

EVALUATION COVERAGE

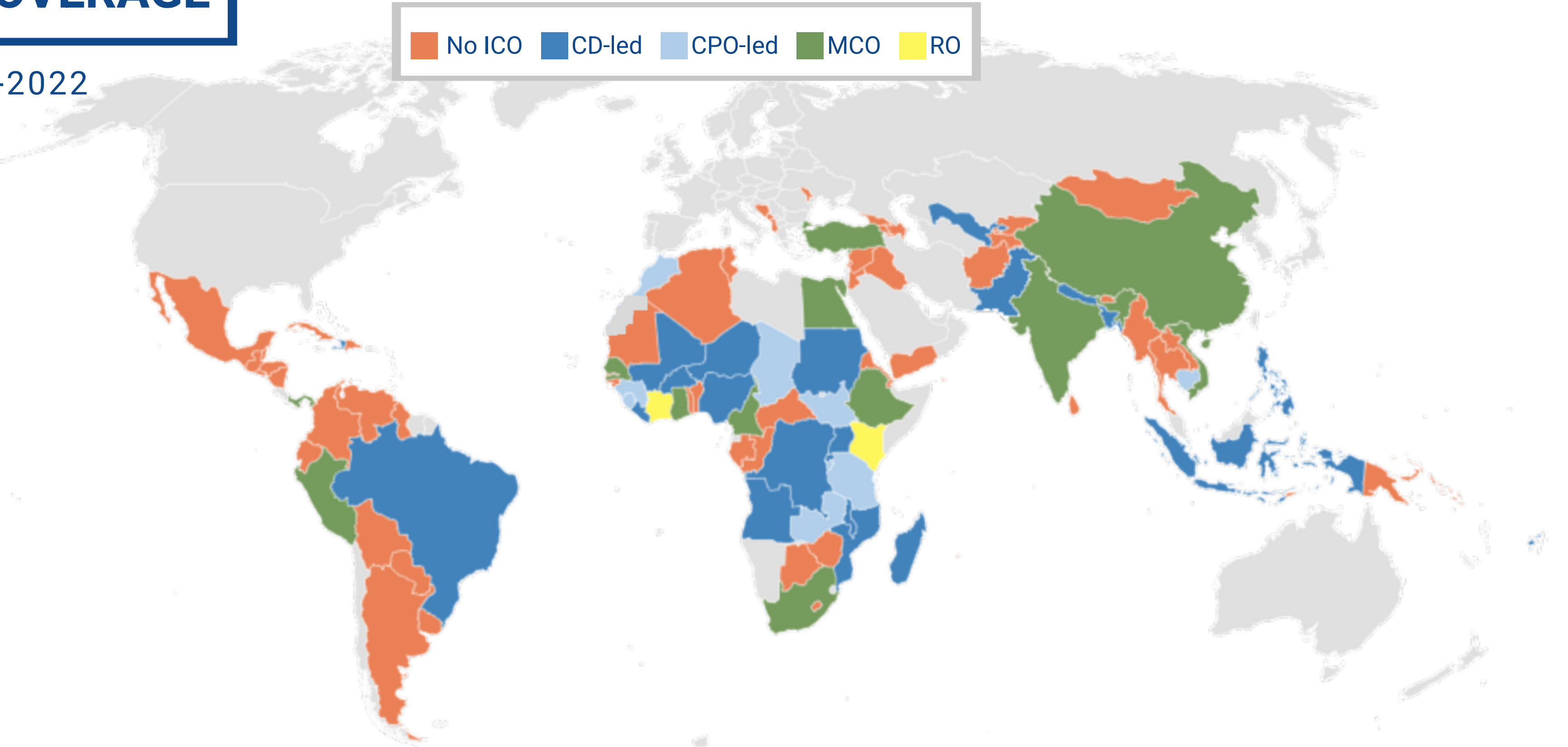
Primary focus: 2016-2022

Portfolio Analysis:

All projects completed during 2003-2022

IFAD country presence **2022**

CD-led	22
CPO-led	7
MCO	11
RO	2
Total	42



Source: CLE Decentralization Report (2023)

EVALUATION APPROACH

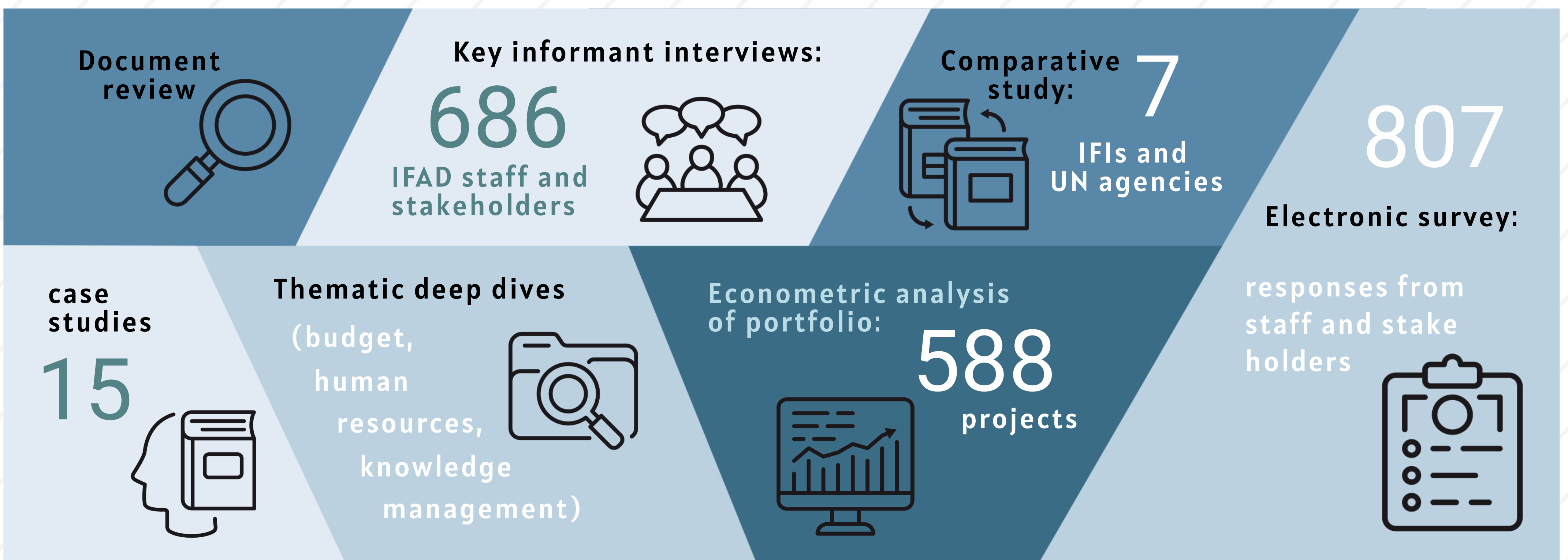
OVERARCHING EVALUATION QUESTION

To what extent did decentralization contribute to IFAD delivering significantly better development results in an effective and efficient manner?

EVALUATION CRITERIA



SOURCES OF EVIDENCE FOR TRIANGULATION



KEY FINDINGS

- Decentralization was recognized as the 'right thing to do' to enhance IFAD's development impact.
- IFAD's leadership was committed to decentralization and established accelerated decentralization as a corporate priority.
- Country presence demonstrated the potential to strengthen IFAD's effectiveness (even under conditions of fragility and conflict). However, decentralization does not automatically lead to improved development effectiveness. Evidence shows that a number of conditions must be met for decentralization to realize its promise.
- Weak resource planning and inadequate resources for country programme delivery pose threats to development effectiveness of IFAD support.
- Country presence was not always fit-for-purpose. Human resources allocation (skills and experience) did not adequately reflect the lessons from past experience.
- Decisions to establish Regional and Multi Country Offices were not adequately based on an analysis of value added, feasibility, and full cost estimates.
- The accelerated decentralization was top-down, not fully responsive to the core concepts of staff, did not allow sufficient time for effective reflection and improvement, adversely affected the staff morale, and required stronger Board oversight.
- The reassignment process was identified as disruptive and not well-planned.
- Qualitative evidence showed that country presence can help improve IFAD's development effectiveness, including in states with conditions of fragility and conflict.
- Econometric analysis of completed projects (2003-2022) showed mixed findings when effects of other contributing factors were also taken into account: decentralization increased international cofinancing and reduced the time for project startup; however, it did not automatically translate into better efficiency or effectiveness of IFAD operations.

RECOMMENDATIONS

- 1** Take-stock of experience, identify and address shortfalls and apply adaptive learning processes to inform future decentralization actions.
- 2** Ensure that the budget and accounting system identifies and tracks the costs of decentralization, to proactively manage any necessary trade-offs in the context of a zero real growth budget.
- 3** Ensure that adequate share of IFAD's administrative budget is allocated to country programme design, implementation and non-lending activities, with a clear target.
- 4** Address the limitations of human resource management to achieve better development outcomes, through greater consideration of the impact on IFAD operations.
- 5** Ensure that human resource management, policies and practices focus on improving the well-being of staff.
- 6** Strengthen Executive Board's strategic oversight and guidance for decentralization and subsequent organizational transformations.