

Statement by Mr Oscar A. Garcia

**Chair of the Evaluation Cooperation Group of the Multilateral Development Banks and
Director of the Independent Office of Evaluation of IFAD**

1. Mr Gilbert Houngbo, President of IFAD

**2. Honourable Mr Bambang Brodjonegoro, Minister for National
Development Planning of the Republic of Indonesia;**

**3. Distinguished colleagues from the multilateral development banks and
other development agencies**

4. IFAD colleagues,

Excellencies, ladies and gentlemen,

It is a great pleasure for me and for my team at the Independent Office of Evaluation to extend my warmest welcome to all participants in this high-level session, where we will be discussing some of the challenges that the international financial institutions are currently facing, and the role that independent evaluation can play in supporting the IFIs in addressing such challenges.

Many of you have travelled a long distance to attend this important event, hence our heartfelt welcome and thanks for your presence here today.

We are living through difficult times. There are changes in the context that affect the performance of the international financial institutions. Firstly, the expertise that resides in the organizations to address complex global challenges, such as developing sustainable food systems, warranting access to health and education for all, or the effects of climate change on the livelihoods of the poor households is no longer in the very few hands of our operational departments. Secondly, the access to concessional financing, that in the past was restricted to a few developing countries with sound fiscal and monetary policies, is now more widespread with the existence of financial alternatives, including access to capital markets. And thirdly, the convening capacity of the

MDBs on a certain given sector is also challenged by the enhanced connectivity experienced today as a result of information and communication technologies, as well as by the increasingly leading role of national governments in developing countries over their own development process.

Today's forum will give us the valuable opportunity to share insights and ideas on how we, as evaluators, can help our organizations to adapt, to change, to transform.

Let me first talk about the role of multilateral development banks – or MDBs.

We are all well aware that the people we serve are nowadays confronted with complex, interrelated challenges which are consequence of the new global economy and the difficult economic environment. Such challenges call for innovative and truly transformative approaches to development. To this end, on September 25th 2015, world leaders adopted a set of goals to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda to be met by the year 2030, that is, the SDGs. Meeting the SDGs by the set date requires new partnerships, new policy agendas and new sources of financing for sustainable development.

We as MDBs have a critical role to play in this transformation process. Our mandates differ, we operate at different levels and in different sectors. Yet, such differences should be seen as opportunities because they will enable us to adopt complementary roles and strategies. We share a common commitment to eradicate poverty; yet, the multiple causes of poverty do require multiple strategies to address them. In this respect, our complementarity offers us a comparative advantage that we need to exploit at its fullest.

Mobilizing sufficient financing for realising the sustainable development agenda is recognised as a key challenge. The Addis Ababa Action Agenda 2015 responds to this financing challenge and provides a powerful statement of global partnership and solidarity. In this respect, the MDBs are expected to play to their advantage of scaling up financing for the sustainable development agenda. Our strength is that we can leverage financing for development purposes, and in this way maximize the impact of scarce resources. At the same time, we are also aware of the pressure to mobilise additional sources of

funding through new partnerships. At a time when donor funding has been reduced, our clients ask for a wider range of financing mechanisms, and, last but not least, there is an increasing demand for infrastructure, we have to adapt, innovate and reform.

But mobilizing financing is not our only strength. Since the early 2000s, all of us have undergone far-reaching reforms and changes, in an attempt to become knowledge-based organizations. Our partners strongly appreciate the technical expertise that our organizations can provide.

So, let us join our forces to address the challenges of sustainable development. Recent initiatives for mutual collaboration among the MDBs include, for example, bridging the agreement to establish a Global Infrastructure Forum, to build and enhance multilateral collaborative mechanisms. Another hopeful initiative was to address the global refugee crisis through the Joint Statement by the MDBs at the World Humanitarian Summit Responding to the Forced Displacement Crisis. There is also the planned initiative to scale up financing for demand-driven climate change. So, there are some good initiatives that demonstrate our willingness to work together and we are also fully aware that we must continue to do so, always aiming at enhanced efficiency and effectiveness in our mutual collaborative efforts.

Yet, to adjust to these challenges and crises requires us to constantly adapt, learn and reform. And this is where evaluation plays a pivotal role.

Let me now speak about the role of evaluation

This will be the primary topic for discussion today – what is the role that we, as independent evaluation, can play in supporting our respective organizations in determining future paths towards transformation.

The role that evaluation has to play in supporting organizational learning and reform cannot be overstated. Our evaluation approach and rigorous methodology builds on international good evaluation standards and practices and is based also on the fruitful cooperation among our respective evaluation offices in the context of the ECG. Thus, we are able to provide evidence of what works, what does not work and, most importantly, looks at causes and effects and to unintended consequences.

It is our capacity to ask and to respond to the “Why” question which provides rigorous evidence on performance, and ultimately, can contribute to change and transformation. Some examples of recent contributions, to name a few, are the evaluations of social and environmental safeguards, of decentralization, and evaluations of the response to climate change. Several of our evaluation offices conducted such evaluations, which have led to changes in institutional processes and structures.

Evaluation adds meaning and depth to conclusions about global achievements, it provides reality checks, it helps to understand complex contexts and to explain why things work or not and under what conditions. I believe we have all seen in our organizations an increasing appetite for knowledge products derived from evaluation that systematize evidence and lessons for organizational learning.

And, an additional aspect that adds important value to our evaluative activities, lies in that evaluation brings the voice of marginalized people to the forefront, ensuring that their demands and interests are part of the agenda. We use field-based methods, where we pay particular attention to involving those who tend to be less visible, like the poor, women, indigenous people, young people and so on.

Today we have a privileged audience that can reflect on the challenges and opportunities in front of us. In this endeavour, we will be supported by a high-calibre panel that will guide us in discussing the main challenges that MDBs face in terms of financing, expertise and coordination, and explore the role of independent evaluation in addressing these challenges and suggest possible ways forward.

Distinguished keynote speakers and panellists will help us keep our focus. First, let me acknowledge the presence of Mr Enrique Garcia Rodriguez, former Executive President of the Development Bank of Latin America, who will deliver a keynote address on the *Possible future paths for MDBs*. Let me also acknowledge our distinguished panellists:

- Professor Bambang Brodjonegoro, Minister for National Development Planning of the Republic of Indonesia;

- Dr Joachim von Amsberg, Vice President, Policy and Strategy of the Asian Infrastructure Investment Bank;
- Ms Cheryl Gray, Director of the Office of Evaluation and Oversight of the Inter-American Development Bank; and
- Mr Masood Ahmed, President of the Centre for Global Development.

Our stellar panel will be chaired by Ms Caroline Heider, Director General and Senior Vice President of Independent Evaluation Group of the World Bank Group.

Ladies and gentlemen

The collaborative effort and information-sharing facilitated by participation in the ECG, has promoted not only harmonization of our respective methodologies, but also evaluation independence, professionalism and lessons learning. In light of this cooperation, today we have a valuable opportunity to jointly reflect on how we, as evaluators, can help our organizations to adapt, to change, to transform.

Thank you for your attention.