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## Revised IFAD Evaluation Policy

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**For: Approval**

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## **Abbreviations and acronyms**

DEF	Development Effectiveness Framework
ECG	Evaluation Cooperation Group
EPR	external peer review
IOE	Independent Office of Evaluation of IFAD
OECD-DAC	Organisation for Economic Co-operation and Development – Development Assistance Committee
ToC	theory of change
UNEG	United Nations Evaluation Group

# Revised IFAD Evaluation policy

## I. Introduction

### A. Rationale for a revised policy

1. The second independent external peer review (EPR)<sup>1</sup> of the IFAD evaluation function was conducted in 2019 by the Evaluation Cooperation Group (ECG). The peer review found that the overall structure and functioning of the evaluation system was on par with comparator institutions and consistent with established professional standards. However, the peer review highlighted the need for adapting to the changing environment and incorporating lessons from the past. It underscored the opportunity to strengthen the strategic relevance of evaluation and thus enhance its contribution to IFAD's development results.
2. The EPR specifically recommended that IFAD revise its evaluation policy to strengthen its evaluation function. These revisions aim to: (i) address the whole evaluation function; (ii) establish the core principles on which evaluation in IFAD rests and the core purposes evaluation is expected to serve; (iii) reaffirm the structural and functional independence of the Independent Office of Evaluation of IFAD (IOE); (iv) fully engage all IFAD stakeholders in revising the evaluation policy; (v) focus only on key strategic and structural issues and avoid details on products and processes; (vi) reflect international standards and practices for evaluation (e.g. ECG, United Nations Evaluation Group [UNEG], and Organisation for Economic Co-operation and Development – Development Assistance Committee [OECD-DAC]); and (vii) identify and agree on the responsibilities of the relevant IFAD governing bodies, Management and IOE in strengthening the Fund's evaluation function.

### B. What is new in the revised policy

3. This new policy presents, for the first time, a comprehensive framework through which self-evaluation (conducted under the aegis of Management) and independent evaluation will be planned, conducted and used. The revised policy also seeks to promote complementarity and synergy between the two.
4. The revised policy clarifies that accountability and learning are objectives of evaluation and are embedded in a number of significant changes implemented over the recent past. It retains the features of the past policy to ensure that evaluations help IFAD account to its governing bodies, programme countries, donors and beneficiaries for being organizationally and developmentally effective. It also reflects IFAD's increasing focus on embracing a culture of evidence-based management to maximize development effectiveness, in which evaluation (both self and independent) has a critical role to play in providing evidence to increase both learning and accountability.<sup>2</sup> The revised policy, therefore, sets the broad framework through which evaluative evidence is produced and used within available resources. The policy emphasizes the effective use of evaluation products and learning from them. It also helps to ensure

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<sup>1</sup> The independent EPR was discussed by the Evaluation Committee and approved by the Executive Board at its 127<sup>th</sup> session, in September 2019.

<sup>2</sup>IFAD has strengthened its efforts to create a culture of results-based management and to bring innovative thinking on development effectiveness to the organization. Since the first evaluation policy and its amendments were approved, IFAD has launched a new agenda for results management embodied in the Development Effectiveness Framework (DEF). Building on previous efforts to focus on results, the DEF was presented to the Executive Board in December 2016 with the objective of creating the structure needed to facilitate the use of evidence in decisions on designing and implementing projects. The DEF, which was approved by the Board in 2016, aims to develop a culture of results that goes beyond the standard approaches. Its key components include self-evaluation and an impact assessment system that links project reporting to corporate reporting.

that the significant steps that have been undertaken to create incentives and systems for evidence-based management contribute to a culture of learning.

5. The revised policy establishes, inter alia, core evaluation principles. Recognizing the importance of self-evaluation and independent evaluation, working together to promote development effectiveness through synergy, partnerships and collaboration is introduced as a core principle of evaluation. Usefulness, evaluability and value for money<sup>3</sup> are also enshrined as core evaluation principles. The key principles form the foundation of a newly introduced theory of change (ToC) that defines the institutional framework to strengthen the evaluation function.
6. Finally, the revised policy reflects Management's and IOE's shared drive to foster a culture of cooperation and consultation in the implementation of the policy through harmonization of processes and consultation at key stages of evaluations, consistent with the independence of IOE. Working jointly helps ensure that IFAD's evaluation function maximizes the contribution to the ultimate objective of improved rural livelihoods, poverty reduction, and inclusive and sustainable transformation of rural areas, in line with IFAD's mandate and strategic framework.

## **II. Purpose, coverage and audience**

### **A. Purpose**

7. The overarching goal of the revised policy is to strengthen accountability and learning through the evaluation function in IFAD. The evaluation function plays a central role in improving IFAD policies, strategies and operations throughout their life cycle, by providing necessary evidence in a timely manner to decision makers. As such, a robust evaluation policy is key to enhancing the development and organizational effectiveness of the Fund.
8. Evaluation differs from monitoring, which is defined by OECD-DAC as a continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.
9. The revised evaluation policy is also in line with the Fund's other policies, strategies and priorities, including the Development Effectiveness Framework (DEF). It is also aligned with the 2030 Agenda for Sustainable Development principles of "leaving no one behind" and equity as it relates to characteristics such as gender, disability, age, ethnicity, health status and socio-economic conditions. The policy recognizes IFAD's strategic objectives, as laid out in its strategic framework and other key documents,<sup>4</sup> and the need to ensure a strong focus on targeting, inclusion and the mainstreaming themes of environment and climate, gender, youth and nutrition. Evaluators should consider how different forms of discrimination and differential experiences (e.g. based on gender, age, race/ethnicity, power, social status, ability), and the way they interact, affect the intervention's implementation and results.
10. In addition, the revised evaluation policy follows the guidance of the ECG and UNEG as well as the practices of international financial institutions and the United Nations development system to include processes and mechanisms to safeguard and strengthen the independence of IOE.

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<sup>3</sup> It is recognized that value for money applies to all activities undertaken by IFAD.

<sup>4</sup> The 2016-2025 Strategic Framework contains three strategic objectives: SO1: increase poor rural people's productive capacities; SO2: increase poor rural people's benefits from market participation; and SO3: strengthen the environmental sustainability and climate resilience of poor rural people's economic activities.

11. To support IFAD in achieving greater development effectiveness, evaluation has two core objectives:
  - Promote accountability by providing an evidence-based assessment of results achieved through IFAD lending and non-lending support and for putting in place the necessary corporate business model, policies, strategies and guidance as well as resources and capacities to achieve these results; and
  - Contribute to enhanced learning, knowledge management and transparent feedback mechanisms to improve current and future policies, strategies, programmes, projects and processes.
12. These objectives will also serve to promote a results culture, evidence-based planning and adaptive management across IFAD to encourage a focus on development results, learning, and continuous quality improvement. To this end, the revised policy aims to strengthen IFAD's shift from a focus on inputs and processes to development results. The operationalization of the policy will require the preparation of: (i) a multi-year IOE evaluation strategy; (ii) a revised DEF, for self-evaluation; and (iii) a revised evaluation manual. This is further discussed in the last section of this document.
13. This revised policy seeks to foster demand for evaluation products and evidence by both IFAD Management and the Executive Board. This demand will be reflected in the preparation and implementation of work programmes for self-evaluation and independent evaluation.
14. The revised policy promotes the accountability of IFAD to the Executive Board and other governing bodies for its performance in contributing to development results. Achieving development outcomes is a shared responsibility of IFAD, government counterparts and other development partners, each with specific roles and responsibilities. This policy focuses on the role and responsibilities of IFAD.

## **B. Coverage**

15. The revised policy covers IFAD's evaluation architecture as a whole. It clearly defines roles and responsibilities across the various components of the evaluation function, ensuring complementarity and avoiding unnecessary overlap and duplication. It continues to promote the fundamental guiding principles of evaluations and reaffirms the independence of IOE as further specified in this policy.
16. The revised policy focuses on strategic and higher-level principles and ensures that the coverage provided is in line with international standards and practices. In doing so, it recognizes the importance of strengthening evidence-based programming and the required enabling organizational framework as reflected in the IFAD corporate business model, policies, strategies and capacities.
17. As recommended by the 2019 EPR, this policy does not provide details of products, processes and methods of evaluation that may need frequent updating. Similarly, it does not provide details on the type of evaluations (independent and self) or on the underlying methodologies and approaches. However, it provides a framework for separate "living guidance documents" (e.g. IFAD evaluation manual) for independent evaluation and self-evaluation that, coordinated by IOE, will be developed by IOE and Management in consultation (as further elaborated in paragraph 64) and aligned with the policy (see box 1). These separate guidance documents can be updated without requiring a revision of the evaluation policy.

Box 1

**The revised policy and related guidance documents, as recommended by the EPR (2019)**

The revised policy focuses on the higher-level SOs of evaluation at IFAD. It sets out the principles guiding both self-evaluation and independent evaluation.

A multi-year IOE evaluation strategy that outlines the direction for evaluation and bridges the policy and the evaluation work programme will be prepared after approval of this policy. The strategy will seek to align operational choices with policy, enable review and agreement on priorities and goals, and integrate experience and opportunities.

A revised evaluation manual will provide detailed guidance to help implement the revised policy. It will include details on products, processes and methods and will be a living document that is regularly updated based on experience.

**C. Audience**

18. The revised policy is directly relevant to IOE, IFAD Management and staff involved in planning, conducting or using evaluations as well as to the Fund's governing bodies, in particular the Executive Board and its advisory arm the Evaluation Committee. The revised policy is also relevant to all key stakeholders, including Member States, international organizations, national non-governmental partners and beneficiaries.

**III. The evaluation function****A. Independent evaluation**

19. Independent evaluation is conducted by IOE, an organizational unit that is structurally, functionally and behaviourally independent from those responsible for the design and implementation of what is being evaluated. IOE conducts a range of independent evaluations at different levels (from project to corporate) to strengthen accountability and learning.
20. IOE also independently validates selected self-evaluation products<sup>5</sup> prepared by Management and agreed with the Board, with the aim of contributing to strengthening the quality and credibility of the self-evaluation system. Similar to other international financial institutions and United Nations organizations, independent evaluation ensures that the whole evaluation function at IFAD follows internationally recognized good standards and practices.
21. Following recognized good international practices, there are principles and operational rules that are specific to the independent evaluation function, aimed at safeguarding the independence of IOE. These are covered further in section VI of this document as well as in the annexes.

**B. Self-evaluation**

22. IFAD's self-evaluation system is part of the IFAD-wide evaluation architecture. Self-evaluation serves three important functions: to offer real-time feedback that enables Management to take immediate responsive actions to improve project design and implementation performance of IFAD policies, strategies and operations; to learn from experience and inform new measures; and to provide and report on aggregate impact of its operations for the corporate indicators laid out in the strategic framework. It enables Management to fulfil its responsibility to report performance, results and impact to the Executive Board, while providing necessary inputs to IOE to conduct validations of selected self-evaluations by IFAD. Beyond providing robust measurement of results for accountability, and impact on IFAD's main targets, the self-evaluation system is also the basis for operational performance management as well as learning and knowledge-sharing.

<sup>5</sup> Per current practice, IOE validates project-level self-evaluations.

23. Self-evaluation is conducted by operational units under IFAD Management, responsible for the concerned intervention, as well as by other units within the Fund explicitly entrusted with assessing the impacts of interventions.
24. Specific on-demand self-evaluations are conducted in response to requests from Management and sometimes the Board and other stakeholders, as well as to meet managerial and strategic needs to ensure that effective development is achieved.

### **C. A theory of change to strengthen the evaluation function in IFAD**

25. The ToC presented in figure 1 identifies the necessary products, processes, steps and assumptions to strengthen the evaluation function and its contribution to organizational and development effectiveness. The logic illustrated in the ToC identifies the required inputs, and indicates how these inputs lead to outputs and outcomes that, in turn, ensure the achievement of IFAD's mandate of improved rural livelihoods, strengthened performance of programme countries towards poverty reduction, and the inclusive and sustainable transformation of rural areas. The ToC also identifies the key enablers and assumptions.
26. Based on the evaluation principles further elaborated upon in the next section, self-evaluations and independent evaluations provide products at different levels (figure 1, inputs/ activities). These products generate analysis and knowledge at the operational and institutional level (outputs) that can inform the design of projects, strategies, policies and business processes. At the next level, these outputs result in strengthened accountability, enhanced learning and a stronger results culture, leading to better evidence-based decision-making by IFAD governing bodies and Management, Member States and other partners (outcomes). This is expected to improve the organizational effectiveness of IFAD, as well as the performance of governments and other development partners. Ultimately, achieving the envisaged outcomes will help further IFAD's mandate to contribute to improved livelihoods, poverty reduction, and inclusive and sustainable rural transformation (impact).
27. As highlighted in figure 1 (enablers and assumptions), the value of evaluations is realized by enhancing their use and ensuring follow-up. Involvement of key stakeholders is vital in the selection, planning, conduct and follow-up to evaluations. This enhances transparency, responsiveness in the evaluation, credibility, ownership of results and learning through the entire process, and ensures a robust feedback mechanism. Learning should be linked to the implementation of IFAD's Knowledge Management Strategy and its future revisions.<sup>6</sup> Evidence and knowledge from self- and independent evaluative evidence bases should inform the formulation of policies, strategies and operations. Experience from these must inform the national, regional and global body of knowledge of IFAD that is actively used by relevant units, in line with IFAD's Knowledge Management Strategy. Responsibilities to ensure learning from evidence must be clarified and mechanisms for such learning must be in place across all relevant management units.
28. Strong accountability, transparency and effective learning are accomplished most effectively and efficiently by complementary and mutually reinforcing systems of self-evaluation and independent evaluation. This is ensured through enhanced evaluability as well as harmonized processes and systems. Systematic use of evidence in decision-making is facilitated by a culture of results, learning from evaluative findings, and strong accountability and oversight mechanisms to ensure the use of all evaluations. This in turn requires necessary oversight from IFAD governing bodies,

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<sup>6</sup> <https://webapps.ifad.org/members/eb/126/docs/EB-2019-126-R-2-Rev-1.pdf>.

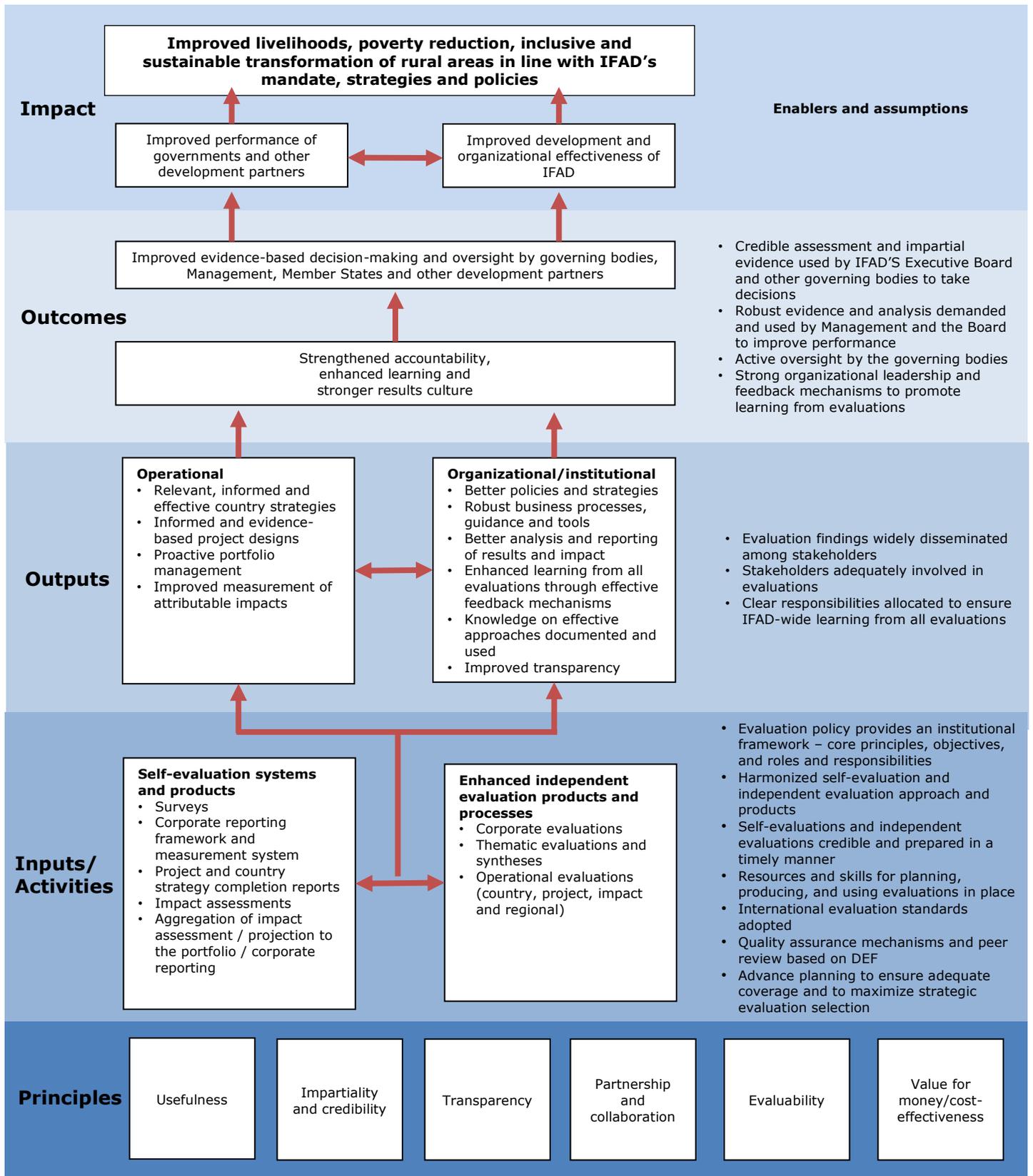
strong organizational leadership, and robust feedback mechanisms to promote learning from evaluations.

29. Evaluations need to adhere to international norms and standards (e.g. those of the ECG, UNEG, and OECD-DAC). Evaluators follow IFAD's Code of Conduct. In addition, evaluations are conducted in line with the more specific ethical standards of UNEG, OECD-DAC and ECG.
30. While all evaluations are guided by their specific objectives, typically they seek to determine the performance of interventions along criteria<sup>7</sup> such as relevance, coherence, effectiveness, efficiency, impact, sustainability and any additional criteria customized to IFAD's mandate.

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<sup>7</sup> Better Criteria for Better Evaluation: OECD/DAC Network on Development Effectiveness (2019).

Figure 1  
IFAD evaluation theory of change



## **D. Enhancing public access**

31. Evaluation findings are communicated based on the requirements and needs of the intended users. All evaluations and related documents submitted to the Executive Board (and the Evaluation Committee) are made accessible to the public, as required by the IFAD Policy on the Disclosure of Documents (2010) and the principles of partnership, collaboration and transparency.

## **IV. Principles**

32. Drawing from the international norms and standards as outlined by the ECG, UNEG and OECD-DAC, the evaluation function at IFAD is driven by the following set of six key principles.<sup>8</sup>

### **A. Usefulness**

33. For evaluations to be useful, they must be relevant, reliable and prepared in a timely manner to inform decision-making, learning or strengthening accountability for results. Usefulness is enhanced by the quality and credibility of the evaluations, as well as through close collaboration on the types/topics of evaluations to be conducted. Usefulness also relies on the work programme being demand-driven and knowledge gap informed, and the prevalence of a culture of evidence-based decision-making and learning.

### **B. Impartiality and credibility**

34. Impartiality and credibility are key to evaluations (self and independent) achieving their intended impact. Evaluations need to be grounded in professional expertise and integrity, objectivity, rigorous approaches and methodologies, appropriate use of data (both qualitative and quantitative) and contextual knowledge. Credibility is embedded within the principle of impartiality and use of rigorous approaches. Evaluations are conducted by professionals who are technically competent in working towards the agreed dimensions of quality. To engender credibility, methodologies must be adapted to specific mandates but grounded in established internationally agreed standards. IFAD encourages the use of new, innovative approaches and methods.

### **C. Transparency**

35. Transparency of evaluation processes and outputs is an important principle. Credibility and ownership are enhanced through a transparent and consultative process that begins with the planning phase and continues through the implementation of recommendations. Engagement with the evaluand and feedback from stakeholders on the rationale, evaluation methodology, evidence base, emerging findings, conclusions and recommendations are an integral part of the IFAD evaluation framework.

### **D. Partnership, consultation and collaboration**

36. Partnership with key stakeholders, consistent with the other principles (impartiality, credibility and independence, etc.), is critical for evaluations. Partnership ensures that evaluation is responsive; builds shared ownership of results; improves learning across stakeholders; and increases the probability of adoption of recommendations and subsequent implementation. The evaluation policy thus aims at the creation of partnerships in the evaluation process.
37. Consultation between Management and IOE ensures a common understanding of the work programme, norms, quality standards, and methods between self-evaluation and independent evaluation. With respect to independent evaluation, constructive

<sup>8</sup> The previous policy listed independence as the foremost principle and listed accountability, learning and partnerships as part of the section on "Evaluation principles and operational policies" (<https://webapps.ifad.org/members/eb/116/docs/EB-2015-116-R-7-EB-2011-102-R-7-Rev-3-Revised-IFAD-evaluation-Policy.pdf>).

collaboration between IOE and IFAD Management, as well as with their partners, notably the recipient countries, is essential both for generating evaluation recommendations and for enhancing ownership and uptake.

## **E. Evaluability**

38. Evaluability refers to the extent to which an activity or programme can be evaluated in a reliable and credible fashion and is central to a culture of results.<sup>9</sup> A strong focus on evaluability at the design stage facilitates monitoring and subsequent evaluation. It calls for the design of policies, strategies, programmes and projects to take into consideration the requirements of subsequent evaluation.

## **F. Value for money/cost-effectiveness**

39. Value for money is important to maximize the development impact of aid by focusing both on results and costs. This implies focusing on three dimensions: economy, efficiency and effectiveness.<sup>10</sup> Value for money is about finding the right balance among these three dimensions and cannot be assessed through any of these dimensions in isolation. The process of selection, planning, conduct and feedback loop of both self-evaluations and independent evaluations should reflect these three value-for-money dimensions. In doing so, there should be a consideration of proportionality in terms of the expected benefits deriving from an evaluation (and the different steps in conducting it) and its findings, relative to the cost of the evaluation. The evaluation function should therefore embrace the principle of cost-effectiveness. These considerations nonetheless need to underpin all evaluative work at IFAD while recognizing that quantifying benefits could be challenging, benefits may not become immediately visible but come to be appreciated in the medium-long term, and priorities for evidence may vary among the different stakeholders.

## **V. Roles and responsibilities**

40. Evaluation is a shared responsibility of the Executive Board (supported by the Evaluation Committee), Management and IOE.
41. **The Executive Board** holds Management accountable for performance and results of all IFAD activities, including through evaluation findings. It approves the evaluation policy and its amendments and is responsible for its implementation. It provides oversight and guidance on measures to strengthen the self-evaluation and independent evaluation functions and approves measures to encourage learning and enhance organizational performance and results that emerge from evaluations. In that context, it ensures that IOE findings and recommendations are adequately incorporated in future strategies, policies and programmes. With specific reference to IOE, the Executive Board: safeguards the independence of IOE (see section VI); approves and monitors the delivery of the IOE work programmes and recommends the corresponding budget for approval by the Governing Council; and appoints and dismisses the Director, IOE for cause. Finally, the Executive Board requests peer/external reviews of the evaluation function.
42. **The Evaluation Committee** oversees the evaluation function on behalf of the Executive Board and advises the Executive Board on evaluation matters, particularly on assessing the self-evaluation and independent evaluation functions and on measures to enhance organizational performance and results that emerge from evaluation. It monitors the implementation of the evaluation policy, makes recommendations to the Executive Board and oversees implementation of IOE

<sup>9</sup> OECD-DAC (2002): Glossary of Key Terms in Evaluation and Results Based Management.

<sup>10</sup> Economy: procuring inputs in the appropriate amounts and quality at the best price. Efficiency: how well the inputs are being used to produce outputs. Effectiveness: how well the outputs from an intervention are producing outcomes.

recommendations and agreed follow-up by IFAD Management. In doing so, it ensures that self-evaluations and independent evaluations provide adequate coverage of IFAD's policies, strategies and operations. It also ensures that independent evaluations are shielded from external influences and the impartiality of self-evaluations is assured. The Evaluation Committee reviews the IOE work programme and budget and makes recommendations to the Executive Board; it also reviews selected evaluation documents (independent and self) to ensure learning and accountability from all evaluations. The Committee reviews the report of the search panel for the selection and appointment of the Director, IOE. The Chair of the Evaluation Committee is also responsible for the annual performance appraisal of the Director, IOE.

43. **IFAD Management** is responsible for reporting on the performance and results of IFAD to the governing bodies. It ensures that evaluations are utilized to maximize learning within the organization and inform future interventions including projects, policies, and strategies through adaptive learning approaches and mechanisms to ensure learning from evaluations. In that respect, it provides a Management response to recommendations of independent evaluations and reports on the implementation of the response. Management provides, in a timely manner, all available data and information requested by IOE for conducting evaluations. It is responsible for allocating adequate human and financial resources during project design and implementation to ensure that IFAD policies, strategies, programmes and projects operations are evaluable. Management: establishes the coverage and modalities for an effective self-evaluation system, in consultation with IOE, in order to avoid redundancy; ensures that self-evaluations are of high quality, adequately resourced and supported by methodological guidance; and reports periodically to the Executive Board on the status of self-evaluation. Importantly, Management ensures respect of IOE's independence, consultation with IOE, and full disclosure of information and support necessary for IOE to conduct evaluations.
44. **IOE** reports to the Executive Board. It interacts systematically with the Evaluation Committee and its work is reviewed by the Committee, as specified above. IOE provides necessary independent assessment of IFAD's performance and development effectiveness to the Executive Board and Management through its evaluations, reporting and dissemination of findings. It develops a workplan through a consultative process establishing rationale, priorities, products and the necessary budget, and conducts evaluations engaging with key stakeholders during the evaluation process. IOE sets norms and standards for evaluations in line with international standards promoted by evaluation networks (e.g. OECD-DAC Evalnet, UNEG, ECG) and professional associations, and coordinates with Management the use and implementation of the standards in self-evaluation. IOE reviews self-evaluations and may periodically evaluate the functioning of the evaluation system. It disseminates evaluation findings to Member States and key stakeholders in accordance with the IFAD Policy on the Disclosure of Documents (2010). Finally, IOE participates in external forums on evaluation, contributing to the discussion, and updating and enhancing its own evaluative expertise.

## **VI. Independence and operational safeguards for IOE**

45. Independence of judgement of IOE, underpinned by the principles that drive evaluation in IFAD, is essential to maximize the benefits of an evaluation system. It contributes to legitimacy and credibility, minimizes bias, and ensures that evaluations are free from external or internal influence or pressure as well as from perceived or real conflict of interest. This policy recognizes three key dimensions of independence that are fully upheld by IOE and selectively in self-evaluation:

46. **Behavioural independence** is the ability to produce candid, uncompromising and objective evaluations. Behavioural independence requires professional integrity and ethics, an ability to defend positions based on evidence, and a lack of bias.
47. **Avoidance of conflict of interest** aims to ensure that prior, current and potential future professional and personal relationships and considerations do not influence evaluators' judgements or create the appearance of lack of objectivity.
48. **Organizational/structural independence** is particularly important to ensure that the process for conducting evaluations is not influenced by the decision makers responsible for the products and processes being evaluated and is protected from outside interference. It also allows IOE to define its own work programmes, design its own processes, reach its own decisions, define products, disseminate findings, and administer resources without interference, as further explained in paragraph 50. While IOE remains an integral part of IFAD, and IOE staff are IFAD staff members subject to the same staff rules and policies, this policy spells out the specific processes and mechanisms in place to protect IOE's independence.
49. In order to protect the independence of IOE, IFAD has in place a number of processes<sup>11</sup> (see also annexes):
50. **IOE work programme and budget.** IOE prepares its work programme informed by discussions with the Board and other stakeholders, including IFAD Management, to maximize its usefulness. The annual programme is reviewed by the Evaluation Committee and approved by the Executive Board. The budget is reviewed by the Audit Committee and the Executive Board and recommended for approval to the Governing Council.
51. **Conduct of evaluations, reporting and disclosure.** The responsibility for the conduct of independent evaluations rests exclusively with IOE. IOE actively engages with key partners, including IFAD Management, at the main stages of the evaluation process and pays attention to the learning loop on evaluation findings and recommendations. IFAD Management ensures that IOE has access to any source of information or documents within the organization and the projects that it supports. IFAD Management actively cooperates in independent evaluation processes managed by IOE.
52. Before issuing a report, IOE shares it with IFAD Management and, whenever applicable, with the concerned country authorities, cofinanciers and key stakeholders (as appropriate) in order to check and obtain comments on facts and accuracy. Draft reports are revised to correct factual errors or inaccuracies pointed out during the discussion process. Reports may also incorporate, by means of a note in the report, judgements that differ from those of the evaluation team. Comments not incorporated in the final evaluation report can be provided separately and included as an appendix to the report.
53. The Director, IOE has the authority to issue and publish final evaluation reports without prior clearance from anyone outside IOE.
54. IOE presents selected evaluation reports to the Evaluation Committee and the Executive Board, following their guidance. The Director and staff of IOE have the authority to communicate and interact directly with members of the Executive Board, with in-country partners, and with others outside the Fund, as appropriate for the undertaking of evaluations.

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<sup>11</sup> These processes are covered in this policy in order to embed the concept of the independence of judgement of IOE, in line with the UNEG and ECG standards/guidance for policies.

55. Final evaluation reports are disclosed to the public at large. IOE maintains a dedicated web page and engages in communication activities (reports, briefs, blogs, videos, podcasts, social media, in-person and virtual events, and press releases) without requiring external clearance. IOE can draw on the expertise and network of IFAD's Communications Division.
56. **Selection, appointment, dismissal and performance assessment of the Director, IOE.** In light of the importance of the independence of IOE, the selection and appointment of the Director, IOE is the responsibility of the Executive Board. The Director, IOE is selected for a single, non-renewable period of six years, with terms equivalent to D-2 rank positions at IFAD. The recruitment process for the Director starts at least six months before the expiration of the incumbent Director's contract or upon receipt of the incumbent's resignation, whichever is earlier. The Director, IOE is not eligible for other staff positions in IFAD upon the completion of the term. The Chair of the Evaluation Committee is responsible for the annual review of the performance of the Director, IOE. The Executive Board has the sole authority to terminate the appointment of the Director, IOE. The detailed procedures for the selection, appointment, and termination of the Director, IOE are presented in annex I.
57. If the position of Director falls vacant, the Deputy Director will serve as ad interim Director. The ad interim Director is vested with the delegated authorities of the Director until the new Director officially takes up her/his appointment. Should the Deputy Director not be available to serve, the Evaluation Committee Chair, in consultation with the President, will appoint one of the senior Evaluation Officers to serve as temporary ad interim Director, with the same vested authorities as mentioned above. If a longer-term period of ad interim functions is foreseen or required, the ad interim Director will be identified and appointed by the Evaluation Committee Chair.
58. **IOE staff and consultants.** Subject to the budgetary appropriations approved by the Governing Council and the work programme approved by the Executive Board, the Director, IOE determines the size, and organizes and directs the workforce of IOE. If required, the Director, IOE will recommend the location of IOE positions outside headquarters in consultation with the President of IFAD, for approval by the Executive Board. The Director, IOE has delegated authority to make personnel and operational decisions concerning IOE staff and consultants in accordance with the provisions contained in this policy as well as other applicable IFAD rules covering human resources. The Director, IOE and IFAD Management encourage voluntary staff exchanges to foster cross-fertilization of knowledge.
59. IOE staff are IFAD staff and subject to IFAD staff rules, policies and procedures. IOE staff are entitled to seek employment in other units of IFAD. The Director, IOE is responsible for assessing the performance of IOE staff in accordance with the applicable performance procedures and for recommending their promotion, if applicable, in line with IFAD-applicable rules and procedures. Performance shall be rated as per IFAD standard procedures. Termination of appointment of IOE staff, for any reason, follows standard IFAD rules and procedures and the decision rests with the President – with the exception of the Director, which will be done in accordance with the procedures stated in this policy. To protect independence, the appointment of IOE staff follows specific procedures, presented in annex II, following consolidated practices at IFAD.
60. The Director, IOE is authorized to engage the services of consultants and other vendors deemed necessary for the performance of IOE functions, following IFAD rules. IOE has the autonomy to formulate the terms of reference for consultants, identify the most suitable consultants, and supervise their work.

61. **Audit and investigation.** IOE abides by IFAD's accounting and auditing standards. IOE's budget and expenditure are included in the regular annual external audit of IFAD's accounts. For any specific audit of IOE proposed by Management, Management consults with the Evaluation Committee, which, in consultation with the Chair of the Audit Committee, may agree to the proposed audit, veto the proposed audit or prescribe an external audit in lieu of an audit undertaken by the Office of Audit and Oversight. The President has the right to appeal to the Executive Board if Management's proposal is rejected.
62. The Director and staff of IOE are held to the same integrity standards and conduct as all other IFAD staff, and subject to misconduct investigations if the need arises. The President has the authority to initiate investigations through the Office of Audit and Oversight of the activities or conduct of the Director, IOE, with the investigation results considered by the Executive Board, who will make the final decision on whether a disciplinary measure will be imposed. Unless otherwise decided by the Executive Board, the determination of the disciplinary measure to be imposed rests with the President, with the exception of dismissal and summary dismissal, which is decided by the Executive Board. Investigations against the conduct and activities of all other IOE staff are initiated and conducted in accordance with the applicable rules and procedures for IFAD staff, including the recommendation by the Sanctions Committee and final decision by the President.

## **VII. Continuous improvement of evaluation function**

63. IFAD is committed to strengthening its evaluation function. Periodic reviews of self-evaluations are conducted by Management, and of independent evaluations by IOE, in consultation with the Evaluation Committee. An external review of the implementation of the evaluation policy is conducted every seven years. As recommended by the Committee and approved by the Board, the external review of the IFAD evaluation function may be conducted by peers (e.g. ECG and UNEG) and/or through an independent external arrangement.

## **VIII. Implementation of the policy**

64. The implementation of the policy will be supported by the preparation of a multi-year IOE evaluation strategy and, for self-evaluation, through a revised DEF. A revised evaluation manual will establish key guidelines for methods and processes that directly shape the way evaluation work is conducted. The revised evaluation manual will encompass evaluation issues and processes institution-wide (not only IOE-specific), reflect the revised evaluation policy, products, processes and methods, results and performance initiatives, harmonization agreement and the new results framework. The manual will cover all products identified in the list of IOE evaluation products and self-evaluation products. Clarity, simplicity and a culture of collaboration will be guiding objectives. Coordinated by IOE, IOE and Management will revise the evaluation manual in a collaborative manner.

## **Detailed procedures to select, appoint and dismiss the Director, IOE**

### **A. Selection and appointment of the Director, IOE**

1. The selection process is led by a search panel consisting of three Executive Board members who, for the duration of the search panel process are neither members of the Evaluation Committee nor serving as Convenors of their respective Lists and/or sub-Lists (one each from Lists A, B and C and nominated by the Convenors of the respective Lists), and two independent experts identified by the Evaluation Committee with recognized evaluation experience (at least one of whom would have experience managing an independent evaluation department). A representative of IFAD's Senior Management participates in the panel as a non-voting member. The Executive Board search panel members choose a chairperson who is not one of the independent experts nor the Management representative.
2. IFAD Management provides administrative and legal support and advice to the search panel. Such support and the recruitment process and procedures are consistent with established IFAD policies, rules and procedures to the extent that they are not superseded by the provisions of the evaluation policy.
3. The search panel develops the position description and ensures that the position is advertised. A professional headhunting firm may be engaged to help ensure that a number of well-qualified candidates are provided to the panel. The search panel decides whether to engage a professional headhunting firm and approves the selection of the firm.
4. From the applicants obtained either through advertising or a professional headhunting firm or both, the search panel draws up a shortlist of candidates, interviews and assesses them, and ranks them in order of merit.
5. The search panel requests the Human Resources Division to verify that the academic and professional credentials of those candidates shortlisted for further consideration are valid before proceeding with its assessment of the shortlisted candidates. Subject to their agreement, personal and professional references of shortlisted candidates are checked at this stage by the Human Resources Division or the professional headhunting firm at the search panel's direction. Otherwise, the search panel requests the Human Resources Division or the professional headhunting firm to carry out reference checks after the search panel has identified its preferred candidate, with the results made available to the search panel before it completes its work.
6. After the search panel completes its work, the chairperson of the panel consults with the IFAD President to obtain her/his views with respect to the recommendations of the search panel.
7. The search panel then prepares a report on its work, which the chairperson of the search panel presents to a special/dedicated session of the Evaluation Committee. This report clearly mentions the views of the President with respect to the suitability of the recommended candidates, the order in which they are ranked, and any other concern the President may have about the candidates. Thereafter, the Evaluation Committee endeavours to arrive at a consensus on the ranking of candidates in order to present in the Committee's report to the Executive Board, as far as possible, the consensus views of Committee members. In the event the Evaluation Committee cannot reach a consensus, it provides, along with the list of candidates, a report setting out the different views expressed in the Committee and an explanation of why it has been unable to reach agreement or, if it deems none of the candidates qualified, why the search process should be restarted. This report, approved by all participating Committee members, constitutes the official record of

the Committee's meeting. Reporting to the Board on this matter shall be governed by rule 2.3 of the Terms of Reference and Rules of Procedure of the Evaluation Committee. For the purposes of the Evaluation Committee meeting(s) dedicated to consideration of the search panel's report, rule 2.5 of the Terms of Reference and Rules of Procedure of the Evaluation Committee is suspended.

8. The Executive Board deliberates on the suitability of the candidates submitted by the Evaluation Committee taking into due account the President's views. The Executive Board may decide to endorse the recommendation of the Evaluation Committee, select a different candidate from among those proposed by the Evaluation Committee, or request the Evaluation Committee to restart the search process in case it concludes that none of the candidates are suitably qualified.
9. After the Executive Board has taken a decision on the candidate to select as Director, IOE, the President or his/her representative makes an employment offer to the candidate and the President will make the formal appointment.
10. In the process of recruiting and selecting the Director, IOE, search panel members must avoid any situation that poses an actual conflict or the potential for or the appearance of a conflict between their individual interests and the performance of their official duties. Considerations for identifying and handling conflicts of interest are set out in section C below.

## **B. Grounds and procedures for termination of appointment of the Director, IOE**

11. The Executive Board may terminate the appointment of the Director, IOE on one of the following grounds, which, in the case of a staff member of IFAD would warrant the staff member's termination of appointment:
  - (i) Dismissal or summary dismissal, in case of serious unsatisfactory conduct;
  - (ii) Abandonment of position, including not taking up the position or has not taken up the position to which s/he is assigned;
  - (iii) Under-performance;
  - (iv) Incapacity to perform his/her duties for health reasons;
  - (v) Exceptionally and for unforeseen and justified circumstances, such as convincing evidence of sexual harassment, sexual exploitation and abuse, the discovery of unknown facts, the provision of misleading or untruthful information by the candidate after the letter of appointment has been signed and before the staff reports to duty; and
  - (vi) If the Director, IOE is no longer a national of a Member of the Fund.
12. In any event, termination of appointment would entail written documentation containing due notice about the reasons of the termination and provide the applicable notice period – with the exception of summary dismissal.
13. Unless specifically decided otherwise, IFAD will use the termination of appointment rules, regulations and procedures applicable to the staff of IFAD.
14. The recommendation for termination of appointment is made to the Executive Board by the Evaluation Committee, after hearing the person concerned and seeking the advice of the President on the legal, administrative and other relevant aspects of the matter.
15. The decision taken by the Executive Board is duly communicated by the President to the Director, IOE.
16. Normal IFAD procedures are followed for any misconduct investigations related to the Director, IOE with the results considered and decided by the Executive Board. Following the Executive Board decision, and unless otherwise decided by the

Executive Board, the President determines the appropriate disciplinary measures, if any, in line with the applicable rules and procedures followed for all other IFAD staff, with the exception of dismissal and summary dismissal, which is decided by the Executive Board.

### **C. Considerations for identifying and handling conflicts of interest in the selection of the Director, IOE**

17. An actual conflict of interest involves a conflict between a search panel member's official duties as part of the recruitment and selection process and his/her individual interests that could improperly influence the performance of those official duties. A potential or apparent conflict of interest arises when it could reasonably be perceived that a search panel member's individual interests could improperly influence the performance of his/her official duties, even if this is not, in fact, the case.
18. Specifically, search panel members shall avoid any action which might result in, or create the potential for or the appearance of:
  - (i) Giving unwarranted preferential or prejudicial treatment to any organization or person;
  - (ii) Impeding the efficiency of the recruitment and selection process;
  - (iii) Losing independence or impartiality of action;
  - (iv) Affecting adversely the confidence of member countries or the public in the integrity of IFAD.
19. If an actual, potential, or apparent conflict arises, the search panel member shall promptly withdraw from participation in the recruitment and selection process and communicate in writing to the three List Convenors and the chair of the search panel. In this communication, the search panel member shall set out the actual, potential, or apparent conflict of interest and seek the List Convenors' determination as to whether he/she should recuse himself/herself from the recruitment and selection process.
20. If the Convenors determine that an actual conflict of interest exists, the search panel member shall continue such recusal. If the Convenors determine that a potential or apparent conflict of interest exists, such recusal shall be required where necessary in the interests of IFAD. If necessary, a replacement for the search panel member who has withdrawn shall be nominated by the appropriate List(s) or, if the recused member was an independent external expert, the Evaluation Committee will select a new independent expert.
21. Any member of the search panel may also communicate in writing to the Convenors and chair of the search panel if he/she believes that another member of the search panel should recuse himself/herself because of an actual, potential, or apparent conflict of interest. Following consultation with the search panel member concerned, the procedure set out in paragraph 20 above will be followed.

## **Specific procedures for the hiring of IOE staff members**

1. For the appointment of IOE staff (except the Deputy Director):
  - a) The interview panel is chaired by the IOE Deputy Director or another IOE senior staff member (non-voting) chair. In addition to the chair, the panel includes the following members: (i) a representative from Management; (ii) a representative from the Human Resources Division; (iii) a representative from IOE (hiring manager); (iv) an external evaluation expert (only for professional staff recruitment); and (v) a representative of the staff association (as a non-voting observer).
  - b) Before the report of the interview panel is forwarded to the Director, IOE, the President establishes a due diligence board tasked to ensure that the appointment process has adequately followed the procedures laid down in this evaluation policy as well as applicable IFAD rules and procedures. The due diligence process is restricted to ensuring that the required rules have been followed in the key steps of the recruitment process.
  - c) Except in such cases where the outcome of the due diligence process requires remedial measures, the Director, IOE takes a decision on the recommendation of the interview panel and conveys the same to the President who accordingly instructs the Director, Human Resources Division, to extend an offer of appointment.
2. For the appointment of the Deputy Director, IOE, the same provisions apply as for all IOE staff outlined in the paragraph above, with the following adjustments:
  - a) In consultation with the Director, Human Resources Division, the Director, IOE selects a recognized external evaluation expert to chair the IOE interview panel.
  - b) There is no IOE representative in the panel.
  - c) Before taking his/her decision, the Director, IOE consults with the President and, at his/her discretion, with any member of Management, to seek their views on the shortlisted candidates.

## **Key elements of the terms of Reference of the Director of IOE**

1. In collaboration with the IFAD management, the IOE Director will be responsible for the implementation of IFAD's evaluation policy as described in this document. The IFAD Management will be specifically responsible for implementing the provisions related to the management's self-evaluation system. They will also provide the necessary environment and support to IOE Director for implementing the policy directives related to IFAD's independent evaluation.
2. Director IOE's TOR will incorporate all the responsibilities for managing IOE as the independent evaluation function of the Fund in accordance with its rules and procedures. These responsibilities will include, inter alia:
  - (i) Managing IOE as an effective, efficient and independent evaluation function of the Fund;
  - (ii) Developing operational policies, strategies and related instruments to enhance the independence and effectiveness of the independent evaluation function;
  - (iii) Ensuring high-quality professional work by instituting the necessary enabling environment for and coaching of IOE staff and setting quality standards for IOE outputs;
  - (iv) Overseeing the quality control of IOE evaluation deliverables;
  - (v) Formulating and implementing the annual work programme and budget, and reporting directly to the Executive Board on evaluation issues;
  - (vi) Communicating evaluation results to partners and the general public;
  - (vii) Ensuring that evaluation knowledge and lessons are fed in a timely manner into key IFAD's processes for the formulation of policies, strategies and operations;
  - (viii) Promoting dialogue and exchanges with the management, senior IFAD officials and Executive Board members on evaluation issues of critical importance to the Fund;
  - (ix) Assisting IFAD's operations and partner countries in their evaluation capacity development; and
  - (x) Representing IFAD in the United Nations Evaluation Group and the Evaluation Co-operation Group of the multilateral development banks.