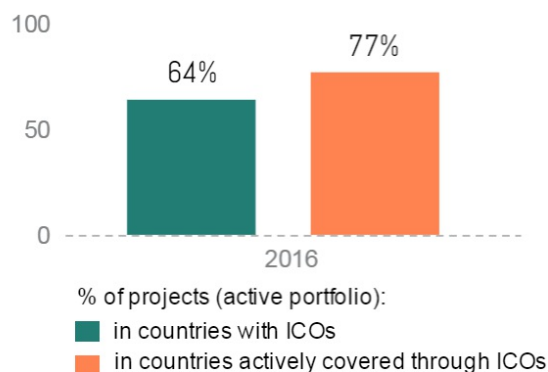
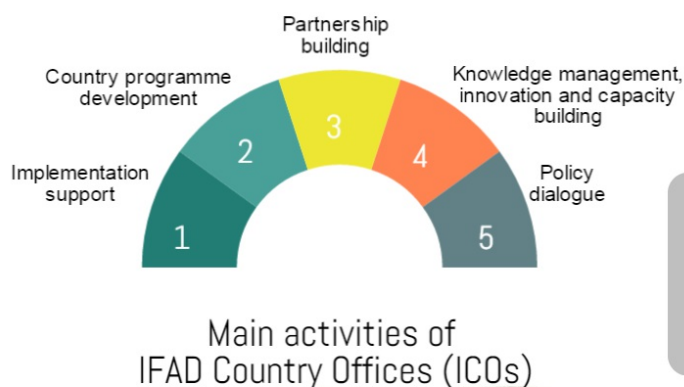


IFAD's decentralization experience

Decentralization

The process of transferring the authority and power to plan, make decisions and manage resources from higher to lower levels of an organizational hierarchy, to facilitate efficient and effective service delivery.



4 ICO models:

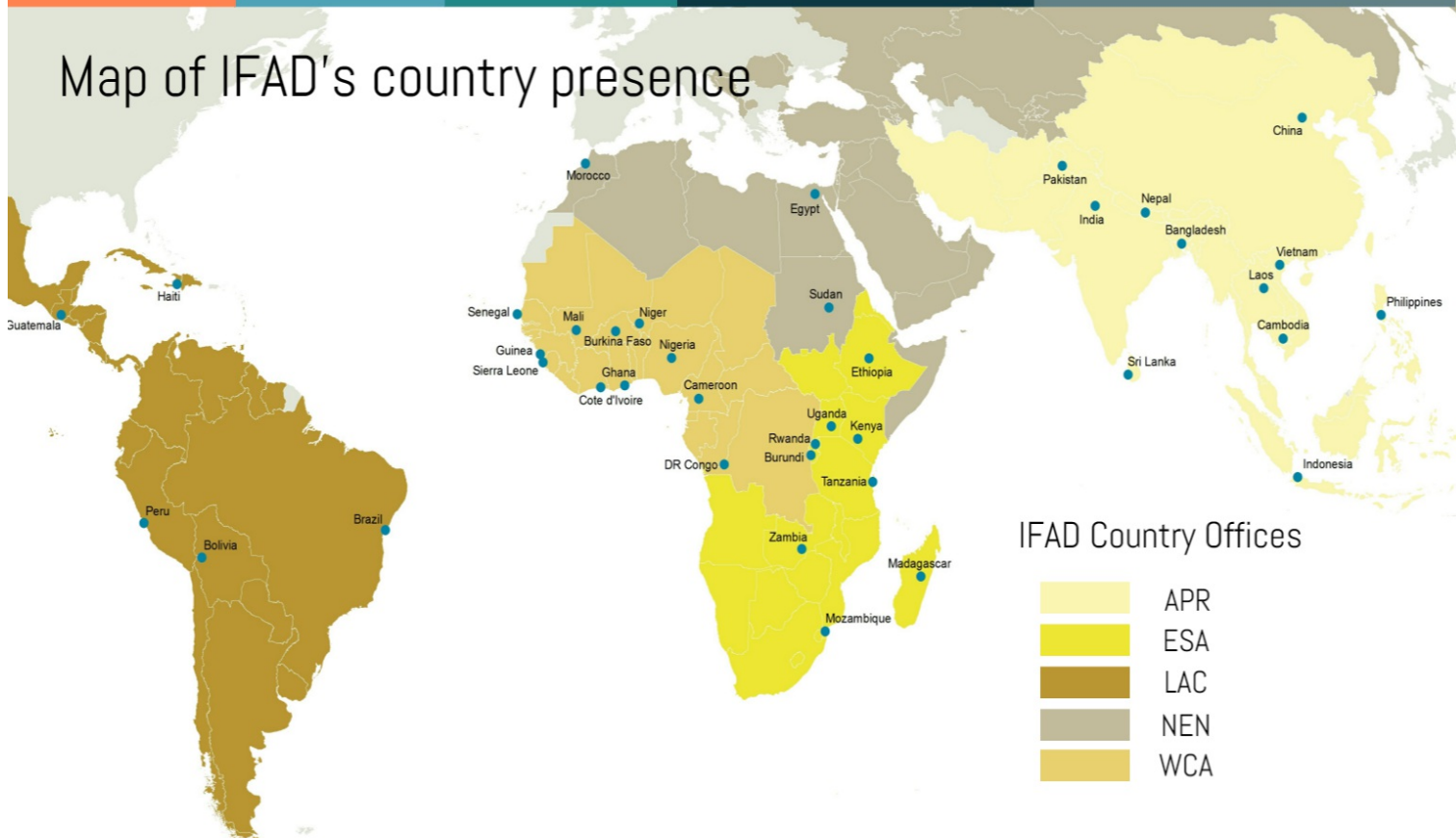
CPM led

CPO led

Sub-regional hubs

Regional service centre (Nairobi)

Map of IFAD's country presence



Objectives of the CLE
To assess IFAD's decentralization:

Relevance

Effectiveness

Efficiency

Key findings

Relevance

IFAD's overall objectives and the design of the strategy were valid.

Some assumptions (e.g. cost neutrality) were not fully valid.

By 2013 IFAD could have made a more structured functional analysis of what is done best in headquarters and at the country level.

Effectiveness

ICOs helped to:

Strengthen Country Strategic Opportunities Programmes and project design.

Improve results at the country level through more successful projects.

Deliver better results in addressing rural poverty and gender, innovation and scaling up and sustainability.

Facilitate supervision and strengthen project implementation support.

Contributions to improving non-lending activities were mixed.

Efficiency

ICOs have not led to Programme Management Department and IFAD budget escalation.

There has been no functional analysis and reorganization of the headquarters divisions.

There are issues of limited delegation of authority to senior Country Programme Managers.

Programme Management Department staffing levels at headquarters have not been reduced as decentralization has proceeded.

There is insufficient differentiation of expectations between varying ICO types and prioritization of functions for individual countries.

Recommendations

#1

Strengthen IFAD's country presence while pursuing options for enhancing cost-efficiency

#3

Improve decentralized decision-making through stronger delegation of authority

#5

Improve the quality of data, monitoring and self-assessment

#2

Provide more support to non-lending activities to achieve stronger development results

#4

Enhance staff incentives and capacity to operate in a decentralized environment