaluation, which I hope we shall have a chance to discuss in the workshop plenary and working groups later today.
- This Indonesia country programme evaluation covers 9 years of IFAD's cooperation with Indonesia (2004-2012). Overall, IFAD's commitment to poverty reduction among the rural poor in Indonesia has been appreciated. IFAD has a cordial relationship with the Government based on mutual trust, and the partnership between IFAD and the Government is highly valued.
- On its side, the Government of Indonesia has reiterated its commitment to IFAD by doubling its replenishment contribution in the ninth replenishment in 2011, as compared to the eighth replenishment in 2008. This was highly appreciated by the Organisation and other IFAD member states. Moreover, Indonesia is taking important responsibilities in the Governing Bodies of IFAD. For example, the Governor of Indonesia to IFAD Mr Bambang Brodjonegoro from the Ministry of Finance is the co-Vice Chairman of IFAD's Governing Council, the Deputy Chief of your Mission in Rome Mr Priyo Iswanto is the Convenor of List B countries (which are the OPEC countries), and as mentioned earlier, Indonesia will chair from April 2013 onwards the Evaluation Committee. Last but not least, the Secretary General Mr Hari Priyono of the Ministry of Agriculture is a member of the IFAD Executive Board.
- From IFAD's side, the recent arrival of the new Director for the Asia and Pacific Region and the assignment of a new country programme manager in 2011, who are both with us at this workshop, provides a unique opportunity to further strengthen the partnership moving forward. Their presence at this workshop is a reflection of their commitment and interest in enhancing the co-operation between IFAD and the Government and other partners. It is also reassuring to note that many of the areas of challenge reported in the CPE report are already being taken up and addressed in the implementation on-going operations. This is indeed encouraging. Along similar lines, I am aware that IFAD is serious about out-posting the country programme

management from headquarters in Rome to Jakarta in the near future, which the evaluation believes is a fundamental step to improve project performance and enhance policy dialogue and partnerships with in-country partners.

- The evaluation found that the preparation of the 2008 COSOP, which is the only country strategy prepared in the period covered by the CPE, followed a consultative process and was supported by a strong consensus among IFAD and the Government. While the three strategic objectives in the 2008 COSOP are broadly relevant, the priority among the objectives were not clearly defined, and there was insufficient allocation of resources (staff and budgets) to achieve the desired COSOP results. The COSOP objectives were also rather ambitious, and monitoring and evaluation both at the project and country levels remains an area that needs further attention.
- According to CPE, the geographic coverage of the IFAD-supported project portfolio is too widespread, which has led to dilution of interventions constraining effectiveness, efficiency and sustainability. Moreover, a critical evaluation finding is that the COSOP and projects financed by IFAD could have had a sharper focus on improving food security and incomes mainly by promoting small agriculture development with required links to input and output markets, which is in fact the area of IFAD's comparative advantage in general.
- The evaluation noted that progress has been made in terms of investments for the enhancement of social infrastructure, empowerment of women, and promoting participatory and decentralized development, which are important to reduce poverty and improve the quality of life of rural poor people. However, impact related to on-farm development is more limited. The results related to non-lending activities (policy dialogue, knowledge management and partnership building) were weak, partly due to inadequate resources allocated towards such activities, even though these are increasingly important given Indonesia's middle income country status. The evaluation also believes that greater efforts can be made by IFAD in the future to facilitate south-south co-operation between Indonesia and other countries in Africa, Asia and the Pacific, for example in terms of knowledge transfer and technical assistance focusing on small agriculture development.
- Overall, the CPE concluded that the partnership between IFAD and the Government of Indonesia is important and there are opportunities to reinvigorate it for better results on rural poverty reduction. Moving forward, the most prominent evaluation recommendation is for IFAD to play a leading role in promoting productive, competitive and high value smallholder agriculture and to increase the efficiency of the agriculture sector in partnership with the Government and others, including through greater

linkages with the private sector and enhanced collaboration with multilateral and bilateral development organisations as well as greater use of ICT.

- In conclusion, I would like to express a heartfelt appreciation to the Government of Indonesia, in particular to the Ministry of Finance, for their invaluable support and collaboration throughout this country programme evaluation process, and especially in the organization of today's workshop. I also thank Government authorities in Central Sulawesi Province where our delegation conducted a field visit to the IFAD-funded Rural Empowerment and Agricultural Development Programme from Sunday to Tuesday earlier this week. We held discussions with Government authorities at the provincial and district levels and beneficiaries, and also got the opportunity to see some programme activities on the ground. I am grateful to the Asia and Pacific Division, in particular Ron Hartman and Anissa Lucky for their valuable inputs, openness and constructive attitude towards this country programme evaluation in general. Last but not least, I would like to thank my own staff Oanh and Linda from my office, and Mr Shivakumar and the rest of the CPE team for their hard work, and overall efforts.