



CORPORATE-LEVEL EVALUATION



Evaluation of IFAD's Field Presence Pilot Programme

July 2007



**Document of the
International Fund for Agricultural Development**

**IFAD's Field Presence Pilot Programme
Corporate-level Evaluation**

**July 2007
Report No. 1893**

EVALUATION TEAM	
Director, Office of Evaluation	Mr Luciano Lavizzari
Senior Evaluation Officer	Mr Ashwani Muthoo
Senior Advisors	<p>Dr Nafis Sadik (Pakistan), former Executive Director of the United Nations Population Fund</p> <p>Prof. Robert Picciotto (Italy), former Director General, Independent Evaluation Group, World Bank</p>
Mission Leader	Mr Hans Wyss, Consultants' Team Leader, responsible for preparing the Country Working Papers (CWPs) for Haiti and Tunisia as well as the draft final report
Team Members	<p>Mr Andreas Alioth, consultant, responsible for organisation and management aspects</p> <p>Mr Andrew Brubaker, Evaluation Officer, OE, responsible for preparing the CWP for Ethiopia</p> <p>Mr Achim Engelhardt, Core team member (consultant), responsible for preparing the CWPs and Country Desk Review Notes (CDRNs) for Benin, Congo DR, Congo Brazzaville, the Gambia, Jordan, Nicaragua and Senegal</p> <p>Mr Cédric Fritschy, consultant, responsible for preparing the CWPs and CDRNs for Benin, Congo DR, Congo Brazzaville, the Gambia, Madagascar, Mauritania and Senegal</p> <p>Mr Richard Gerster, consultant, responsible for the evaluation benchmarking study</p> <p>Mr Jakob Grosen, Core team member (consultant), responsible for preparing the CWPs for Mozambique and Syria</p> <p>Ms Thuy Thu Le, Evaluation Research Analyst, OE, responsible for preparing the CWP for VietNam, conducting research and analysing and managing data</p> <p>Ms Dorothy Lucks, consultant, responsible for preparing the CWPs and CDRNs for Bangladesh, China, Egypt, India, Pakistan, the Philippines, Sri Lanka and Zambia</p> <p>Ms Victoria Matovu, Evaluation Officer, OE, responsible for preparing the CWPs and CDRNs for Kenya, Nigeria, Sudan, Tanzania, Uganda and Yemen</p> <p>Mr Miguel Torralba, Evaluation Officer, OE, responsible for preparing the CWPs and CDRNs for Bolivia, Guatemala, Mexico, Panama and Peru</p> <p>Ms Kendra White, Evaluation Assistant, OE, responsible for the overall formatting and graphics contained in the report.</p>

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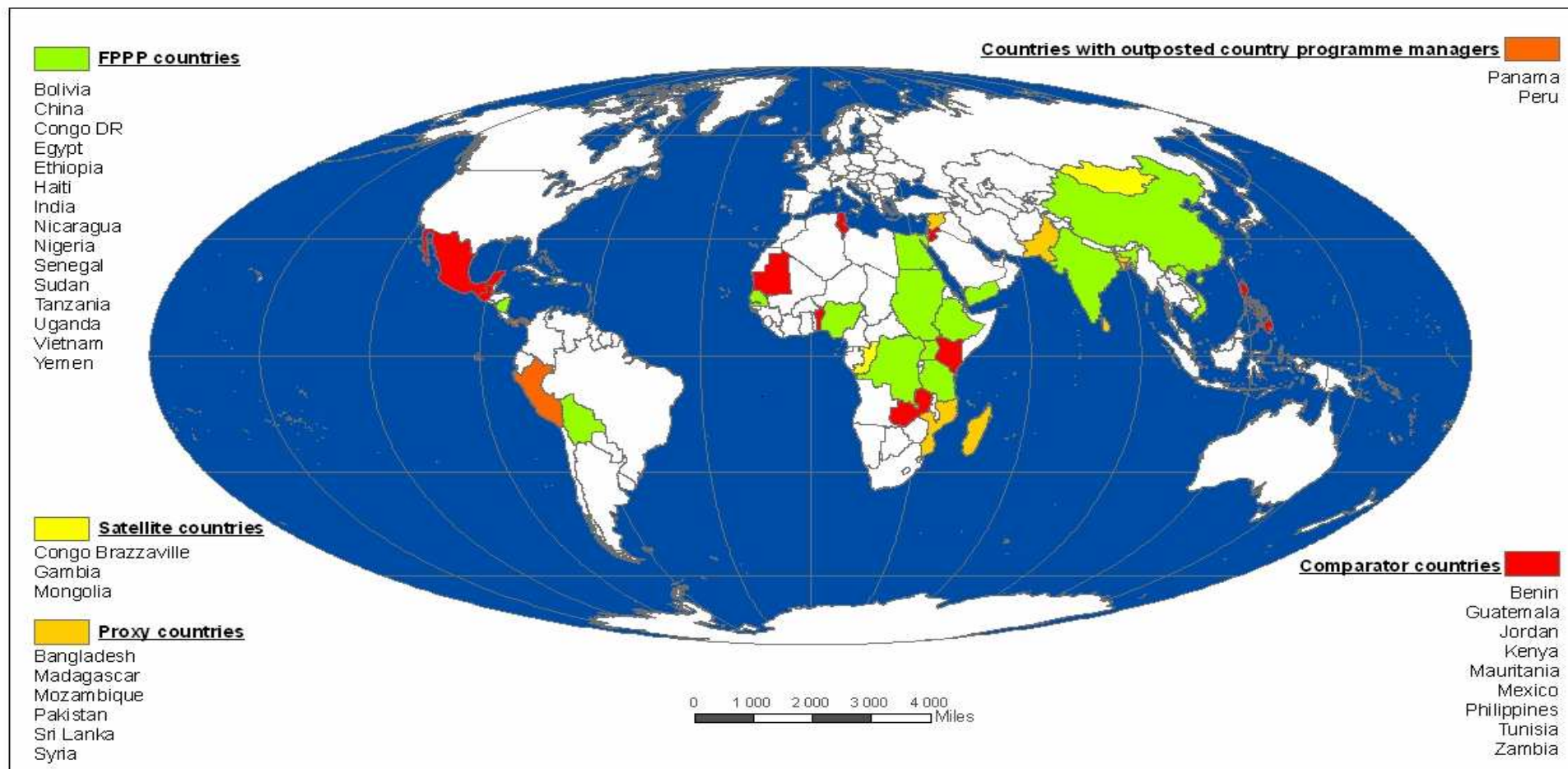
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Abbreviations and Acronyms

ACP	Agreement at Completion Point
AsDB	Asian Development Bank
CDRN	Country Desk Review Notes
CIDA	Canadian International Development Agency
CLP	Core Learning Partnership
CPM	Country Programme Manager
CPP	Country Presence Programme
CWPs	Country Working Papers
DFID	Department for International Development (United Kingdom of Great Britain and Northern Ireland)
DSPP	Direct Supervision Pilot Programme
FAO	Food and Agriculture Organization of the United Nations
FPPI	Field Presence Pilot Initiative
FPPP	Field Presence Pilot Programme
GTZ	German Agency for Technical Cooperation
IFPRI	International Food and Policy Research Institute
LGS	Loans and Grants System
MDGs	Millennium Development Goals
OA	Office of Audit and Oversight
OE	Office of Evaluation
PMD	Programme Management Department
PPMS	Project and Portfolio Management System
RIMS	Results and Impact Management System
SDC	Swiss Agency for Development and Cooperation
SIDA	Swedish International Development Cooperation Agency
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WFP	World Food Programme

Corporate Level Evaluation of the Field Presence Pilot Programme



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD

FOREWORD

In December 2003, the IFAD Executive Board approved the three-year Field Presence Pilot Programme (FPPP), which represented a far reaching initiative related to the organisational structure and operating model of the Fund. At the same time, it requested the Office of Evaluation (OE) to undertake an evaluation of the FPPP and submit the results to the Board during its session in September 2007. The objective of the evaluation was to: (i) assess the results of the pilot in achieving IFAD's objectives at the country level; and (ii) generate findings and recommendations for the future of the FPPP and IFAD's country presence opportunities in general.

The FPPP evaluation analysis was based on the assessment of the performance of IFAD in countries with and without any form of field presence, the results achieved before and after the establishment of field presence, as well as a comprehensive benchmarking study to learn from the country presence approaches and experiences of other development organizations.

The main conclusion of the evaluation is that IFAD's effectiveness, as measured by the four key inter-related dimensions of the FPPP - implementation support, policy dialogue, partnership development and knowledge management - is greater in countries with field presence than in countries without. In particular, the FPPP countries have performed particularly well in providing implementation support and in enhancing communication between IFAD and a range of partners at the country level. Countries with 'proxy' field presence - i.e., countries outside those included in the FPPP where IFAD has directly hired local persons to further some of its key objectives - have paid more attention to strengthening IFAD's engagement in policy dialogue and donor co-ordination, and less in other areas. Finally, even though the sample is small, the outposted IFAD country programme manager (CPM) model - there are only two countries (Panama and Peru), where the CPM is physically stationed rather than at headquarters- yields the best overall results in all inter-related dimensions, but especially in knowledge management activities.

The evaluation also found that the FPPP objectives were too ambitious in relation to the human and financial resources allocated for the purpose, and that the pilot would have benefited from more proactive support during its implementation, in particular, through the systematic collection of data on the FPPP performance indicators and a rigorous recording and analysis of the costs related to the FPPP. Therefore, and given the limited experience in terms of implementation duration and diversity of country presence models experimented under the FPPP, the evaluation concludes that it is premature for IFAD to formulate a comprehensive country presence policy at this stage.

In light of the above, the evaluation recommends that the FPPP be transformed into a new initiative, namely the Country Presence Programme (CPP). The purpose of the CPP would be to consolidate the evidence around the positive results emerging from the FPPP and to determine the most cost-effective form of country presence that IFAD should adopt to further its development effectiveness. The country presence policy would be prepared following the eventual undertaking of an assessment by the management of the CPP. Meanwhile, the evaluation also underlines a number of specific recommendations to be introduced to overcome some of the critical constraints found in the FPPP, which will contribute to achieving a more effective IFAD country presence.

Two senior advisors, Dr. Nafis Sadik and Professor Robert Picciotto, supported OE throughout the evaluation, providing comments on the evaluation methodology and all major deliverables. OE also benefited from comments of the members of the Ad hoc Working Group of the Executive Board on Field Presence and the evaluation Core Learning Partnership, consisting of the Assistant President of the Programme Management Department, as well as representative of all regional and other divisions at IFAD.

The present evaluation report includes an Agreement at Completion Point summarizing the main findings and recommendations of the evaluation, which the IFAD management has agreed to adopt and implement within specific timeframes.



Luciano Lavizzari
Director, Office of Evaluation

IFAD's Field Presence Pilot Programme

Corporate-level Evaluation

Executive Summary

I. INTRODUCTION

1. **Background.** In December 2003, at its eightieth session, the International Fund for Agricultural Development (IFAD's) Executive Board approved the three-year Field Presence Pilot Programme (FPPP). The main aim of the pilot programme was to enhance the effectiveness of IFAD operations by focusing on four interrelated dimensions: implementation support, policy dialogue, partnership-building and knowledge management. While approving the pilot, the Board requested the Office of Evaluation (OE) to evaluate the FPPP during its third year of implementation and present its results to the Board.

2. **Evaluation Objectives.** Accordingly, the main objective of this evaluation was to: (i) assess the performance and impact of the FPPP in achieving IFAD's overall objectives; and (ii) generate findings and recommendations to help IFAD's management and Board decide on the pilot's future and lay the basis for the formulation of an IFAD country presence policy.

3. **Evaluation Methodology.** The evaluation: (i) established a comparator group of countries without any form of IFAD field presence to gain a better appreciation of the results in countries with and without field presence; (ii) gave emphasis to the assessment of results achieved before and after the establishment of field presence by mainly obtaining the views of stakeholders; (iii) secured systematic feedback about the benefits of an actual or potential field presence within IFAD and at the country level; and (iv) carried out a comprehensive benchmarking study to identify good practice in country presence and learn from the experience of other development organizations.

4. While the focus was on the FPPP (including satellite countries¹), the evaluation also examined the experience gained with: (i) two outposted Country Programme Managers (CPMs) in Panama and Peru; and (ii) proxy field presence² arrangements. This facilitated the assessment of alternative field presence arrangements pursued by IFAD.

5. The evaluation faced three major challenges: (i) limited availability of self-evaluation data, incomplete accounting of FPPP costs and lack of any baseline data on the performance and outcome indicators adopted by the Board; (ii) the short and incomplete implementation period for most of FPPP initiatives³; and (iii) unrealistic expectations regarding the assessment and attribution of the pilot programme's impact on the rural poor⁴.

6. Country visits took place in 25 of the 35 countries included in the evaluation sample, some with and others without any form of field presence. In line with the IFAD Evaluation Policy, OE set up a

¹ Satellite countries are those neighbouring countries covered by the field presence officer, in addition to his/her country of residence in one of the 15 FPPP countries.

² As with the two outposted CPMs, proxy field presence countries are outside the FPPP. Under proxy field presence, IFAD normally recruits a consultant locally who can undertake a range of activities in support of the IFAD country programme, such as attending donor co-ordination meetings.

³ Ten of the FPPPs only started in the last quarter of 2005 or in 2006.

⁴ The limitations were addressed in a number of ways, including the adoption in the evaluation of a comparator group of countries and assessing the before and after field presence situations, undertaking a benchmarking study, and visiting 25 countries to collect information from concerned partners.

Core Learning Partnership (CLP) and benefited from the inputs of two Senior Advisers (Dr Nafis Sadik and Professor Robert Picciotto), who provided advice on the design of the evaluation and reviewed all major evaluation deliverables.

II. ASSESSMENT OF IFAD'S FIELD PRESENCE EXPERIENCE

7. **Design and Management of the FPPP.** The evaluation found that the focus of the FPPP on the four interrelated dimensions (implementation support, policy dialogue, partnership building and knowledge management) was appropriate for furthering the objectives of IFAD country programmes. However, the FPPP was critically under-funded, and the human resources allocated to the pilot were inadequate. The Consultation on the Sixth Replenishment of IFAD's Resources and the Executive Board were quite involved in the design of the FPPP, including establishing the pilot's objectives and resource allocation. For example, a group of IFAD member states prepared and circulated a "non-paper" outlining the objectives and design of the FPPP in 2002, and a specific Ad-hoc Working Group of the Executive Board on Field Presence⁵ was established in December 2002 to oversee its development and implementation. This involvement delineated a clear framework that the management followed in preparing the final proposal on the FPPP.

8. The FPPP design devoted inadequate attention to the interface between CPMs, IFAD's cooperating institutions and the field presence officers in general, but in particular with regard to their contribution to implementation support activities. This led to confusion on the ground among key partners about their respective roles and responsibilities. The self-assessment report on the FPPP issued by Programme Management Department (PMD) echoes these sentiments.

9. The Fund did not take advantage of the FPPP by systematically experimenting with alternative models to field presence except for the inclusion of satellite countries – a subregional approach to field presence connected to the establishment of field presence in a particular country. Most pilot countries followed the same model. It involved appointing a local staff member and arranging for office space. Nor did the Fund outpost any CPMs from Headquarters under the FPPP, although such experimentation was specifically envisaged by the pilot.

10. The implementation of the FPPP was also characterised by the inability to capture reliable cost data and the absence of a platform for systematic knowledge sharing among FPPP officers and CPMs, as well as inadequate reporting on performance indicators. Furthermore, no human or financial resources were specifically dedicated by IFAD for the management of the FPPP, so the pilot had to be implemented within existing management and staff capacities. As such, it can be said that pilot has not provided IFAD's management and Board with appropriate guidance for the formulation of an authoritative country presence policy at this stage.

11. **Organizational Aspects.** Field presence officers draw on the administrative services of host organizations. This inevitably leads to some loss of IFAD identity and visibility. The majority of field presence officers are recruited and hosted by United Nations Development Programme (UNDP). The others are recruited and hosted by the Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme (WFP), except for four field presence officers directly recruited as consultants by IFAD. No pilot is housed in the offices of international financial institutions⁶ – a lost opportunity for enhanced partnership with organizations that are especially well placed to help 'upscale' IFAD-funded activities.

⁵ This group is still operational and is composed of 9 members of the Executive Board.

⁶ One reason might be that generally the rental costs of space in such institutions was found to be higher than under the current FPPP host organisations.

12. The Peru outposted CPM works from a privately rented office, whereas the Panama CPM is hosted in the UNDP office. Most proxy field presence officers work from private offices (or their homes). They are all recruited directly as IFAD consultants.

13. The effectiveness of the FPPP and proxy field presence officers has been constrained by limited delegation of authority. Nor has systematic coaching been provided. Field presence officers are not authorized to represent IFAD formally or to take decisions on operational or financial matters. Partners at the country level are aware of this and tend to contact the headquarters directly. This contrasts with the orderly country relations pattern experienced in the two countries where IFAD has outposted CPMs. They enjoy the same status as their colleagues in Rome and this is recognized by country partners.

14. IFAD has attracted highly qualified field presence officers, although and understandably they are not equally competent to implement all four dimensions of the FPPP. Proxies have focused on one or two main areas of work (such as policy dialogue and donor coordination). On the other hand, outposted CPMs with delegated authority have been able to mobilise national expertise to pursue all four dimensions. In general, no systematic induction and training was provided at the outset of the FPPP or for proxy field presence officers. On-the-job training has been *ad hoc*. No special training provisions were made for outposted CPMs either. While field presence officers have recently been given access to the IFAD Intranet and provided with IFAD email accounts, they still do not have access to other key information systems such as the Project and Portfolio Management System (PPMS) and the Loans and Grants System (LGS).

15. **Financial Issues.** It is difficult to draw an accurate picture of the pilot's costs - and for the other models of field presence. Managers and staff did not use available accounting systems in a way that would have enabled proper tracking of FPPP costs. It appears that several country pilots have spent more than the anticipated amounts, largely as a result of the escalation in staff costs. According to a recent internal audit, the actual costs of the FPPP will be around US\$4 million (on the basis of a full three year implementation period for all FPPP countries), rather than the US\$3 million approved by the Board for the 15 country pilots⁷. The evaluation notes that individual pilots with an average of US\$67 000 per year (with a maximum of US\$80 000 per country each year) are severely under-resourced to handle the variety of tasks implied by the four FPPP dimensions.

16. A cost analysis conducted by the evaluation on the outposting of CPMs found that this is likely to involve substantial costs. Outposting a P4-level staff member could involve either a savings of around US\$12 000 or additional costs to the Fund of around US\$34 000 per year, depending on the duty station and the related post adjustment entitlement. For a P5-level staff member, savings could be around US\$17 000 or additional costs around US\$35 000. These estimates make no provision for a hazard allowance (an entitlement in some cases), for costs related to rental subsidies or for one-time costs of more than US\$50 000 per staff for duty travel, family travel and household goods removal related to the outposting of headquarters staff. The investment costs in infrastructure required to make outposted staff operational also need to be factored in. On the other hand, savings can be generated by recruiting local administrative and secretarial staff to support the outposted CPMs. All in all, it would seem that a budget neutral outcome (and in some cases savings) might be achieved only if much of

⁷ In their initial proposal to the Board in September 2003, the management estimated the costs of the 3 year pilot to be US\$3.6 million. However, based on discussions with the Board, the budget submission of the management was reduced to US\$3 million when the final FPPP proposal was presented for approval by the Board in December 2003.

the operational work arising from the planned expansion in the programme of work⁸ is transferred to field offices in countries where professional salary scales are lower than at headquarters.

17. **Performance and Results.** As a group, the results related to the FPPP, proxy field presence and two outposted CPMs are better across the four inter-related dimensions, in relation to the cohort of countries in the comparator group without any form of IFAD field presence (see Table 1). Performance is even better in countries where field presence was established two or more years ago. However, these results must be interpreted with caution since the FPPP was directed to countries where borrowers' attitudes and capacities were relatively favourable.

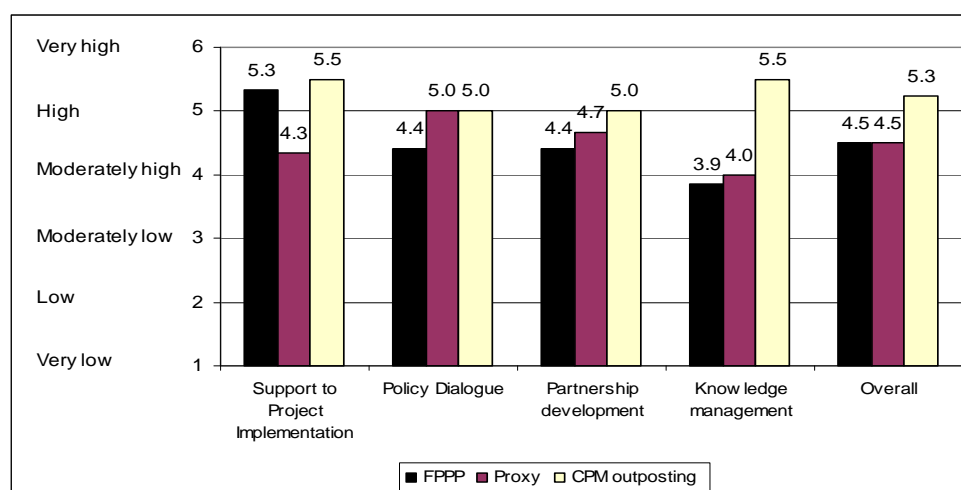
Assessment of Country With and Without Field Presence

<u>Key dimensions</u>	<u>Field Presence</u>	<u>Comparator countries</u>
Implementation Support	5.2	4.6
Policy Dialogue	4.5	3.4
Partnership Development	4.5	4.4
Knowledge Management	4.1	3.6
Overall	4.6	4.0

(1= lowest score, 6 = highest score)

18. While some examples of innovations were found in comparator group countries, the results in field presence countries are better in terms of replication and scaling up of innovations. In this regard, the role of the outposted CPM in Peru stands out in terms of the promotion of innovations, as confirmed by other OE evaluations. While such innovations would not have taken place without the incumbent's special skills, the delegation of responsibility to the field was a necessary condition of success.

Ratings of the Four Inter-related Dimensions Across the Different Types of Field Presence



19. As to the before and after scenarios, apart from knowledge management, the overall effectiveness of field presence countries is rated between moderately high and high in the other three dimensions to which field presence is expected to contribute. All three field presence models appear

⁸ See section on "Programme of Work 2007-2009" (paragraphs 57-59) in the document *IFAD's Contribution to Reaching the Millennium Development Goals: Report of the Consultation on the Seventh Replenishment of IFAD's Resources (2007-2009)*, which articulates the background and magnitude of the annual increases in the Fund's programme of work. The target is to achieve a US\$2 billion work programme for the Seventh Replenishment period.

to yield overall moderately high to high results in terms of improving IFAD activities in the four inter-related dimensions.

20. Within the FPPP countries, the best results are reportedly achieved in implementation support activities. Overall, the results achieved in knowledge management were not as good but this may be due to the lack (until recently) of an overall IFAD knowledge management strategy. On policy dialogue and donor coordination, it is revealing that the results are above the FPPP averages in countries such as Mozambique, Nicaragua, Tanzania and Uganda with emphasis on sector wide approach programmes in agriculture or rural development. The same can be said for partnership strengthening.

21. Although the outposting of CPMs emerges as the most successful model of IFAD field presence, it must be stressed that the results are based on a sample of only two countries where IFAD presently has outposted CPMs. The largest difference in performance between the outposted CPMs and the FPPP and proxy field presence officers is in the area of knowledge management.

22. The group of satellite countries covered by FPPP showed broadly the same results in implementation support, but lower overall effectiveness in policy dialogue, partnership strengthening and knowledge management. This is largely because the FPPP and therefore the satellites gave more priority to implementation support than to the remaining three dimensions. It also attests to the difficulties faced when engaging in policy dialogue activities outside the duty station country.

23. Most proxies cover only one or at most two of the four FPPP dimensions. The area of focus is driven largely by the most pressing operational needs. Proxy field presence has been effective especially in supporting policy dialogue, donor coordination activities, and less so implementation support. One problem is that some proxy field presence officers are hired on contracts of limited duration (e.g., on a retainer basis). This may lead to conflicts of interest, when the proxy field presence officers explore employment opportunities with institutions involved in IFAD operations.

III. KEY FINDINGS FROM THE BENCHMARKING STUDY

24. The benchmarking study generated a number of revealing findings. All comparator organisations considered field presence to be essential to their development effectiveness, especially in the framework of the evolving development architecture with emphasis on harmonisation, donor co-ordination and aid effectiveness. It has allowed them to pursue more systematically partnerships with like-minded development organisations at the country level. They emphasized that appropriate delegation of authority to country offices was crucial and that special training, induction and oversight arrangements are needed to secure full benefits from the field presence. Costs were merely one of the criteria considered by the comparator organisations in deciding to embark on decentralisation. Each organization has pursued alternative options for country presence in order to respond to different contexts, including the setting up of regional and subregional offices to complement the work of country offices. Finally, the study noted that decentralisation has consequences for the work of headquarters, and that ongoing institutional reform processes must take full account of decentralization of operations.

IV. CONCLUSIONS

25. Overall, the evaluation concludes that the field presence model tested by the FPPP has had positive results. The same can be said of proxies, and of the CPM outposting model, although the size of the sample is small. The benchmarking study confirms that a permanent field presence is widely viewed by other development organizations as central to their effectiveness. But significant resources need to be invested for field presence to be effective. In sum, the central question for IFAD is not about the rationale of a field presence, but rather about the form of country presence most appropriate for the Fund and the countries it serves.

26. The overall effectiveness of IFAD measured along the four dimensions of implementation support, policy dialogue, partnership development and knowledge management has been greater in countries with field presence than in countries without. The FPPP has made IFAD more visible and effective and has allowed better and more consistent follow-up. This has had wholesome effects on the quality of country programmes and projects. The results would have been better and more solidly documented had the shortcomings in the design and implementation of the pilot been recognised and acted upon on a timely basis – particularly with respect to funding, delegation of authority, legal, logistical and training arrangements.

27. The FPPP had an ambitious design and was under-funding. This can be seen as a reflection of the compromise that had to be reached in order to garner the acceptability of Board members, several of whom strongly favoured IFAD field presence, whereas others did not.

28. Based on a small sample, the outposting of CPMs with full delegation of authority to advance IFAD's objectives at the country level emerges as a highly effective option. The evaluation made an initial attempt to determine the cost of outposting CPMs, which reveals that establishing this type (but also any other less effective type) of country presence for IFAD is not likely to be cost neutral and involves significant rethinking of the role, organizational structure and functioning of the institution as a whole, comprising of both outposted and headquarters staff.

29. The experimentation with the satellite country approach has also proven positive, particularly as far as implementation support activities are concerned. It is an interesting option from a cost perspective. Finally, the proxy field presence approach has been effective, when focused on one or two areas such as policy dialogue and/or aid coordination.

30. In sum, in spite of the limitations of pilot design and implementation and the challenges involved in assessing FPPP results (see paragraph 5), the evaluation is able to conclude that an enhanced field presence would make a significant contribution to IFAD's development effectiveness in all four dimensions. However, the most promising approach to decentralization based, admittedly, on a very small sample (CPM outposting) was not tested under the pilot. Nor were the other options tested systematically in diverse country contexts and in conjunction with appropriate delegation of authority and suitable training and induction support. Moreover, it is not possible to conclude without access to better cost data that a budget neutral outcome can be guaranteed. In fact, available evidence (amply confirmed by the benchmarking survey) suggests that the full benefits of decentralization may require substantial incremental budget outlays.

31. Due to all these considerations, the pilot must be considered a missed opportunity even though enough reliable evidence now exists to confirm the need for an expanded field presence program in order to allow IFAD to play its distinctive role in a relevant, effective and efficient manner within a development environment in rapid transformation.

V. RECOMMENDATIONS

32. The evaluation has two specific recommendations: (i) embark on an expanded Country Presence Programme; and (ii) work towards the formulation of a Country Presence Policy by 2010.

Embark on an Expanded Country Presence Programme

33. Given that the FPPP did not succeed in providing a conclusive indication of the most effective form of field presence for IFAD, the evaluation concludes that it is premature to propose a mainstreaming of the initiative. Instead, the FPPP should be transformed in a new programme - the IFAD Country Presence Programme (CPP)⁹ - that would aim at consolidating the evidence around the

⁹ It is proposed to replace the term 'field' with 'country', given that the word field is normally associated with geographic areas where IFAD-funded projects are implemented. This should not however preclude the

positive results as well as determining the most cost effective form of country presence that IFAD should adopt in diverse country contexts. The CPP would consist of two distinct tracks:

- Continue implementation of existing FPPP country initiatives; and
- Expand the programme to allow systematic experimentation with alternative country presence models.

34. First, the evaluation recommends the continued implementation, under the CPP of all FPPP country initiatives, whether they were due to complete their three year implementation by the end of 2007 or not.

35. In parallel, the evaluation recommends an expansion of the CPP to allow for experiments that were not undertaken in the first phase of the FPPP, namely with outposting of CPMs and establishing subregional offices. Specifically, it is suggested that the FPPP be expanded to cover an adequate number of countries in all IFAD regions, including 2 to 3 subregional offices located in different regions. The expansion should entail the outposting of around 10 CPMs in FPPP and other countries, with preference given to large and active country programmes.

36. For all countries in the CPP, a reassessment of budget allocations should be made, to ensure that each country pilot has access to the funding needed to achieve the intended objectives. Proper use of IFAD's accounting system should be ensured so that accurate monitoring of costs related to the CPP is carried out. Finally, a platform for sharing experiences across the concerned CPMs and field presence officers should be set up with full access to the PPMS and LGS provided for all country offices

37. Furthermore, it is imperative that all monitoring, evaluation and reporting measures be put in place to ensure the evaluability of the extension phase in order to avoid the shortcoming of the first pilot phase. The need to collect baseline data in all countries under the CPP is especially critical.

38. The Management should be comprehensively engaged in country presence issues, for example in ensuring that adequate delegation of authority is provided to field presence officers and that appropriate systems are in place for training, induction, coaching and oversight of outposted personnel. The delegation of authority to field presence officers from headquarters should be articulated with clarity and realignment of responsibilities between field and headquarters staff should be specified to minimize duplication and enhance accountability. Where field presence officers have consultancy contracts that have performed competently, IFAD should devise specific legal instruments that allow their contracting as local staff.

39. A cross-departmental committee should be established to facilitate organizational learning and discussion of cross-cutting issues emerging from the CPP. Furthermore, IFAD should consider taking the lead in forming a committee of Rome-based UN agencies on country presence issues, as a forum for exchanging experience and good practices.

Development of IFAD's Country Presence Policy after 2010

40. The evaluation concludes that it is premature for IFAD to formulate its country presence policy, given the limited experience both in terms of the implementation duration and diversity of country presence models experimented under the FPPP. Therefore, it is recommended that a self-assessment

possibility for IFAD to establish country presence outside the capital city, should this be considered appropriate in any particular case.

of the CPP (including the FPPP) be undertaken by IFAD Management in 2010. This would serve as the basis for the development of IFAD's comprehensive country presence policy to be submitted for approval to the Executive Board following the final assessment in 2010.

IFAD's Field Presence Pilot Programme

Corporate-level Evaluation

Agreement at Completion Point

A. Introduction

1. In 2006/07, IFAD's Office of Evaluation (OE) conducted a Corporate-level Evaluation (CLE) of the Field Presence Pilot Programme (FPPP), requested by the Executive Board in December 2003. The final draft FPPP evaluation report was discussed in a stakeholder workshop in Rome on 11-12 June 2007, bringing together the International Fund for Agricultural Development (IFAD) field presence staff, project directors, government representatives, IFAD management and staff, members of the Ad Hoc Working Group of the Executive Board on Field Presence, representatives of international organizations, members of the evaluation team and the FPPP evaluation Senior Advisers, and others.

2. This Agreement at Completion Point (ACP) represents an understanding by the IFAD Management of the key evaluation findings and recommendations, proposals to implement them and a commitment to act upon them. The ACP builds on the evaluation's results as well as the discussions that took place during the stakeholder workshop. Section B of the ACP includes the main evaluation findings, whereas section C contains the recommendations to be implemented.

B. Main Evaluation Findings

3. Overall, the evaluation concludes that the field presence model tested by the FPPP has had positive results. The same can be said of proxies, and of the Country Programme Manager (CPM) outposting model, although the size of the sample is small. The benchmarking study confirms that a permanent field presence is widely viewed by other development organizations as central to their effectiveness. Some invest significant resources in their field presence arrangements. In sum, the central question for IFAD is not about the rationale of a field presence, but rather about the most cost-effective form of country presence for the Fund and the countries it serves.

4. The overall effectiveness of IFAD measured along the four dimensions of implementation support, policy dialogue, partnership development and knowledge management has been greater in countries with field presence than in countries without. The FPPP has made IFAD more visible and effective and has allowed better and more consistent follow-up. This has had wholesome effects on the quality of country programmes and projects. The results would have been better and more solidly documented had the shortcomings in the design and implementation of the pilot been recognized and acted upon on a timely basis – particularly with respect to funding, delegation of authority, legal, logistical and training arrangements.

5. The FPPP had an ambitious design and was under-funded. This can be seen as a reflection of the compromise that had to be reached in order to garner the acceptability of Board members, several of whom strongly favoured IFAD field presence, whereas others did not.

6. Based on a very small sample, the outposting of CPMs with full delegation of authority to advance IFAD's objectives at the country level emerges as a highly effective option. The evaluation made an initial attempt to determine the cost of outposting CPMs, which reveals that establishing this type (but also any other less effective type) of country presence for IFAD may not be cost neutral, at least in the short term, and involves significant rethinking of the role, organizational structure and functioning of the institution as a whole, comprising of both outposted and headquarters staff.

7. The experimentation with the satellite country approach has also proven positive on the whole, particularly as far as implementation support activities are concerned. It is an interesting option from a cost perspective. Finally, the proxy field presence approach has been effective, when focused on one or two areas such as policy dialogue and/or aid coordination.

8. The implementation of the FPPP was also characterised by the lack of reliable cost data and the absence of a platform for systematic knowledge sharing among FPPP officers and CPMs, as well as inadequate reporting on performance indicators. Furthermore, no human or financial resources were specifically dedicated by IFAD for the management of the FPPP, so the pilot had to be implemented within existing management and staff capacities.

9. In spite of the limitations of the pilot's design, its budget and its implementation, and the challenges involved in assessing FPPP results, an enhanced field presence would make a significant contribution to IFAD's development effectiveness in all four dimensions. However, the most promising approach to decentralization based, admittedly, on a very small sample (CPM outposting) was not tested under the pilot. Nor were the other options tested systematically in conjunction with appropriate delegation of authority and suitable training and induction support. Moreover, it is not possible to conclude without access to better cost data that a budget neutral outcome can be guaranteed. In fact, available evidence (amply confirmed by the benchmarking survey) suggests that the full benefits of decentralization may require substantial incremental budget outlays.

10. In sum, according to the evaluation, the pilot provided enough reliable evidence to confirm the need for an expanded field presence programme, in order to allow IFAD to play its distinctive role in a relevant, effective and efficient manner within a development environment in rapid transformation.

C. Recommendations Agreed Upon by IFAD Management

Recommendation 1. Enhanced Country Presence

11. In accepting the evaluation recommendations, IFAD management has considered the following factors:

- (a) fifteen initiatives established under the FPPP did show positive results (para 3) and had wholesome effects on the quality of the country programmes and projects (para 4);
- (b) the CPM outposting model was not tried under the FPPP and the two sample cases of CPM outposting undertaken outside of FPPP, though considered highly effective (para 6), are insufficient to draw conclusions as to the model's overall effectiveness at the corporate level; and
- (c) the costs of future country presence will have to be borne by IFAD within its agreed cost ratio (administrative budget and PDFF to program of work) which is not to exceed 17.1 per cent¹.

12. In the light of the above, with respect to the future field presence of IFAD, which will be renamed as country presence², the following recommendations of the evaluation have been agreed:

- (a) Continue implementation of the 15 country initiatives already established under the FPPP, whether they were due to complete their three year implementation by the end of 2007 or not; and – subject to budget availability – gradually expand country presence

¹ The programme of work for this purpose includes loans and grants but excludes PDFF.

² It proposed to replace the term 'field' with 'country', given that the word field is normally associated with geographic areas where IFAD-funded projects are implemented. This should not however preclude the possibility for IFAD to establish country presence outside the capital city, should this be considered appropriate in any particular case.

into a limited number of priority countries (based on, for example, numbers of projects, “One UN” agenda, etc).

- (b) Expand country presence to undertake more systematic experimentation with alternative country presence models in additional countries (beyond those included in the FPPP) in all five IFAD regions. This would allow IFAD to fulfil the original objective contained in the FPPP of piloting and learning from diverse approaches to IFAD’s country presence. The expansion may entail two specific measures, namely (i) outposting of CPMs; and (ii) the establishment of subregional offices (subject to the conditions described below). Under this expansion, special attention will be given to IFAD’s engagement in the ongoing UN reform processes, in particular the one UN pilot initiative at the country level. Experimentation would however be subject to cost concerns. Since IFAD management is committed to not exceed the agreed administrative cost ratio, it will not experiment with additional country presence models if it expects costs to exceed this level (Para 11 (c) above).

13. Outposting of Country Programme Managers. The evaluation revealed that the best results have been achieved on average in the two countries where IFAD currently has outposted country programme managers. However, the experience with this model is too limited in size, and the cost implications not sufficiently clear to recommend this as the most cost-effective country presence approach for IFAD. Therefore, during the next two years, IFAD management will outpost up to 12 country programme managers³, including those which are already under such arrangement, with the necessary experience and adequate seniority in all regions, including in some ongoing FPPP countries with large portfolios. Under this approach, the country programme manager may be responsible for the coverage of additional neighbouring countries, over and above the country of her/his residence⁴. The implementation of such a recommendation would be in line with the provisions of the original FPPP design document approved by the Board in December 2003, which gave the Fund the opportunity to outpost country programme managers as one form of country presence model. The Fund, to the extent possible, will negotiate direct hosting agreements with concerned governments in countries where it intends to outpost country programme managers that would, inter alia, provide the overall legal framework for establishing officially an IFAD country presence with the required diplomatic immunities and privileges. Last but not least, the Fund will need to carefully assess the required logistical and infrastructure requirements for outposting country programme managers, including exploring opportunities for hosting arrangements with other UN agencies and international financial institutions. IFAD management is committed to doing this prudently and in the most cost effective manner, in order to remain within the agreed administrative cost ratio ceiling (para 11 (c) above)⁵.

14. Establishment of Subregional Offices. The FPPP evaluation concluded that the subregional model appears to be an interesting, cost-efficient model - as corroborated by the experience of a number of other development organizations – to bring IFAD closer to the ground. Its cost-effectiveness could be assessed during the next phase of country presence. Therefore, as part of the experiment of outposting country programme managers, and based on the generally positive experience with the satellite countries under the FPPP and the findings of the benchmarking study, the evaluation recommended that IFAD sets up 2-3 subregional offices to be located in different IFAD

³ Such a recommendation was also contained in the independent external evaluation of IFAD, which encouraged the Fund to outpost around 30 per cent of all country programme managers.

⁴ It is normal practice for the two currently outposted country programme managers to be concurrently responsible for more than one country in the same region.

⁵ IFAD’s current budgetary framework is, however, unlikely to cover fully the costs associated with the implementation of the CPM outposting. In implementing this model, IFAD will therefore explore the possibility of accessing supplementary funds.

regions. IFAD management, however, will proceed very prudently with this recommendation noting that:

- (a) The Evaluation's positive view on sub-regional offices is based solely on the experience of comparator organisations, with little reference to how they may fit within IFAD's overall business model. Further study therefore may be required before moving forward on this recommendation. In addition, the experiences with the satellite countries under the FPPP are mixed.
- (b) IFAD management will not create subregional offices as an additional layer between IFAD headquarters and the country presence units. IFAD will however have several outposted CPMs who will be responsible for more than one country, and such offices will be considered as mini sub-regional offices.
- (c) In the event that a sub-regional office is considered a feasible proposition following the further studies mentioned in (a) above, such offices could be located in one country with a large portfolio, following largely the criteria under the FPPP, to have a country presence. Such an office would cover the host country, as well as a number of neighbouring countries with relatively smaller portfolios. The proper functioning of such an office would also need the recruitment of an appropriate number of local staff. Such an arrangement would locate the country programme manager closer to the countries and, among other issues, may contribute to a reduction in travel time and costs.

15. All country presence initiatives will be established in tandem with other initiatives such as the direct supervision so that these are based on felt need and in the medium term benefit at least equals cost. In establishing these initiatives, IFAD management will also adhere to the agreed administrative cost ratio mentioned in para 11(c) above.

16. It is important that each country initiative under the next phase is reviewed and the shortcomings and lessons learnt emerging from the evaluation addressed in a systematic manner. Some of the necessary enhancements are recommended in the paragraphs below grouped into two broad areas related to the (i) pilot programme's design including administrative and legal matters, and (ii) implementation issues.

17. In Terms of Design:

- (a) In general, the next phase of country presence should incorporate the four dimensions contained in the FPPP (implementation support, policy dialogue, partnership building, and knowledge management). This is particularly crucial not only for achieving better impact on rural poverty, but also for advancing the Fund's role as a promoter of innovations, in which implementation support, policy dialogue, partnership strengthening and knowledge management each play a mutually reinforcing function. Individual country presence initiatives, however, may accord priority to fewer dimensions in order to be aligned fully with the country needs and maximize impact.
- (b) In order to make the next phase of country presence more effective in pursuing IFAD's country programme objectives, the Fund should identify areas in which country presence offices could benefit from greater and clearer delegation of authority (see (d) below). Fuller delegation of authority to country presence officers will require a more systematic mechanism for supervision and oversight, as well as staff performance assessment.
- (c) Within the context of overall programme and budget framework of IFAD and the applicable administrative costs ratio (para 11(c) above), adequate human and financial

resources will be made available to country presence officers to ensure they have access to the required administrative and logistic services (e.g., funds for internal travel, secretarial support, transportation and fuel, and so on) in a timely manner to improve their overall operations. This would require a reassessment of the annual budget of each country presence initiatives.

- (d) With regard to legal and administrative matters, it is imperative that all IFAD country presence officers have contracts that enable them to fulfil their responsibilities in the most effective manner possible. The Fund will develop the required instruments; say fixed term contracts for two or three years. The currently used consultancy contracts, which are both a problem from an identity point of view and compel the country presence staff to take a one month break after 11 months of service, will not be used in the next phase. Better and more secure contract arrangements will serve as an incentive to the country presence staff and limit opportunities for conflict of interest. In addition, the country presence staff will be subject to IFAD's policy and procedures on: performance management, staff development process, and reward review process. This changeover should, to the extent possible, enable management to delegate the authority deemed necessary by headquarters for the country presence officers to carry out their functions in the most effective manner.

18. **In Terms of the Implementation of the Country Presence in the Next Phase:**

- (a) IFAD's chart of accounts and the budget headings (and the related procedures for use thereof) would be revised in a way that would enable more comprehensive recording, monitoring and analyzing the budgets and costs in relation to IFAD's country presence activities. Such a system would allow the Fund to gain an overview of all expenditures, and a more accurate picture of the actual costs related to the alternative country presence models, according to the different funding sources utilized, including those from the administrative budget, programme development financing facility supplementary funds and so on.
- (b) IFAD would ensure that the reporting from country offices, for both the current as well as the new countries under the next phase, will include achievements against key corporate performance indicators. In doing so IFAD will use its existing results monitoring system. This will over time facilitate the undertaking of self-assessment of the results and benefits achieved by the country presence arrangements established.
- (c) A systematic mechanism should be developed for exchanging experiences across the country presence officers and country programme managers. This could include workshops organized periodically by Management focusing on country presence issues. At Headquarters, efforts need to be made to periodically reflect on the lessons learned from IFAD's country presence. In addition, an appropriate programme of induction should be organized for new country presence officers, and opportunities for training for all country presence staff identified.
- (d) The evaluation recommended that IFAD takes the lead in establishing a Rome-based inter-agency (FAO, IFAD and WFP) working group on country presence issues. Since FAO and WFP already have extensive and well-established country offices, such a working group could, inter alia, facilitate the exchange of experiences and lessons learned in the establishment and running of country presence arrangements, as well as identify opportunities for further strengthening cooperation in the functioning of country offices. Among other issues, such a working group could ensure an appropriate and synergistic engagement of the Rome-based United Nations agencies in the ongoing United Nations reform process at the country level including in the One UN pilot

initiative. In this light, IFAD management has agreed to consult with sister UN agencies based in Rome and pursue the recommendation, if agreed to by these agencies.

- (e) Under the overall guidance of the Assistant President, PMD, the regional division directors would be comprehensively involved in country presence issues, for example, in the approval of the country presences' annual work plans and budgets, performance evaluations of country presence staff, and in monitoring the achievement of country presence objectives. IFAD management would also set up a cross-departmental committee, comprising of PMD, FAD, EAD, and OL to co-ordinate and supervise the implementation of the country presence during the next few years. This committee may also invite experts from other institutions with experience on country presence for advice.

19. **Related Issues.** The implementation of the above recommendation would have consequences on the organizational set up and broad functioning of the regional divisions in Rome that need to be taken into account. In this light, IFAD management will monitor the ratio of staff allocated to the headquarters and field with a view to enhancing overall productivity. In doing so, IFAD Management will apply the principle of cost effectiveness.

20. For all countries in the next phase of country presence (including the original 15 established under the FPPP), it is imperative that IFAD clarifies to its staff and then communicates to key partners the complementary roles and responsibilities of the country programme manager, country presence officer and cooperating and host institutions. This is particularly essential in light of the forthcoming implementation of IFAD's Policy on Supervision and Implementation Support, and should also include a clarification on the lines of reporting, accountability and overall authority related to the country programme.

21. The next phase of IFAD's country presence will require the allocation of adequate resources. For example, more funds are required for ongoing FPPPs to ensure that all anticipated activities, including those related to knowledge management, can be undertaken in a proper and timely manner. Extra funds are also required for mobilizing the required administrative support to enhance the programme. In addition, the analysis undertaken by the evaluation reveals that outposting of country programme managers may have financial implications. As such, Management will need to undertake a detailed cost analysis, including the related effects on support staff, as well as an assessment of the skills and competency of existing country programme managers to determine the suitability for their outposting.

22. In order to establish benchmarks and thus enable a more rigorous self assessment and using its existing results monitoring system (particularly the Portfolio Performance Report and, as established, the Results Measurement Framework), IFAD management will gather baseline data across key indicators at the outset of implementing country presence arrangements in all countries under the next phase. In addition, as for all other IFAD staff, all country presence officers will be provided with full access to all IFAD internal databases and information systems, including but not only the project portfolio monitoring system, the loans and grants system, and so on⁶.

Recommendation 2. Development of Country Presence Policy

23. The evaluation concludes that it is premature for IFAD to formulate its country presence policy, especially in light of the limited experience both in terms of implementation duration and diversity of country presence models experimented under the FPPP.

⁶ Such remote access needs to be facilitated by the upgrade of legacy systems such as the Project Portfolio Management System and Loans and Grants System.

24. In the above light, the evaluation recommended and IFAD management agreed that a self assessment of the country presence (including those established at the pilot phase) will be undertaken by the IFAD management in 2010. Following this self-assessment and in line with the practice of other international financial institutions, a country presence policy will be presented to the Executive Board in 2011.

IFAD's Field Presence Pilot Programme

Corporate-level Evaluation

Main Report

I. CONTEXT OF THE EVALUATION

1. The operating environment for development assistance in the 1990s was characterized by declining aid and uneven developments in the agriculture and the rural sector, with considerable variations across regions and countries. More recently, there have been major global policy responses to these challenges: the 2000 Millennium Development Goals (MDGs), the Monterrey Consensus of 2002, the 2005 Paris Declaration on Aid Effectiveness and the 2006 One United Nations Reform. These efforts have been associated with enhanced ownership of development initiatives by developing countries and closer donor partnerships and coordination. As a result, actions that formerly were handled at donors' headquarters have increasingly moved to recipient countries.

2. Staying within its areas of comparative advantage and recognizing the constrictions of a headquarter-centred organization, International Fund for Agricultural Development (IFAD) has been seeking to move its efforts closer to the ground in its borrowing countries. This is reflected in IFAD Management's decision to establish a proxy field presence¹ in various countries, and the Executive Board's approval in December 2003 of the three-year Field Presence Pilot Programme (FPPP)². The FPPP was designed to test on a limited scale whether having a greater field presence would strengthen IFAD's ability in four clearly defined interrelated dimensions at the recipient country level, namely:

- implementation support
- policy dialogue
- partnership building
- knowledge management

3. The Executive Board's decision in December 2006 to adopt the Fund's first Supervision and Implementation Support Policy³ was a further major step forward in bringing IFAD closer to its operations at the country level.

4. Fifteen countries were included in the FPPP, which was explicitly designed to be flexible so as to allow for a variety of arrangements: Bolivia, Congo DR (covering also Congo Brazzaville), China (covering also Mongolia and North Korea), Egypt, Ethiopia, Haiti, Honduras (also covering Nicaragua), India, Nigeria, Senegal (also covering Gambia), Sudan, Tanzania (also covering Malawi), Uganda, Vietnam and Yemen.

5. The Board also established in December 2002 an Ad hoc Working Group of the Executive Board on Field Presence⁴ to provide strategic guidance to IFAD on field presence issues and review selected progress reports and related documents prepared by the Fund on the topic. The Working Group continues to be operational, and its current members include Belgium (Chair), France, Guatemala, Indonesia, India, Mali, Switzerland, the United Kingdom and Venezuela.

¹ These are instruments used since 2000 for strengthening IFAD's field presence, including regional and local networks, consultants, resource groups, focal points and project liaison offices – see paragraph 2 in document EB 2003/79/R.3/Rev.1.

² See document EB 2003/80/R.4.

³ See document EB 2006/89/R.4/Rev.1.

⁴ See paragraph 19 in the Executive Board minutes of the 77th session (document EB/77).

II. THE EVALUATION

A. Evaluation Mandate

6. As part of its approval of the FPPP in December 2003, the Executive Board decided that the Fund's Office of Evaluation (OE) would undertake a corporate-level evaluation of the FPPP starting in the fourth quarter of 2006, and present its results to the Board during its ninety-first session in September 2007. The FPPP evaluation was also to be discussed at the forty-eighty session of the Evaluation Committee in September 2007, before it was presented to the Board for consideration.

B. Objectives of Evaluation

7. The evaluation has two objectives: (i) to assess the performance and impact of the FPPP in achieving IFAD's overall objectives; and (ii) to generate findings and recommendations on which IFAD Management and the Board can base a decision on the pilot programme's future and lay the basis eventually for developing an IFAD country presence policy.

8. To accomplish these objectives, the evaluation focused on three overarching questions:

- Was the FPPP relevant and correctly designed, with appropriate and realistic objectives, instruments, processes and modalities?
- Was the FPPP implemented correctly and what were the results achieved?
- Were appropriate resources allocated and organizational arrangements made to ensure the achievement of results and objectives?

C. Evaluation Framework

9. OE developed a comprehensive evaluation framework (see Appendix I) during the inception phase, which contains the key questions addressed by the FPPP evaluation. The evaluation framework illustrates how each key question contributes to responding to the above three overarching questions, and ultimately to meeting the main objectives of the evaluation. The framework also includes the key activities undertaken and the instruments used by the evaluation to answer the questions.

D. Evaluation Methodology

10. The evaluation methodology had the following features:

- To compare the results in FPPP and "proxy" countries with those of a comparator group of countries without any IFAD field presence to allow for a better appreciation of the results in countries "with and without" IFAD field presence. Table 1 lists the 35 countries considered in the evaluation, by IFAD geographic region.
- To assess the difference in results between the situation "before and after" the establishment of IFAD field presence. In the absence of baseline data, the analysis was carried out on the basis of a thorough assessment of the change that has resulted during the period beginning with the establishment of a field presence and now, mainly as recalled by the various stakeholders interviewed during the evaluation.
- To seek systematic feedback from within IFAD (both from Headquarters and field presence staff) and from in-country partners and stakeholders with the help of structured interview questionnaires tailored to different audiences. These incorporated the questions

listed in the evaluation framework and centred on the four key FPPP dimensions, namely: (i) implementation support, (ii) policy dialogue, (iii) partnership building and (iv) knowledge management. The answers obtained during the interviews were rated in accordance with OE's six-point rating system⁵.

- To carry out a benchmarking study to identify and learn from the country presence and decentralization approaches and experiences of five organizations: Action Aid International, the Asian Development Bank (AsDB), the Food and Agriculture Organization of the United Nations (FAO), the International Food and Policy Research Institute (IFPRI), and the Swiss Agency for Development and Cooperation (SDC). Relevant experiences of other organizations such as the Department for International Development (DFID), Swedish International Development Agency (SIDA), the World Bank and others are also reflected in the evaluation. The five comparator organizations were included in the study because they have considerable experience in terms of overall decentralization of their operations including a permanent presence in various countries, and have also recently undertaken evaluations or reviews of such experiences. In addition, these organizations also devote a fair amount of attention to agriculture and rural development issues. The study's main conclusions are given in Chapter IV). The benchmarking study is crucial not only because of the limitations in self-evaluation data about the FPPP, but also because the short implementation period of the FPPP does not allow for a comprehensive results-based evaluation⁶ of the pilot.
- To draw on various studies and reports prepared by the IFAD Management, namely:
 - (1) A self-assessment of the FPPP by the Project Management Department (PMD), completed in August 2006⁷; and
 - (2) An internal audit by the Office of Audit and Oversight (OA) completed in 2007⁸. Its objective was to identify the costs related to the FPPP and to verify compliance with IFAD procedures (as applicable) for the management and processing of these expenditures. Both the self-assessment and the internal audit were indeed useful and timely for OE in undertaking its evaluation of the FPPP.
 - (3) In addition to the above-mentioned two studies, the evaluation considered the four progress reports on the FPPP prepared by Management so far, which have been submitted to the Board for consideration since 2004.

11. **Evaluation Country Sample.** The following paragraphs provide an overview of the country sample included in the evaluation.

12. **FPPP.** Following the approval of the pilot programme, the IFAD Management presented 15 Field Presence Pilot Programme Initiative documents (also known as 'initiative briefs') for information to the Executive Board at different sessions in 2003-4. These documents outlined the broad objectives and approach to the establishment of each field presence under the FPPP in the 15 countries, three in each of the five IFAD regions. The 15 FPPP countries also included the coverage of six satellite countries – see paragraph 4 for the list of FPPP and satellite countries⁹.

⁵ On a scale of 1 to 6, where 1 represents the lowest score and 6 the highest.

⁶ In this case, it means assessing the "before and after", as well as the "with and without" field presence situations.

⁷ Self-assessment Report on Field Presence Pilot Programme, PMD dated August 2006.

⁸ OA, Internal Audit Report: Field Present Pilot Costs dated 8 May 2007.

⁹ These are countries covered by the field presence officer resident in a neighbouring FPPP country.

13. However, it is necessary to underline that three of the satellite countries originally foreseen in the design were not covered during the implementation of the FPPP. The countries dropped right from the outset include Malawi and North Korea. While there is no official reference and the FPPP was initially implemented in the country, Honduras has also been dropped for all practical purposes. Malawi and North Korea were excluded largely because Management determined that covering these countries without extra resources would not be feasible, with the potential of compromising the effectiveness of the main FPPP country from which the satellites were being covered. The reasons for dropping Honduras (which was to cover Nicaragua as well) are different. In this regard, soon after start-up, relations with the host institution (UNDP) in Honduras became strained. As such, IFAD decided to shift focus to Nicaragua and cover it as an FPPP (rather than a satellite) country.

14. **Proxy Field Presence.** The evaluation included six proxy field presence countries: Bangladesh, Madagascar, Mozambique, Pakistan, Sri Lanka, and Syria¹⁰. Only those countries were considered as having a proxy field presence where the Fund directly contracted a person using IFAD budget resources, rather than also including persons funded through IFAD loans or government funds. This is important, as it is assumed that proxy field presence staff funded directly by IFAD would further more appropriately the priorities of IFAD in a given country¹¹.

15. **Outposted CPMs.** The evaluation included the two countries in which IFAD has outposted CPMs, namely Panama and Peru. The Panama CPM also covers IFAD operations in Barbados, Belize, Grenada, Guyana, Jamaica and Suriname, whereas the CPM based in Peru also covers Bolivia and Colombia. The Panama CPM has been outposted for around five years (though acting as CPM only during the last two years, as previously she was responsible mainly for managing regional and sub-regional grant funded activities only), whereas the Peru CPM has been stationed in the region for more than ten years.

16. **Comparator Countries.** A group of comparator countries were included in the sample to allow the evaluation to assess more broadly the results achieved “with and without” field presence. In addition to fulfilling some of the key criteria for the selection of FPPP countries (such as, the size of IFAD operations both in terms of number of projects and volume of lending, and rural poverty indicators), comparator group countries do not have any form of IFAD field presence (no FPPP, no proxy field presence, nor outposted CPM). It was agreed with the CLP (see paragraph 17) to include ten countries in the comparator group¹². Ten countries would allow for the inclusion of two countries from each of the five geographic regions in IFAD, and enable the evaluation to collect a fair amount of evidence from countries without field presence. Finally, it is to be noted that during the evaluation, one country (Sri Lanka) was dropped from the comparator group because it was found to benefit from a proxy field presence for some time in recent years. Thus, nine comparator countries were studied in depth by the evaluation.

¹⁰ There are no proxy field presence countries in the West and Central Africa and Latin America and Caribbean Regions. Apart from these 6 proxies, IFAD has four additional proxies in Cambodia, Indonesia, the Pacific islands and Rwanda.

¹¹ The evaluation recognizes that in many countries, governments have set up “IFAD coordination offices”, sometimes financed under IFAD loans that facilitate interaction between government, projects and IFAD. However, the evaluation considered that these offices represent foremost the interests of the government, rather than IFAD’s, even though they may convey significant advantages to IFAD in facilitating its activities in such countries. One such example is in Mali, where the Government has established with its own resources a co-ordination unit for IFAD-funded projects in the Ministry of Agriculture.

¹² Benin, Guatemala, Jordan, Kenya, Mauritania, Mexico, Philippines, Tunisia, and Zambia.

Table 1. The 35 Countries Included in the FPPP Evaluation

Western & Central Africa Division	Eastern & Southern Africa Division	Asia & the Pacific Division	Latin America & the Caribbean Division	Near East & North Africa Division
Fifteen FPPP countries (<i>italic & underline</i> = countries not visited by the evaluation)				
Congo DR	Ethiopia	China	Bolivia	Egypt
<u>Nigeria</u>	Tanzania	India	Haiti	Sudan
Senegal	Uganda	Vietnam	Nicaragua	<u>Yemen</u>
Three Satellite countries				
Congo Brazzaville (covered from Congo DR)		<u>Mongolia (covered from China)</u>		
Gambia (covered from Senegal)				
Six Proxy countries				
	<u>Madagascar</u>	<u>Bangladesh</u>		Syria
	Mozambique	Pakistan		
		<u>Sri Lanka</u>		
2 countries with outpost country programme managers				
			Peru	
			Panama	
Nine Comparator countries				
Benin	<u>Kenya</u>	Philippines	<u>Mexico</u>	<u>Jordan</u>
<u>Mauritania</u>	Zambia		Guatemala	Tunisia

E. Evaluation Processes

17. **Core Learning Partnership.** As per the IFAD Evaluation Policy, OE established a Core Learning Partnership (CLP) for the FPPP evaluation. The main responsibility of the CLP was to provide comments on key evaluation deliverables, including the approach paper, inception report, two progress reports and draft final report. Members of the CLP included the Assistant President of PMD, the Director of OE, and representatives of all PMD regional divisions, the PMD front office, the Office of Internal Audit, Office of the General Counsel, Human Resources Division, Administrative Services Division, and OE. The CLP met four times during the evaluation process, and members also took part in the stakeholders' workshop held in June 2007 to lay the basis for the evaluation's Agreement at Completion Point (ACP). Other interested IFAD staff not part of the CLP also attended the meetings of the CLP.

18. **Ad-Hoc Working Group of the Executive Board on Field Presence (see paragraph 5).** The Ad-hoc Working Group took a keen interest in the FPPP evaluation and met to discuss the draft approach paper and final draft report during the above-mentioned stakeholders' workshop. Further interactions on the FPPP evaluation matters were held with the Ad-Hoc Working Group, both with its members on a bi-lateral basis and during other regular meetings of the Ad-Hoc Working Group to which OE was invited.

19. **Two FPPP Evaluation Senior Advisers.** In their capacity as Senior Advisers, OE benefited from the advices of Dr Nafis Sadik (Pakistan)¹³ and Professor Robert Picciotto (Italy)¹⁴ right from the beginning of the evaluation. They provided advice on the design of the evaluation and reviewed all

¹³ Former Executive Director of the United Nations Population Fund (UNFPA).

¹⁴ Former Director General of the World Bank's Independent Evaluation Group (previously known as Operations Evaluation Department).

major evaluation deliverables, and held meetings with OE and the IFAD Management on several occasions during the evaluation. Their written report on the quality of the evaluation, its process and results is contained in Appendix 5.

20. The evaluation was designed in five key phases, which are described in the following paragraphs.

21. **The Design of the Evaluation.** This phase included the preparation of the evaluation approach paper and an inception phase. The latter included two main tasks: (i) the development of the evaluation inception report, which served as a basis for the evaluation team to carry out its work; and (ii) an inception week in OE bringing together all the members of the FPPP evaluation team, among other issues, with the objective of thoroughly briefing them about the methodology, instruments for data collection and overall process, and ensure inter-consultant homogeneity.

22. **The Desk Review Phase.** This consisted of: (a) study of relevant documents¹⁵ for the countries included in the evaluation; (b) interviews with concerned IFAD CPMs, regional division directors and other staff; and (c) preparation of a Country Desk Review Note (CDRN) for the 35 countries. The desk review also built upon existing evaluative evidence, such as the recent OE country programme evaluations, country working papers (CWPs) prepared during the Independent External Evaluation of IFAD, other OE evaluations, and pertinent self-evaluation documents. This phase also benefited from the FPPP self-assessment carried out by PMD specifically for the evaluation. At the end of this phase, a Progress Report on the Desk Review Phase was prepared and shared with the CLP and members of the Ad-hoc Working Group of the Executive Board on Field Presence.

23. **Country Visits Phase.** The evaluation team undertook country visits to 25 of the 35 countries included in the evaluation sample (see table 1). Countries in all five IFAD regions were visited. This included visits to: 13 FPPP countries, 2 satellite countries part of the FPPP, 3 countries with proxy field presence, both countries with outposted CPMs, and 5 countries part of the comparator group. For ten of the 35 countries, no country visit was planned, due mainly to insufficient implementation experience in terms of field presence in such countries. For these ten countries¹⁶, therefore, the assessment carried out by the FPPP evaluation was primarily captured in the CDRN.

24. Country visits offered an opportunity for primary data collection and discussions with concerned stakeholders. These included government authorities, project managers and staff, and representatives from donors, civil societies and private sectors. At the end of the country visit, OE prepared a Country Working Paper (CWP), incorporating the findings from the visit as well as from the prior CDRN. To ensure consistency for this work across countries and regions, each team member used standardized, semi-structured questionnaires and structured CWP outlines for the different country groups. All CWPs and CDRNs (for the countries where no visits were undertaken) were shared with IFAD regional divisions for comments and feedback, before the main FPPP evaluation report was prepared.

25. A Progress Report on the Country Visits Phase was prepared by OE following completion of all field work. It provided an overview of the work accomplished and included an initial account of cross-cutting issues emerging from the country visits. It was the subject of a discussion of the CLP and the comments raised were taken into account in the final report.

26. **Report Writing Phase.** Before embarking on the preparation of the report, OE made a presentation providing an early feedback to the IFAD Senior Management and concerned staff on key emerging issues from the evaluation. Moreover, the draft final report benefited from a peer review

¹⁵ Such as the COSOP, evaluation report, appraisal reports, mid-terms reviews, project completion reports, and others.

¹⁶ Bangladesh, Kenya, Jordan, Madagascar, Mauritania, Mexico, Mongolia, Nigeria, Sri Lanka and Yemen.

process within OE, and the comments from the two FPPP evaluation Senior Advisers, the CLP and the Ad Hoc Working Group of the Executive Board on field presence.

27. **Stakeholders' Workshop.** A final workshop was held on 11-12 June in Rome to discuss the key findings from the evaluation and to provide inputs for the preparation of its ACP. The evaluation was also discussed during the 48th session of the IFAD Evaluation Committee and 91st session of the Executive Board, held in September 2007.

F. Challenges Faced by the Evaluation and Steps Taken to Address Them

28. The evaluation faced various challenges in analyzing the results in terms of performance and impact of the FPPP. The below are three of the key constraints:

- (i) **The limitations in the self-evaluation data** and inadequate reporting available on the FPPP was a key factor that complicated the evaluation assessment. The FPPP design document and each country brief¹⁷ presented to the Board for the FPPP included specific process and outcome indicators on the four main dimensions of the FPPP, namely implementation support, policy dialogue, partnership strengthening and knowledge management. However, no baseline data was collected across these performance indicators. Moreover, financial data on field presence was hard to identify and retrieve, due partly to the lack of a comprehensive and dedicated financial management system for the FPPP. Finally, the reporting from the various field presence officers was not uniform, nor often did they include data on the pre-defined performance indicators.
- (ii) **Short Period of Implementation.** The limited time duration of the FPPP in most countries made a results-based evaluation more difficult, which would have required data and evidence that will only be generated following a longer period of implementation of the pilot. In any case, one way to overcome this hurdle was by introducing the comparator group concept in the FPPP evaluation methodology to facilitate a comparison of results in countries with and without any form of field presence.
- (iii) **Difficulty in Assessing the Contribution of the FPPP in Achieving Better Overall Performance and Impact of IFAD Operations at the Country Level, Especially Impact on the Rural Poor.** This is based on the premise that there are multiple factors contributing to enhanced results of the IFAD country programme, and that field presence is a crucial but merely one such factor. Therefore, the evaluation overcame at least part of this difficulty by focusing its assessment on the role of field presence in furthering the four key dimensions of the FPPP. The evaluation is cognizant that it could not, within the given time and resource parameters, carry out country performance evaluations of the scope and depth of the country programme evaluations normally undertaken by OE, nor did it have had the necessary baseline data to determine the full achievements of the FPPP. Given these limitations, the evaluation made a special effort to learn from other institutions about their approaches and experiences with field presence (and decentralization) through the benchmarking study.

G. New Initiatives Relevant for Future IFAD Field Presence

29. Since the start of the evaluation in mid-2006, OE has followed closely major change initiatives within IFAD and the reform of the UN system, which are likely to have an impact on the future of IFAD's country presence arrangements.

¹⁷ An initiative brief was submitted for each country included in the FPPP. It covered, for example, the overall objectives of the field presence in a particular country, the budget, indicators to assess performance and so on.

30. In IFAD, the evaluation needed to take into consideration relevant issues related to field presence within the framework of the Action Plan to Enhance the Fund's Development Effectiveness. In this regard, the evaluation notes that the Executive Board approved in December 2006 IFAD's new Supervision and Implementation Support Policy. As such, the forthcoming increasing direct involvement of IFAD staff in supervision and implementation support activities will need to be carefully considered in existing and future IFAD field presence arrangements.

31. Moreover, the evaluation has kept abreast of the ongoing discussions concerning the Report of the UN Secretary-General's High-Level Panel on United Nations System-Wide Coherence, entitled "Delivering as One", of 9 November 2006. However, at this stage and in spite of the launching of pilot initiatives in eight countries globally, the concrete implications to IFAD's field presence of the provisions contained in the said report are not entirely clear.

Key Points

- FPPP evaluation requested by the Executive Board, with the objective to assess the results of the FPPP and generate findings and recommendations for IFAD's future country presence initiatives.
- Evaluation Framework developed containing key questions covered by the evaluation.
- The evaluation sample included 35 countries: 15 FPPP, three satellites, six with proxy field presence, two with outposted CPMs, nine comparator groups without field presence. 25 countries visited by the evaluation team.
- The evaluation faced three main challenges, namely: (i) limitations in self evaluation data; (ii) short period of FPPP implementation; and (iii) attributing improvements to the country programme to field presence.
- Methodology included assessing before and after as well as with and without field presence situations.
- Benchmarking study was undertaken to learn from the approaches and experiences of other development organisations with country presence.
- PMD undertook a specific self assessment and OA prepared an internal audit of FPPP costs, as key inputs towards the evaluation.
- Various interactions took place with the CLP and Ad-hoc Working Group of the Executive Board on Field Presence.
- Two senior advisors (Dr. Nafis Sadik and Professor Robert Picciotto) provided comments throughout the process.

III. ASSESSMENT OF IFAD'S FIELD PRESENCE EXPERIENCE

32. This chapter is divided into five sections. Firstly, it includes an assessment of the design and management of the FPPP. Thereafter, the chapter contains an evaluation of the FPPP's institutional and organizational arrangements, followed by human resources dimensions, financial issues and the assessment of performance and results.

A. Evaluation of FPPP Design and Management

33. **Ambitious Objectives and Limited Resources.** The design of the Pilot Programme is striking in the breadth of its objectives and focus on four inter-related dimensions, namely implementation support, policy dialogue, partnership strengthening and knowledge management. Moreover, by and large, the design envisaged for a single field presence person to be responsible for these diverse range of activities, requiring different experiences, competencies and skills that, under normal

circumstances, are not easy to identify in one individual. The PMD self-assessment also notes that “Human resources constraints relate to inadequate staffing levels”¹⁸.

34. Another issue the evaluation notes is the limited amount of financial resources allocated for each field presence initiative in the FPPP, as compared to the variety of activities that were to be experimented within the pilot programme, such as participation in project design and supervision missions, attending meetings of sub-sector donor working groups to engage in policy dialogue and donor harmonization, distilling and documenting the key lessons learned and experiences from IFAD operations, strengthening cooperation and partnership with international and bi-lateral aid organizations to identify opportunities for cofinancing and innovation promotion, and so on. As many CPMs conveyed, the objectives and numerous activities to be performed on one hand, and the resource allocation on the other hand, were just unrealistic. The limited funding for field presence initiative is also recognized in the PMD self-assessment report, which states that “Funding is considered adequate only for minimal operations of most Field Presence Pilot Initiatives”¹⁹.

35. The aforementioned may be partly the result of the fact that the FPPP was designed in a relatively short span of time, in specific response to the decision taken by the Fund’s member states’ in December 2002 during the Six Replenishment of IFAD’s Resources. It is important to note that the IFAD Governing Bodies played an unusually active role in the development of the FPPP. The extent of involvement of IFAD member states in the design of the FPPP is illustrated by the fact that six sessions of the Fund’s Governing Bodies²⁰ in 2002-3 included consideration of documents prepared by the management on IFAD’s field presence initiative, culminating in the approval of the FPPP in December 2003. In particular, Board members were instrumental in determining the pilot programme’s wide-ranging objectives (see next paragraph) and limited resource allocation. With regard to the latter, the Board further reduced the already unrealistic budget allocation proposed for the FPPP from US\$3.6 million to US\$3.0 million (see section D on financial issues in chapter III).

36. A further evidence of the role of the Fund’s member states in shaping and proposing the FPPP is the “Non-Paper on IFAD’s In-Country Capacity (Field Presence)”, that was prepared by Belgium, Denmark, Iceland, Switzerland and the United Kingdom and circulated to Board members in September 2002. This paper, among other issues, identified various objectives and activities, including policy dialogue, knowledge sharing, supervision and implementation support, partnership building, which were later to become the four key inter-related dimensions and central priorities within the FPPP itself. Furthermore, some members of the Ad-Hoc Working Group of the Executive Board on Field Presence also took part in IFAD missions to selected countries in May-June 2003 to study field presence issues, as an activity leading up to the preparation of the final FPPP proposal.

37. Given the short span in which the FPPP was designed and the unusually active role of the Board in its formulation, the FPPP design may not have benefited - to the extent desired - from the wider participation of CPMs and others who were ultimately going to be responsible for its day to day management and implementation. On the other hand and at the same time, the concerned CPMs were overall keen in taking on the added challenges that the FPPP brought, as it was clearly an opportunity to further strengthen the quality of IFAD operations and to better anchor the Fund’s engagement within the overall country realities and priorities. In any case, the aforementioned had at least two notable consequences:

¹⁸ See paragraph 47 in the Field Presence Pilot Programme: Self-assessment, PMD, August 2006.

¹⁹ See paragraph 46.

²⁰ This includes discussions during the July, October and December 2002 sessions of the Consultation on the Sixth Replenishment of IFAD’s Resources (see document Repl.VI/3/R.6, Repl.VI/4/R.2, and GC 26/L.4), as well as the 77th (December 2002), 79th (September 2003) and 80th (December 2003) sessions of IFAD’s Executive Board (see documents, EB 2002/77/R.9/Rev.1, EB 2003/79/R.3/Rev.1 and EB 2003/80/R.4).

- (i) CPMs had to circumscribe the role of their field presence more narrowly than had been anticipated in the initiative briefs submitted to the Board for individual countries. That is, while the field presence country-level proposals as contained in the ‘initiative briefs’ aimed to cover most of the objectives and activities in the overall FPPP design document, the actual terms of reference of the field presence officers were often more restricted taking into account the actual level of human and financial resources that were available (see next point); and
- (ii) It became further evident that even the best field presence officers could not be expected to cover the full scope work as defined in the country initiative briefs. That is, the amount of time that would be required for a one person FPPP to effectively discharge all tasks adequately had been severely under-estimated. As such, an examination of the terms of reference of the field presence officers reveal they were on the whole much less ambitious than the objectives contained in the country initiative briefs, and became even more realistic and better focused as they were further amended over time.

38. In sum, through a process of attrition, a balance was obtained between considerably reduced FPPP objectives and somewhat increased cost (which will be discussed in section D of this chapter). This process was least painful in countries with a strong prior proxy field presence experience (e.g., India and China), which could draw on an established institutional arrangements with host organizations. However, this was the exception. Most CPMs struggled in toning down an unrealistic design and arriving at some reduced scope of the field presence’s task on the ground.

39. **Inadequate Attention to the Management of the FPPP.** It is useful to note that the limited budget resources were used in a remarkably similar fashion across the FPPP countries whether small or large²¹. This included the hiring of a full-time local field presence officer, mostly placed under hosting arrangements with a UN organization. This resulted in the FPPP appearing as a single-model programme, in contrast to what the FPPP design document expected to obtain from the pilot, when repeatedly expressing expectations that it serve as a opportunity of experimentation with alternative forms of field presence.

40. In continuation to the above, while there was wide engagement of the IFAD management during the design of the overall FPPP until its approval by the Board in December 2003, the same intensity of engagement was not apparent during the development of the individual country (field presence) initiatives and the implementation of the pilot programme. The most evident example of the aforementioned is that, through the FPPP, IFAD was expected to test alternative approaches to field presence, such as outposting CPMs, recruiting a regional field support manager, establishing subregional (liaison) offices and so on²². By and large, this experimentation did not take place, which did not allow the accumulation of important experience in different forms of field presence that IFAD may consider pursuing in the future. At the same time, as recognised in paragraph 36, CPMs showed

²¹ The two countries showing the lowest (and virtually same) budgets were India and Bolivia; the two highest were Tanzania and China (both including the coverage of one satellites country).

²² That said, the evaluation concludes that some of the alternative forms of field presence proposed in the FPPP design may not be appropriate to further IFAD’s overarching objectives. For example, the concept of “expanded country programme manager missions” as a possible form of IFAD field presence – apart from creating a challenging personal situation for CPMs in terms of their work-life balance – may not prove effective in promoting IFAD’s engagement in policy dialogue and donor coordination, which require maintaining a constant dialogue (formally and informally) and interactions with a range of country-level partners. Likewise, while subregional or regional networks (such as PREVAL22 in Latin America and the Caribbean or ENRAP22 in Asia and the Pacific) could help advance IFAD’s country programme objectives, the evaluation considers them to be by no means a substitute model for a concrete IFAD country presence: they tend to focus on one technical theme (such as knowledge-sharing through the use of information technology) and therefore cannot undertake the range of activities that country offices (or subregional/regional offices) perform to enhance IFAD-funded country programmes.

considerable initiative to get the pilot programme off the ground against the odds of inadequate resourcing.

41. The only area that may be called - to some extent - a testing ground was the effort to service six satellite countries in the FPPP. To clarify, the concept of satellite entails the coverage of a particular country from a neighbouring FPPP country. For example, the IFAD field presence in China also covers Mongolia, the latter being the satellite country, given that the FPPP office and officer is physically located in China and not Mongolia. However, as mentioned in paragraphs 12-13, only three out of the six such cases envisaged are operational under the pilot programme. These include, in addition to Mongolia (covered by China), the Gambia (covered by Senegal), and Congo Brazzaville (covered by Congo DR). In sum, the satellite approach can be considered experimentation with a form of subregional office, even though subregional offices of other organizations normally include more than the coverage of merely two countries. Comparator organizations included in the benchmarking study have successfully implemented the concept of subregional offices. Their experience will be discussed in chapter IV.

42. The Executive Board, too, on its part could have played a wider role in providing adequate oversight in the implementation of the pilot programme. For instance, it could have ensured that the annual management reports to the Board covered systematically information on the performance indicators adopted at the outset of the pilot or requested for a periodic feedback on costs related to the implementation of the FPPP.

43. It is noteworthy that the corporate-level evaluation of the IFAD Direct Supervision Pilot Programme (DSPP, 2005)²³ came to a similar conclusion about the reduced level of management engagement and Board oversight during the implementation of the DSPP. However, in both the DSPP and FPPP, it is to be acknowledged that no specific funds were allocated by the Board for the deployment of more staff or the establishment of specific monitoring and knowledge sharing systems for the overall execution of these pilots. That is, both the pilots were managed and implemented within the human and financial resources already available to IFAD, thus representing an additionality to the existing tasks to be delivered by the management and its staff.

44. **Indicators for Assessing the FPPP.** FPPP design document contained an elaborate set of process and outcome evaluation indicators for eventually assessing the performance and results of the pilot programme. Moreover, the country initiative briefs contained tailored indicators to individual country circumstances. The list of indicators may be seen in Box 1.

45. According to the evaluation, many of the indicators chosen were well thought through. However, several indicators included were not realistic. That is, as designed and resourced, the FPPP could not have been expected to realize the objectives reflected in some of the indicators selected. For example, under policy dialogue, an overtly ambitious expectation of the FPPP was reflected in one of the outcome indicators selected, which expected the pilot programme to achieve “Increased emphasis on rural poverty programmes in resources allocated to the agriculture sector in the government budget”.

46. Moreover, on a related issue, no baseline survey was undertaken by IFAD at the outset of the pilot programme. This further complicated the evaluation’s task of determining the results achieved by the pilot programme, especially when trying to compare the “before and after” as well as the “with and without” field presence scenarios.

²³ This evaluation was discussed by the Executive Board during its 85th session in September 2005, see document EB 2005/85/R.9.

47. Lastly, in some instances, the indicators appear to have been of some help for the field presence officers in organizing the periodic reports they are required to submit to IFAD. However, in the absence of a structured system for knowledge sharing at IFAD Headquarters, even this advantage was limited to the individual CPM, who are the recipients of such reports from the field.

48. **Synergies Between the FPPP and other Corporate Processes.**

The evaluation underlines that there appears to have been a lack of attention to ensuring adequate integration across key corporate processes at the time of the approval of the FPPP, in particular between the FPPP and the supervision and implementation support functions on the one hand, and the Results and Impact Management System (RIMS) on the other²⁵. This is especially unfortunate, as: (i) the RIMS and the FPPP were both considered and adopted at the very same Executive Board session in December 2003; and (ii) at the time of the design of the FPPP, Management was in full swing of implementing the DSPP, which can also be considered a complementary manifestation of IFAD's field presence. In fact, the results of the corporate-level evaluation on DSPP, inter alia, demonstrated that direct supervision allowed IFAD to further its policy dialogue and partnership strengthening objectives, enhance project implementation performance, and acquire first-hand knowledge about IFAD operations, which are indeed among the key priorities of the FPPP. In sum, given that direct supervision and RIMS are intertwined with IFAD's field presence, the lack of explicit synergies across these three important corporate processes must be considered a lacuna in the design of the FPPP.

Box 1. Selected FPPP Performance Indicators²⁴

Policy dialogue

Number of policy fora attended; Number of written/oral presentation made; Number of partnership; increased overall knowledge about IFAD; increased institutional orientation to rural poverty reduction.

Partnership building

Number of meetings held with national institutions, NGOs, donors; enhance alignment of IFAD programme with national mechanisms; enhanced cooperation and coordination with donors and civil society.

Knowledge management

Regular substantive reporting to IFAD Headquarters; lessons sharing with and among projects enhanced; more replication and scaling up of innovative approaches promoted by IFAD; improved Headquarters knowledge of country.

Project implementation

Quality and timeliness of accounts and audits; availability of counterpart funds; disbursement rates.

49. **Implementation of the FPPP.** PMD established in the front office of the Assistant President a focal point to follow up on the implementation of the FPPP. It had, among other tasks, the important function of preparing an annual progress report on the FPPP for consideration by the Board, summarizing the implementation of the pilot and underlining key issues needing attention. So far, four such reports have been prepared and submitted to Executive Board²⁶. The scope and content of the progress reports had not been defined in the FPPP design document, and did not systematically contain data and analysis on cost issues. It is important to underline that the reporting from the field presence offices that form the basis of the annual progress reports to the Board have been uneven in terms of periodicity, scope and overall quality. This was partly due to the staggered launching and diverse focus of individual field presence initiatives.

50. A critical weakness in the implementation of the FPPP was that an institution-wide forum for exchanging views and sharing knowledge across CPMs to accompany this important experiment was not established. The evaluation found evidence that some sharing of knowledge and experiences has taken place informally among concerned CPMs, but this has been unstructured and sporadic, and not

²⁴ The complete list may be seen in Appendix II of the FPPP design document approved by the Board in December 2003.

²⁵ The RIMS is an important framework, especially but not only for monitoring project progress and implementation support activities.

²⁶ In December 2004, April 2005, April 2006 and April 2007 respectively.

undertaken at a divisional, departmental or cross-departmental level. The corporate-level evaluation of the DSPP revealed a similar weakness in the management of that pilot as well.

51. It also appears there was an inadequate anticipation of the broad range of issues that could have been expected to emerge during the implementation of a pilot programme such as the FPPP, which would require the attention not only of PMD, but also of various other organizational units of IFAD, for example, the Human Resources Division on contracting issues, the Controller's Office on issues related to disbursement of funds and accounting, the Office of the General Counsel for assisting in the legal arrangements for organizing the hosting arrangements of IFAD field presence officers, the Administrative Services Division on issues related to privileges, security and insurance, and so on. Thus, when problems in these areas emerged during the FPPP implementation, the Fund was unable to respond quickly and effectively, causing delays to the implementation of the pilots at the country level.

52. Eventually, many of these issues were addressed in the President's Bulletin on Field Presence²⁷ issued only in December 2006, three years after the FPPP had been approved for implementation by the Board. While the bulletin is welcome, it comes very late in the management of the FPPP, as CPMs and the regional divisions were compelled to address issues in pilot countries on an individual rather than an institutionalized basis.

53. **FPPP Implementation Start-up.** The first step to get the FPPP implementation under way consisted in: (i) the selection of countries based on the criteria (see Box 2) laid out in the FPPP design document; and (ii) preparation of individual initiative briefs for each of the 15 countries to be included in the pilot programme. Table 1 in Appendix III summarizes compliance with the country selection criteria.

54. Overall, the FPPP country selection was carried out overwhelmingly in accordance with the criteria set forth by the Board. However, the following remarks can be made. These are:

- Other countries with large operations in the same regions would also have fulfilled the FPPP selection criteria established by the Board (such as Indonesia and the Philippines in Asia and the Pacific, Brazil and Mexico in the Latin America and the Caribbean). As such, the evaluation was not able to determine how the selection process for countries to be included in the FPPP actually took place within the above-mentioned selection criteria.

Box 2. FPPP Country Selection Criteria

- (i) high levels of poverty, particularly in rural areas;
- (ii) a sufficiently conducive environment at the level of government and other development partners;
- (iii) an identified need to strengthen the policy and institutional environment in favour of the target group; (iv) adequate prospective IFAD portfolio sizes; and
- (v) an adequate regional distribution

- While compliance was ensured with "an adequate regional distribution", no specific provision was made for taking into account the variety of subregional contexts in each of the five IFAD regions (e.g., Asia and the Pacific can be divided into several subregions that each have different characteristics). This would have been important to allow the Fund to learn from field presence in a variety of geographic, agro-ecological, political, social and administrative settings.
- In addition to the number of projects (adequate portfolio size), the quality of the portfolio as well as the presence of direct supervision (under the DSPP) could have been included as an explicit selection criteria. For instance, countries with a weak portfolio could have

²⁷ President's Bulletin dated 12 December 2006 titled "Procedures for the Field Presence Pilot Programme 2004-2007".

been considered for inclusion in the FPPP, as ultimately the overall goal of the FPPP was to enhance the results of IFAD's operations at the country level.

- At design, it was envisaged that the FPPP countries would complement the then existing proxy field presence countries, so that IFAD could gain wider experience with field presence matters in general. However, the evaluation found that some of the oldest ongoing proxies functioning at the time of approval of the FPPP were immediately brought under the FPPP (e.g., China, India and Uganda). As such, the possibility to expand the coverage of IFAD field presence was reduced, and at the same time, the possibility to learn from and compare experiences across a larger number of proxy and FPPP countries was reduced. In sum, the selection criteria could have taken this into account, preventing IFAD from converting proxies to FPPP.

55. The IFAD Management submitted 15 information notes to the Executive Board in four batches²⁸ between December 2003 and December 2004, outlining the field presence arrangements in each of the countries selected as part of the FPPP. The FPPP design document expected that each country arrangement (or Field Presence Pilot Initiative, FPPI) would comply with a maximum of eight criteria²⁹. Moreover, design specifications for the preparation of the individual country arrangements (i.e., the FPPIs) were prescribed to include: objectives, scope of work, terms of reference and qualifications of professionals to be contracted; types of contracts; logistics arrangements; budget; and evaluation criteria.

56. The FPPIs made great efforts to comply with these specifications. However, the evaluation found a few exceptions. For instance, the India information note does not specify the qualification of the professional to be recruited, while the notes for Bolivia, Nicaragua, and Vietnam are not entirely clear about the required qualifications of the field presence officers. The type of contract for the field presence officer³⁰ is not specified in the information notes for Congo DR and Haiti. The Nigeria information note does not contain information about logistical arrangements, whereas the notes for Haiti, Nicaragua, Senegal and Vietnam outline different options. These and other exceptions primarily reflect the varying degree of preparation of the FPPIs at the time of their submission to the Board.

57. However, there is one important design gap in the FPPP in general and the individual country information notes (FPPIs) in particular. And, that relates to the very scant reference to IFAD cooperating institutions and their prime role in relation to project supervision and implementation support. The evaluation considers this as a serious omission, as the interaction and synergies between: (i) the cooperating institution-led supervision processes; (ii) the FPPP's tasks related to implementation support and other areas; and (iii) the mandate of the corresponding CPM should have been clarified at the outset of the pilot programme. The evaluation found a fair amount of confusion at the country level among various partners about the roles and responsibilities of the IFAD CPM, the FPPP staff and the cooperating institution in managing the IFAD country programme. A broadly similar conclusion is also contained in the PMD self-assessment report, which states that "one of the most recurrent concerns gather from the self-assessment relates to the definition of the strategic and

²⁸ EB 2003/80/INF.7 dated 17 December 2003, EB 2004/81/INF.4 dated 21 April 2004, EB 2004/82/INF.8 dated 8 September 2004, and EB 2004/83/INF.8 dated 2 December 2004.

²⁹ That is, the FPPI should: (i) respond to identified needs and local conditions; (ii) take account of government policies and IFAD's corporate goals; (iii) strengthen and reply to the maximum on local capacities and institutions; (iv) provide for adequate delegation of authority to the field; (v) be cost-effective, time-bound (initially up to three years) and sustainable; (vi) include innovative solutions; (vii) envisage collaboration with existing United Nations structures, IFIs, etc; and (viii) take account of the 2003 Rome Declaration on Harmonization.

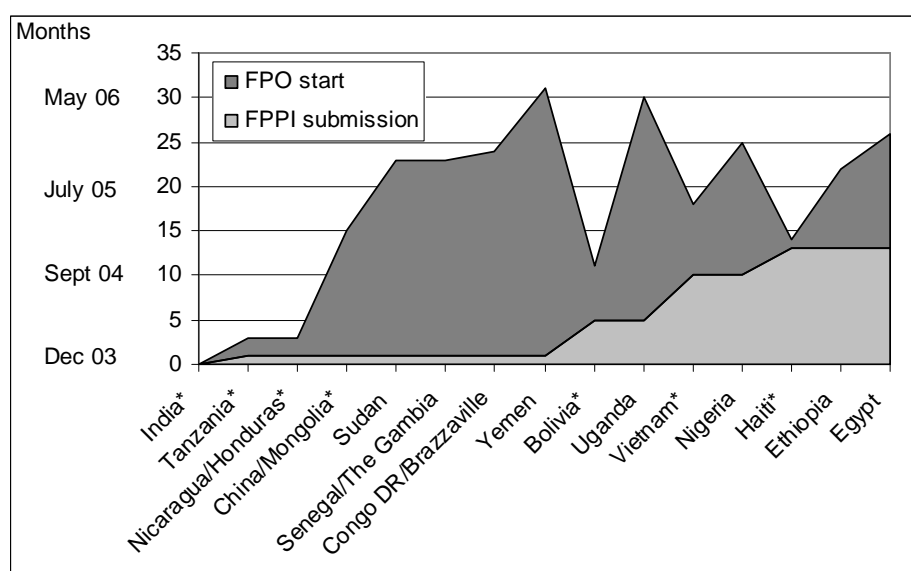
³⁰ Titles used for the field presences vary from country to country. Throughout this report they are denominated as field presence officers.

institutional orientation of the FPPI staff with respect to projects, national authorities, donors, cooperating institutions and IFAD Headquarters”³¹.

58. On the start date of the pilot, it was envisaged that at least one country initiative would have to be launched successfully in each region within 2004 for the FPPP to be considered effective. The FPPP defined launching as the “identification and recruitment of staff, conclusion of employment and logistics contracts”. By the end of 2004, field presence in only one country in the Eastern and Southern Africa region, one country in the Asia and Pacific region, and two countries in the Latin America and Caribbean region had been launched. As such, the intended date of effectiveness of the FPPP was missed.

59. In five countries, the launching took place within half a year from submission of the corresponding information note to the Board. For the majority of countries, the period between the FPPI submission and the starting date for the field presence officer to be in place was between one and two years, in one case two and a half years, as shown in Figure 1³².

Figure 1. Time Lag Between Submission of FPPP Country Information Notes (FPPIs) to the Board and Start Date of the Field Presence Officer



60. The longer than anticipated delays resulted from two main factors. The first was related to problems encountered in making the necessary contractual arrangements for the field presence officers (and agreeing on a Memorandum of Understanding) with the hosting organizations. The FPPP document expected that UN organizations but also International Financial Institutions, and possibly other organizations, might provide office space, equipment, administrative and logistic support, in addition to recruiting the IFAD field presence personnel. The information notes on individual field presence arrangements (i.e., the FPPIs) included information about the hosting entity, although at times this was provisional, given that final arrangements had not been made by the time of the submission of the notes to the Board. In six³³ out of the fifteen FPPP countries, there was a change of host institution from the one identified in the field presence information note submitted to the Board, given that negotiations with the institutions initially identified could not be accomplished successfully. In addition to the change of hosting institution (e.g., from UNDP to private offices in Vietnam) in some cases, IFAD had to follow the recruitment procedures of the hosting institutions,

³¹ See paragraph 50 in the self-assessment report.

³² Countries are listed in the order by which they had been proposed to the Board.

³³ China, Haiti, Nicaragua, Senegal, Vietnam and Yemen.

which at times were quite cumbersome (see paragraph 56), thus causing further delays to the launching of individual field presence arrangements.

61. In pursuing hosting arrangements, most CPMs were addressing the matter on an individual basis with concerned institutions at the country level, which meant that the success in negotiating such arrangements was often dependant on the collaboration and priorities of the head of the corresponding institution (e.g., the UNDP or FAO resident representatives). Eventually, the Western and Central Africa Division took the initiative to address the matter institutionally, rather than on a country by country basis, by leading the way for a wider agreement with the UNDP at the Headquarters level. However, this only materialized in the second half of 2005, nearly two years after the pilot was approved by the Board, thus causing severe delays to the implementation of the FPPP.

62. As mentioned previously, another cause of the delay arose from the recruitment of IFAD field presence staff by the hosting organization. This phase easily took around six months or more in some cases. Moreover, once the field presence personnel were in place, logistical needs had to be overcome, such as the allocation of office space, information technology provisions, and so on. In the case of Senegal, for instance, the office was unfurnished and bureaucratic procedures delayed this process. In Nicaragua, the field presence officer was unable to obtain an IFAD e-mail address and eventually had to use her personal one for two years. The PMD self-assessment report also noted that “the relationship with the host institutions affects the administrative capacity of the FPPIs. In some cases, procedures are slow, inhibit the resolution of operational issues, and lack flexibility”³⁴. In any case, the timely support of IFAD CPM in sorting out such start-up issues was crucial, and over time most of these practical issues were resolved in the FPPP countries³⁵.

B. Institutional and Organizational Aspects

63. **Alternative Forms of Field Presence and Hosting Arrangements.** Hosting arrangements are a specific feature to the FPPP (and proxy field presence), setting them apart from the experience of the comparator organizations covered under the evaluation benchmarking study. All comparator organizations have their own field offices with their staff and/or contracted consultants, who operate out of owned or rented offices. The hosting arrangements for IFAD field presence required significant initial investments in efforts and time by CPMs, but also by regional division directors. Once in place, these arrangements have on the whole functioned effectively.

64. Out of the 15 field presence established under the FPPP, eight rely on UNDP³⁶, two on WFP³⁷ and one on FAO³⁸ for hosting. In the remaining four cases, IFAD has contracted the field presence officer directly: in two of these cases, office and logistical arrangements have been made with an established organization (German Agency for Technical Cooperation (GTZ) for Bolivia and RUTA for Nicaragua) and in two (Haiti and Vietnam), these arrangements have been made on a private (rental) basis. While the hosting services provided have generally been satisfactory, they have varied depending in good part on the cooperation with the UNDP resident representatives. The advantages of an association with UNDP have turned out to be mainly practical (office space, equipment, logistical support including support related to official UN recognition and protection, visa services, established

³⁴ See paragraph 48 in the self-assessment report of August 2006.

³⁵ There is one case where the hosting institution had to be changed after the field presence got established. The field presence officer originally based in UNDP in Honduras, working on two-monthly IFAD consultancy contracts and covering Nicaragua as a satellite country, was requested to leave the UNDP premises as a result of IFAD questioning irregularities in a joint project. The FPO then moved to an office in her private home in Costa-Rica before being hosted by RUTA in Costa Rica and working as a FPO for Nicaragua.

³⁶ Congo DR, Egypt, Ethiopia, Haiti, Nigeria, Sudan, Uganda and Yemen.

³⁷ China and India.

³⁸ Tanzania.

procedures for recruitment of local personnel, etc.) and have not led to a closer cooperation on strategic or programming issues. With WFP and FAO in the three specific country cases (China, India and Tanzania), there has been a closer cooperation on strategic and programming issues. A not inconsequential financial advantage has been obtained under some hosting arrangements, ranging from 4 to 10 per cent of the overall field presence costs in Bolivia and Nicaragua, respectively, or even more in India. In such countries, IFAD has managed to negotiate with the host institution to provide free services such as utilities, secretarial support and transport arrangements. However, it is unrealistic to expect that these subsidies will be sustained over a long period, given the financial constraints faced by the host organizations.

65. It is evident that by and large all individual FPPIs have followed the same model. This includes the recruitment of a local IFAD staff by another development organisation with offices at the country level³⁹. The same development organisation also provides office accommodation and selected administrative services to the IFAD field presence officer. As such, the experimentation with alternative field presence models (e.g., outposting of CPMs, establishing sub-regional offices, or use of sub-regional networks) that was envisaged under the FPPP did not take place.

66. Hosting by a UN organization was found to have one main disadvantage. Stakeholders including representatives in some governments, but especially in donor organizations at the country level, often do not view field presence staff contracted by and located within a hosting organization as fully fledged IFAD personnel.

67. On a related issue, it is unfortunate that none of the FPPP arrangements is hosted by an international financial institution or a regional development bank⁴⁰. A hosting arrangement with such an institution, especially if it purposely also covered programme and policy issues, could have led to stronger synergies and cooperation between that institution and IFAD, which would be especially useful in light of the Fund's objective to promote innovations that can be replicated and scaled up by others. The evaluation also finds that the rental costs requested by such institutions are higher than those paid for currently under the FPPP. Having said that, IFAD could have taken an institutional (headquarters to headquarters) rather than a country-by-country approach, which may have resulted in lower costs and eventually facilitated a hosting arrangement by an international financial institution or a regional development bank.

68. Clearly, using hosting arrangements – whether with a UN organisation or an International Financial Institution - for field presence do not contribute to promoting IFAD's identity and visibility, which is important given the distinct mandate and approaches of the Fund⁴¹ as compared to other development organisations. This is broadly similar with one of the conclusions contained in the PMD self-assessment of the FPPP, which states “the FPPP requires additional effort to improve its visibility in country”⁴².

69. Direct contracting of field presence personnel from IFAD, while the exception under the FPPP, has been the rule in proxy field presence arrangements. This arrangement has ensured a clear IFAD identity for the field presence officer. However, the absence of a hosting organization requires significant attention by the CPM to office and logistical matters that may have hidden costs (e.g.,

³⁹ To clarify, the selected IFAD field presence officer would be granted a contract by the hosting institution and not IFAD.

⁴⁰ In some countries, for example Nigeria, an attempt was made – though unsuccessful – for hosting the IFAD field presence officer in the country office of the World Bank.

⁴¹ Especially in terms of its exclusive focus on combating poverty through investments in agriculture and rural development in rural areas, as well as its emphasis on empowerment, social capital formation and participatory approaches.

⁴² See paragraph 51 of the self-assessment study.

absence of UN privileges and immunities, especially relevant in a country with poor security). The most immediate problem faced under these arrangements derives from IFAD's general rules for consultants, at least in those four cases where field presence officers have regular IFAD consultancy contracts issued by the Human Resources Division. For example, under such provisions, consultants can work for up to 11 months and then are obliged to go on break for one month before reassuming duty. Such consultancy contracts are not appropriate for the recruitment of FPPP staff, who need to work on a continuous basis to be effective. Moreover, examples of sequential two-month consultancy contracts for a field presence were encountered that clearly had adverse results on the consultant's performance. Some "retainer contracts" with limited days of work over specified periods of time have been awarded to proxy field presence personnel⁴³. One concern with this type of contract is that it might expose the consultant to a conflict of interest, as he or she may be understandably tempted to take up additional simultaneous assignments with other organizations to ensure a full monthly income.

70. An alternative form of field presence can be achieved through the outposting of CPMs holding IFAD staff contracts. There are two such examples at the moment in Panama and Peru, respectively. Such arrangements for field presence are framed within the regular IFAD staff contracts, benefit from the required IFAD identity, entail wide-ranging delegation of authority (see next section) and do not have the disadvantage that consultancy contracts bring. The outposting of CPMs, however, impacts the management of the concerned regional division in a number of ways. For example, systems need to be established for providing the required guidance to staff in the field and ensuring appropriate oversight of key activities. Moreover, ways in which outposted CPMs can effectively contribute to divisional and corporate processes also needs to be clearly defined.

71. In any case, outposted CPMs face similar issues on office space and logistical aspects as field presence staff who are not engaged under hosting arrangements. These have been handled flexibly. For example, in Peru, the CPM rented a modest office in a private business building, which emphasized easy access of local partners, but was also close to the relevant government and donor offices. When the rent was about to increase excessively last year, the CPM took on another even more modest office for himself and the administrative assistant. As to his status as an official within the UN system, he is registered under the UNDP office. In Panama, the CPM is located in the UNDP office, which has provided an office free of charge.

72. **Delegation of Authority.** The evaluation has found that lack of delegation of authority from Headquarters to the field has led to reduced effectiveness of the FPPP and confusion among key partners about the role and purpose of IFAD's field presence. Each country case in the FPPP, in fact, shows significant variation in the degree of delegated authority. For example, in few cases, field presence officers are said to represent IFAD⁴⁴ or the CPM, whereas in most cases, field presence officers are to work under the close supervision of the CPM and the divisional director.

73. In most cases, the evaluation found examples of very little delegation of authority. For example, field presence officers have been attending key meetings with the government on policy dialogue or donors on thematic working groups merely as observers or facilitators of knowledge about IFAD experiences and operations. This in itself may be considered an important advancement, as compared to the past without field presence, where IFAD was largely not able to follow up and contribute to policy dialogue and donor coordination activities at the country level in a regular and proactive manner. On the other hand, given the lack of delegation of authority from Headquarters, field presence officers are not able often to make timely follow-up at the project level on implementation issues or statements on behalf of IFAD on programming, policy or budgeting issues. Partners at the country level are cognizant of the general lack of delegation to the field presence officers or proxy

⁴³ For example, in one case, the proxy field presence officer was required to work only for 10 days in a period of one month.

⁴⁴ See FPPIs for Bolivia, Congo DR, Senegal, Tanzania and Uganda.

field presence, and therefore, normally contact the Fund's Headquarters for discussing key issues with CPMs or cross-checking statements made by IFAD field presence personnel at the country level.

74. Along similar lines, another area where the lack of delegation is hampering the effectiveness of the FPPP, as anticipated earlier, is the role of the FPPP in implementation support, country programme monitoring and related follow-up. This is of serious concern, especially when seen in relation to the broadly similar functions discharged by IFAD cooperating institutions and the CPMs themselves. In sum, while recognizing that any delegation of authority needs to be accompanied by robust systems for staff appraisal, monitoring and oversight, the relative lack of delegation of authority is preventing the Fund from taking full advantage of the FPPP in support of the IFAD country programme. That said, and although the situation is improving, there are opportunities for further integrating and making the field presence personnel an essential component of the evolving IFAD country management team.

75. The situation is entirely different in the case of the outposted CPMs, where delegation of authority moves into the country together with the CPM him/herself. This provides the person enhanced effectiveness, as s/he is able to take decisions on a range of strategic and operational issues in a timely manner, in line with the Fund's overall strategic framework, policies and procedures. There are, of course, various considerations to reflect upon in the model of outposting IFAD CPMs, such as her/his relationship with IFAD Headquarters, contribution to divisional and corporate processes, the eventual renewed role of Headquarters-based programme assistants who are expected to assist CPMs at the same physical location rather than many miles away, and so on.

76. Still in the context of the outposted CPM in Peru, it is worth noting that he also is responsible for IFAD's activities in two neighbouring countries, namely Bolivia and Colombia. However, it is noted that such arrangements – of a CPM located in one country covering other nearby countries – have not always been successful, as illustrated by the Bolivia example. The country programme evaluation by OE in Bolivia (2005) noted that “in recent years, the Fund has not had an active presence in policy dialogue and its influence in designing public policies has been limited”⁴⁵. Moreover, with the arrival of the FPPP in the same country (i.e., in Bolivia), new channels of communications opened up directly between the field presence officer in Bolivia and IFAD Headquarters. This example illustrates the need for clarity in delegation of authority and in communication channels between CPMs and field presence officers, which is even more important in those cases where the concerned CPM managing field presence initiatives is outposted from IFAD Headquarters.

77. On delegation of authority, the PMD self-assessment report notes that “the authority of FPPIs to sign agreements on behalf of IFAD needs to be spelled out: lacking this authority tends to undermine FPPIs' credibility with governments and donors”⁴⁶.

78. **Impact of Field Presence Arrangements on IFAD Headquarters.** The FPPP document focuses on the role of the Pilot to improve IFAD's effectiveness through the new field presence, but does not express any expectations on how the field presence would affect IFAD's existing operating model at Headquarters.

79. Even with the short period of implementation of the FPPP, the evaluation found various indications as to how IFAD field presence has impacted the way the Fund operates in the countries concerned. One area of broad recognition among CPMs has been that their information and data base on in-country developments and key issues has improved markedly, as compared to the pre-field presence situation. As such, this has led to an improvement in his/her effectiveness in fulfilling the

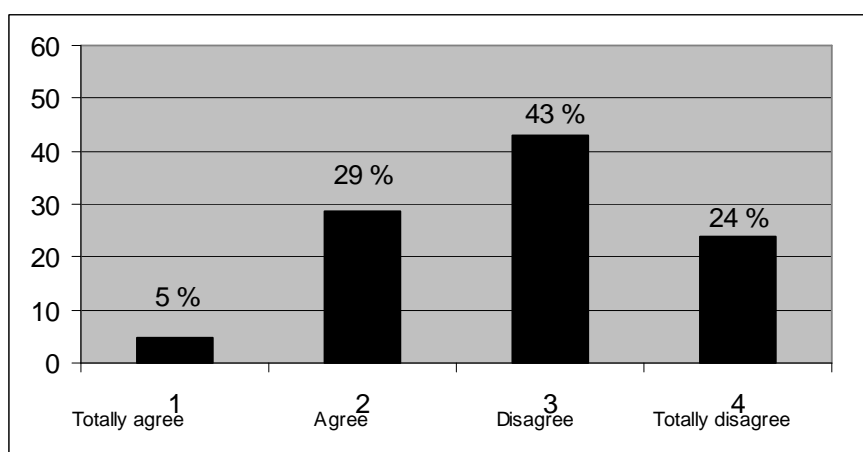
⁴⁵ See paragraph 14 in the Bolivia country programme evaluation report.

⁴⁶ See paragraph 45 in the self-assessment report.

role of CPM. The interviews with all concerned CPMs (28 in total) gave a series of pertinent insights into the effects of field presence on IFAD's operating model. These include:

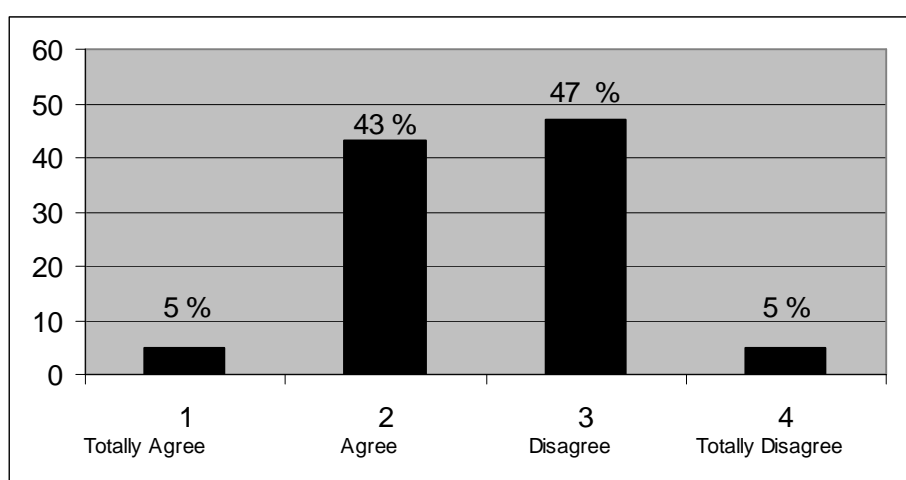
- The majority of CPMs did not feel their workload had been particularly alleviated, though about a third of them agreed with this proposition (see Figure 2). More important, from the evaluation CWP, it is clear that most CPMs considered that their quality of work had been affected positively, and that they had time to focus more on broader issues while field presence took a load off from routine project related work.

Figure 2. CPM Workload Decreased as a Result of Field Presence?⁴⁷



- As to the effect of field presence on travel of CPMs, the answers turned somewhat more positive. In this regard, about one half of the CPMs concluded that field presence had saved on their own amount of travel. Given the complications in the recording of duty travel costs⁴⁸, the gains to IFAD could not be calculated under the present evaluation.

Figure 3. Country Programme Manager Travel Decreased as a Result of Field Presence?

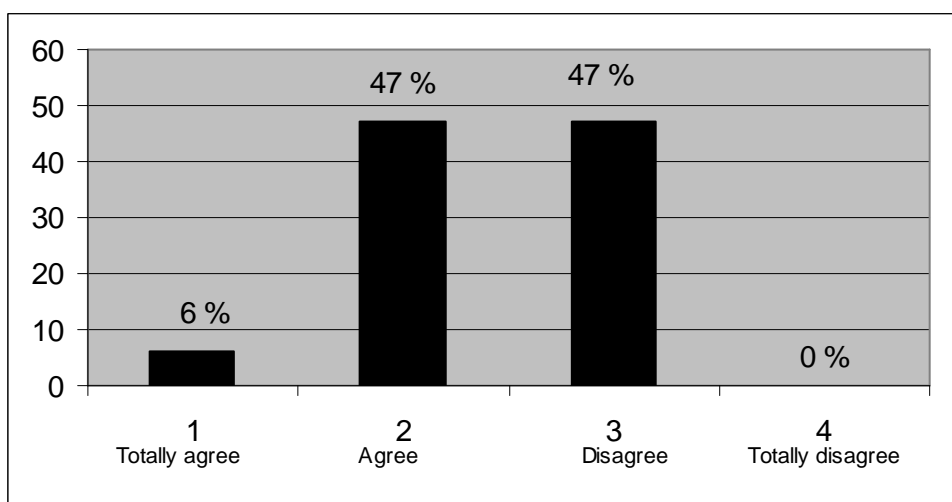


⁴⁷ The statistics contained in Figures 2, 3, 4 and 5 is based on primary data collected during structured interviews conducted by OE with the concerned CPMs.

⁴⁸ For example, one travel authorization can be raised for the same duty travel, which may entail visits by the CPM to multiple countries for a variety of duties. It is rare that the total costs of such a duty travel are divided and recorded into portions, according to the countries visited or tasks performed.

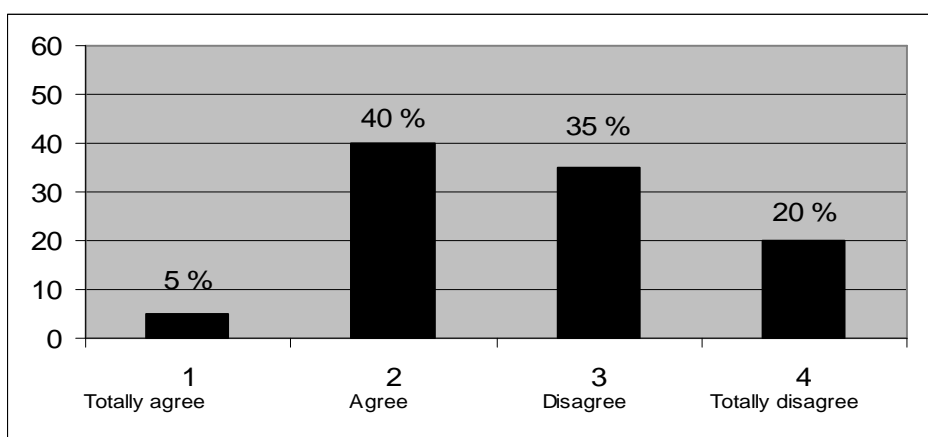
- At the same time, new opportunities have emerged for engaging local consultants where formerly international consultants were brought in, and some consultants that had been needed prior to field presence, were not needed anymore. Almost two-thirds of the CPMs agreed or fully agreed with the statement that the use of consultants, mostly related to project implementation support, decreased as a result of establishing the field presence.

Figure 4. Use of Consultants Decreased as a Result of Field Presence



- Finally, the interviews with CPMs, often with the corresponding programme assistant present, indicated that the workload for the latter on the whole has slightly increased. This is not surprising, given the lack of institutional preparation for handling the administrative and accounting issues of the FPPP.

Figure 5. Programme Assistant Workload Decreased as a Result of Field Presence



C. Human Resources Dimension

80. **Profile and Capacity Building of Field Presence Officers.** The search for suitable field presence officers was carried out by both the host organizations and IFAD, or by IFAD alone in the cases of direct contracts with consultants (for FPPP and proxy countries). Field presence officers were interviewed systematically by CPMs, and more sporadically also by Division Directors. All field presence officers are local recruits with the exception of Bolivia and Nicaragua, though they all had a higher education and/or some professional experience abroad. This by itself may be viewed as an

important contribution that IFAD makes in terms of local capacity building⁴⁹. IFAD has succeeded in attracting highly qualified personnel under the FPPP. Five field presence officers under the FPPP have a doctorate degree, the remainder at least a Masters level in agriculture economics, agriculture and rural development, irrigation engineering and resource planning. More or less half of the field presence officers had prior IFAD experience as project director or as consultants. Slightly less than half of the batch had been previously employed in government.

81. Turning to proxy field presence officers, their scope of work has tended to be more selective than for the FPPP, reflecting the CPM's desire to respond to the specific, often time-bound, demands emerging from IFAD's activities at the country level. Thus, the proxy field presences tend to be more specialized. However, in practice, the balance between specialized and more general persons has also been driven by factors on the ground, mainly the qualifications of the field presence officers. The evaluation notes that the main trade-off has been between project implementation support and policy dialogue strengths, as it has not been easy to find personnel bringing a combination of competencies and experiences in both areas.

82. In various cases, the evaluation found that partners at the country level, especially but not only representatives of international organizations, expressed the importance of having international staff as field presence officers, rather than national staff. While there are distinct advantages in having locally recruited persons from the same country, international staff have a different profile that can at times prove to be more appropriate in discharging some of the functions required by an organization's field presence. Moreover, international staff are less likely to be exposed to pressures from domestic sources, and thus, less likely than national officers to get involved in a situation of conflict of interest.

83. The most common feedback from field presence officers refers to the lack of systematic training upon entry on duty, a fact also recognized by the PMD self-assessment on the FPPP (see paragraph 47 in that document). While over time, some on-the-job training opportunities have emerged, such as participation in thematic conferences, loan negotiations, divisional retreats or regional/subregional implementation workshops, the lack of a structured induction and training programme caused a fair amount of delay in bringing field presence officers up to speed, inter alia, about the Fund's operations, policies and overall priorities. Moreover, there have been no opportunities for field presence officers and CPMs to exchange lessons learned and experiences across the five IFAD regions throughout the FPPP so far. Other development organisations are known to organise periodic meetings of their country office staff for this very purpose.

84. **Country Programme Manager's Role in Making the Field Presence Officers Effective.** The Headquarters-based CPM is the central figure in determining the effectiveness of the field presence officer. Unlike in comparator organizations that all have sizeable resident offices, the IFAD field presence officers are alone in most cases, with two exceptions (i.e., in Vietnam the FPPP has two professional staff, and in Pakistan the proxy field presence officer is supported by a gender specialist). Thus, there is virtually no balancing of different human resources strengths within the FPPP or proxy field presence, which is critically different from the typical situation found in most comparator organizations who often have various staff bringing expertise in different sub-sectors. At the same time, the field presence officer has only one person as his/her link into IFAD, namely the CPM. Thus, the interactions between the two persons are absolutely critical for the field presence's effectiveness. The evaluation has found these interactions to vary on a spectrum between full collaboration ("my field presence officer is an extension of the CPM", and "I am the extension of the CPM" as reported in the interviews regarding one FPPP country) and a clear separation of functions ("my field presence officer is to handle specific, limited areas of activities on which I provide guidance" and "I have no authority delegated from my CPM", reported in another FPPP country). In the former case, there is a close interaction by email and phone, and a generally smooth cooperation, which both sides consider

⁴⁹ This point was made specifically in Bangladesh when the initial proxy field presence officer who was an expatriate was replaced by a local person.

effective. In the latter, there are many gray areas and both sides express concerns about the field presence's effectiveness. Relationships between CPM and field presence officer vary within this range, though most tend to be closer to the former. There should be no doubt that the annual performance appraisals of CPMs ought to include an assessment of the effectiveness of interactions, coaching and supervision of their field presence staff.

85. **Administrative Assistants and Logistical Support.** Seven out of the 15 FPPPs include an administrative assistant, at least part-time, to support the field presence arrangement. Most field presence officers in Africa and Near East have such help (considering that Uganda still seeks such an assistant). The same is not the case in Latin America and the Caribbean and Asia and Pacific Region (India being the exception).

86. The evaluation found that field presence, if adequately resourced and staffed, has the potential for contributing towards greater overall institutional efficiency. For example, cost and time could be saved by asking field presence personnel to organize the logistics and provisional programmes for visiting IFAD missions, rather than performing the same tasks from Rome, which is far more cumbersome and time-consuming. As such, IFAD Programme Assistants at Headquarters could be freed from such routine duties, and devote the time saved to more substantive matters related to the country programme⁵⁰. At the moment, most FPPPs do not allocate much attention to such matters, partly due to limited resources at their disposal, but also as they are not considered a priority and in many cases do not feature in the terms of reference of field presence personnel. In any case, the real issue is that the support services required for an efficient country programme management needs to be treated in totality, that is, taking into account the comprehensive requirements at both the Headquarters and country level as well as the costs of mobilizing such services in Rome and the country concerned.

87. One important dimension for the effectiveness of IFAD's field presence is the mobility of the field presence officers. In this regard, the evaluation found a considerable variation in the provision of transport services under the FPPP, which also depended on the type of memorandum of understanding between IFAD and the host institution. In India, for example, the IFAD field presence officer does not have a vehicle, but can have access to the vehicles of the World Food Programme, the host institution. In other cases, including Egypt, Ethiopia and Tanzania, the field presence officers were authorized to purchase a car. However, resources are not available to hire a driver, which causes other type of difficulties to the field presence officers. In some other countries (Haiti and Vietnam), the field presence officer uses his/her own personal transportation, with no reimbursement for maintenance.

88. Most field presence offices have struggled to gain access to the IFAD Intranet and have an IFAD email account. This has only happened in recent times, thus improving communication, access to information and the overall identify of the IFAD's field presence unit. However, even at present, FPPPs cannot access the Fund's internal database systems, such as the Loans and Grants System and the Project Portfolio Management System, which contain invaluable information of interest to all concerned with programme management.

D. FPPP Financial Issues

89. The total amount allocated by the Board for the FPPP was equal to US\$3 million. As mentioned in paragraph 35, the Board played a central role in determining the overall budget envelope for the pilot. In this regard, it is fair to underline that the management had proposed to the Board to allocate USD 3.6 million for the FPPP⁵¹. However, the Board restricted the budget allocation to USD 3

⁵⁰ The evaluation also underlines that this may not be possible in all cases, and raises the issue of staff redundancy.

⁵¹ See paragraph 23 in document IFAD's Field Presence and In-Country Capacity, EB 2003/79/R.3.Rev.1.

million⁵², further constraining the management in effectively implementing a pilot with such broad objectives and tasks.

90. Within the overall budget, for each country included in the FPPP, the Board decided to allocate on average US\$67 000 per year, over and above any in-kind contribution by the host governments and partner agencies (with a maximum of US\$80 000 for any one country per year). The FPPP was planned to be implemented over a three-year period. This is important, as it has implications for the utilization of the FPPP funds allocated. However, on the time frames, the FPPP design document contains two varying statements. First, it lists the implementation period as “2004-2007”, that is, four-years⁵³. In another reference, the implementation period for any individual field presence arrangement under the FPPP is said to be limited to 36 months⁵⁴.

91. It is important to note that the effective start of each field presence varied between January 2004 and June 2006. Indeed, there were only four field presence arrangements⁵⁵ under the FPPP which started in 2004. As such, these four cases had the prospect of a three-year budget cycle prior to the end of the FPPP. All others would not be able to fit their full three-year lifetime into the prescribed period of the pilot programme, ending at the end of 2007. Therefore, in light of the aforementioned, a decision will need to be taken before the end of 2007 on whether or not the FPPP could be continued, at least in order to allow for each pilot to complete their three years of implementation and fully utilize the resources allocated.

92. One important factor was the preparation of budgetary projections for each field presence part of the FPPP. This data was included in the corresponding information notes submitted to the Board during the period of 2003-4. Totally, the budget estimate of the 15 field presence arrangements in the FPPP, as contained in the various information notes, exceeded the total FPPP budget allocation (US\$ 3 million) authorized by the Executive Board. More specifically, there was an excess of around US\$532 000 or almost 18 per cent over the limit prescribed by the Board (see Table 4 in Appendix III). The evaluation cannot understand how this budget increase was arrived at, much less justified and approved by both Management and the Executive Board.

93. Another point on budget relates to those FPPP countries, which previously had a proxy field presence arrangement (such as China, India, Tanzania and Uganda). In this regard, the evaluation was not able to find clarification on how resources previously reserved for implementing the proxy field presence in such countries were redirected, once these countries were brought under the FPPP and had access to their specific FPPP budget allocations. In other words, the field presence-related expenditures for these countries were now picked up under the FPPP budget, thereby releasing funds in other parts of IFAD’s administrative budgets.

⁵² See paragraph 7 in the minutes of the 79th session of the IFAD Executive Board.

⁵³ See 3rd bullet paragraph 29 in document EB 2003/80/R.4.

⁵⁴ See paragraph 22 on “time limitations” in document EB 2003/80/R.4.

⁵⁵ Tanzania, Honduras (moved later to Nicaragua), India, and Bolivia.

94. Each field presence arrangement presented to the Board contained a three-year budget, specifying expenditure categories and break-downs by year. Figure 6 shows that salaries are by far the single largest budget line, as they account for 66.5 per cent of all budgeted field presence expenses. Expenses for staff training were generally neglected, but in the China and Vietnam FPPP budgets. Travel related costs were budgeted to vary greatly, in general reflecting the size of countries, and account for 14.4 per cent of the overall budget envelope. The same

Figure 6. Allocation of FPPP Budget According to FPPI

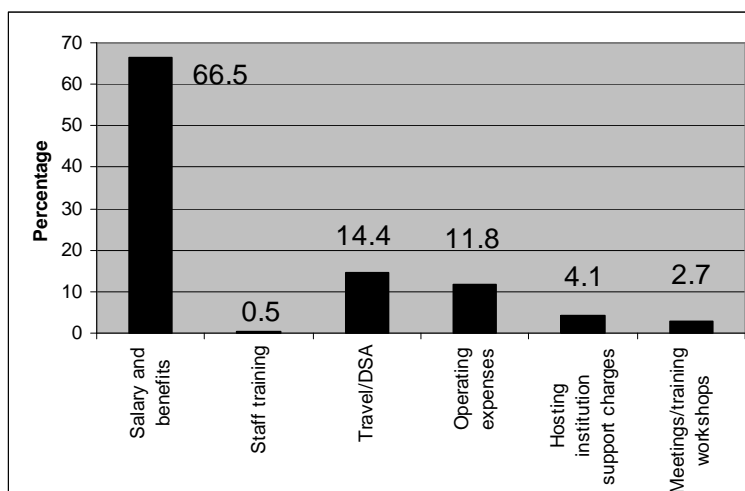


figure also illustrates how the actual disbursements have progressed against each budget category (more information on budget expenditures is provided in the next section).

95. **Actual Budget Expenditure Under the FPPP.** So far, around US\$2 million (or 67 per cent) of the total budget allocated for the pilot. The internal audit report “estimates that a full three years of field presence activity for the 15 offices would actually cost approximately US\$4 million, as opposed to the US\$3 million approved by the Executive Board⁵⁶. However, as eight offices will not have been in operation for three full years by the end of 2007, and as it is envisaged that other budget sources (such as supplementary funds) will be used for certain incidences, it is not expected that the approved FPPP budget will be actually exceeded by the end of 2007.

96. Budget overruns have been substantial in a number of countries (Table 5 in Appendix III gives actual annual expenditures). For example, the Sudan FPPP annual budget was overrun by 57 per cent in 2006, whereas the Senegal overrun by 40 per cent. In both cases, the reason given for these increases was the need to attract and retain highly qualified local professionals wooed by other international financial institutions and/or bilateral donors. Financial resources for programme issues were very limited. For example, in the year of micro-credit, the India FPPP could not find resources to document IFAD’s innovative approaches in the country in linking women’s self-help groups to formal financial institutions, which partners in the Government believed would have provided a useful opportunity for IFAD to showcase its success stories in the country. There are examples of a similar nature in other FPPP countries.

97. **Budget and Financial Management.** The IFAD internal audit generated a number of findings on this topic, some of which are reproduced here below:

- The current system of tracking costs does not provide Management with a clear view of total field presence costs for a given country in a timely manner. Moreover, some relevant field presence activities are funded by other budget sources, such as the Programme Development Financing Facility or various Supplementary Funds, making it difficult to track or estimate the total amount⁵⁷.

⁵⁶ See paragraph 7 on page 6 of the internal audit report.

⁵⁷ See paragraph 8 on page 7 of the internal audit report.

- Reports on costs were found to be irregular and there was a lack of appropriate oversight by divisional Management to ensure timely review of actual FPPP costs⁵⁸.
- The actual average costs per year for the FPPP arrangements are as follows: (i) US\$70 000 for those field presence staff with consultancy contracts issued directly by IFAD Headquarters; (ii) US\$79 000 for field presence hosted by FAO and WFP; and (iii) US\$109 000 for field presence staff hosted in UNDP.
- The execution of the FPPP budget was considerably influenced by the lack of administrative and financial procedures, resulting also in incidents of non-compliance with IFAD policies and procedures related to procurement and assets maintenance, for example, when vehicles were purchased without informing IFAD's inventory management unit, resulting in unidentified risks as insurance claims or other such liabilities. As a result, the internal audit report pointed toward the following key weaknesses:
 - (a) Uncertainty over the cost categories to be funded by FPPP budget;
 - (b) Lack of clarity over the accountability for tracking and monitoring field office costs;
 - (c) Lack of clarity over the invoicing and funding mechanism; and
 - (d) No uniformity in the coding for budget and accounting purposes.

98. Given the problems with coding and tracking expenditures, the summary data on expenditures under the FPPP can only be considered indicative. By the end of 2006, out of expenditure of around US\$2 million, around 72 per cent went into personnel related costs, 15 per cent into travel and the remaining 13 per cent into office, communication and miscellaneous costs. These figures are broadly in line with the estimates at design, as contained in the FPPI information notes.

99. On another issue, the internal audit found that fixed assets (e.g., motor vehicles, printers, photocopiers, officer furniture and computers) that are purchased on behalf of IFAD to support the FPPP activities are not being recorded as IFAD assets. This may expose IFAD to unidentified risks such as insurance claims related to a motor vehicle or other such liabilities.

100. The internal audit also contains a brief analysis of the costs related to proxy field presence. The cost of proxy field presence varies from around US\$20 000 to US\$100 000 per year, depending on the type and duration of contract provided to the field presence officer. Some work on a full-time basis, whereas others are recruited on a part-time basis. Around 80 per cent of these funds are invested in staff costs. This is a bit higher than for the FPPP, partly because limited funds are allocated for office infrastructure and administrative services under the proxy arrangement. In some cases, proxy field presence staff are hired on a part time basis, but such arrangements are not entirely effective in achieving country programme objectives and may lead to a conflict of interest, as the proxy staff may like to seek additional employment in alternative organizations which may, for example, be associated with IFAD operations in the same country. In majority of cases, the proxy field presence officer does not benefit from allowances for accommodation and are expected to work from home. In few cases, for example in Pakistan, the proxy field presence officer is provided some allowances for miscellaneous expenditures such as communication and transportation.

101. With the support of IFAD's human resources and strategic planning divisions and the International Civil Service Commission, the evaluation made an attempt to identify the costs associated with outposted CPMs. This was done: (i) because the evaluation found the outposted CPM model as the most effective form of IFAD field presence; and (ii) in light of the plans of the PMD to increase the number of outposted CPMs. In short, in most cases, outposted CPMs would benefit from

⁵⁸ See page 16 in the internal audit report.

hardship, mobility and non-removal allowances on top of the overall compensation package available to CPMs based at IFAD Headquarters. In concrete terms, the evaluation performed calculation that illustrate the range of (lowest and highest) costs and savings with different grades (i.e., P4 and P5 levels), and came up with the following estimates⁵⁹:

- Outposting P4 level staff could result in a saving of around US\$12 000 or extra costs to the institution of around US\$34 000, depending on the duty station to which the person is posted; and
- Outposting a P5 level staff could result in savings from US\$17 000 or extra costs to the institution of around US\$35 000, again depending on the duty station to which the person is posted (see table 2 for more details).

102. There are other cost dimensions that need to be considered, which are not reflected in the above calculations. For example, hazard payment is provided to outposted staff, depending on the level and nature of hazardous conditions of the duty station⁶⁰. The hazard allowance can be up to US\$15 000 year, depending on the grade of the outposted staff. In addition, IFAD will be required to provide staff with rental subsidy, as it does at Headquarters in Rome for the first 7 years after staff appointment. In this regard, as per the data provided by the Strategic Planning and Budgeting Division, presently, the Fund provides on average around US\$1 000 per IFAD professional staff per year as rental subsidy at Headquarters. Based on calculations made by the evaluation, the average rental subsidy per year per outposted staff in the field is likely to be significantly higher. The main reason for this is that a large number of staff have been at Headquarters for many years. As such, some get limited rental subsidy whereas others do not benefit from it at all. Once the same staff members are outposted from Rome, they would benefit from the full rental subsidy entitlement from scratch, given that they would be taking up a new assignment in a different duty station.

103. Moreover, there will be one time costs that IFAD will have to take into account when deciding to outpost CPMs, including cost items such as travel expenses, assignment grant and removal and shipment. For a P5 level staff, with three family members, the one time cost will be more than US\$50 000. This does not take into account the initial additional costs related to setting up office infrastructure including rental of office space.⁶¹

104. Implicit to the aforementioned is the fact that any outposting of CPMs has repercussions to the overall functioning and human resources of the regional divisions in Rome, including the roles and responsibilities of Headquarters programme assistant and the overall relationship between field staff and Headquarters. There are opportunities for savings that may become possible by the recruitment of local administrative and secretariat staff. All in all, a budget neutral outcome (and in some cases savings) can be achieved only if much of the operational work arising from the planned expansion in the programme of work⁶² is transferred to field offices in countries where professional salary scales are lower than at headquarters. In addition, initially some and later on the totality of the funds previously provided to IFAD co-operating institutions could be used for country presence purposes, as a result of the implementation of the new supervision and implementation support policy of the Fund approved in December 2006.

⁵⁹ Table 3 in Appendix 4 shows the estimated costs by different ranges of cost of living index.

⁶⁰ Only a few duty stations currently fall within hazardous classification (e.g., Haiti).

⁶¹ A comparison of costs between headquarters based and outposted CPM may be seen in Table 1 of Appendix IV.

⁶² See section on “Programme of Work 2007-2009” (paragraphs 57-59) in the document IFAD’s Contribution to Reaching the Millennium Development Goals: Report of the Consultation on the Seventh Replenishment of IFAD’s Resources (2007-2009), which articulates the background and magnitude of the annual increases in the Fund’s programme of work. The target is to achieve a US\$ 2 billion work programme for the Seventh Replenishment period.

Table 2. Estimate of Costs Related to Outposting of Country Programme Managers (US\$)

<u>Cost Items</u>	<u>HQ Staff</u>		<u>Outposted Staff</u>			
	<u>P4</u>	<u>P5</u>	<u>P4</u> (cheapest duty station)	<u>P4</u> (most expensive duty station)	<u>P5</u> (cheapest duty station)	<u>P5</u> (most expensive duty station)
1. Net base salary	64 691	77 136	64 691	64 691	77 577	77 577
2. Post adjustment	39 896	47 483	12 492	44 539	14 980	53 411
3. Other standard benefits	54 321	60 225	54 321	54 321	60 225	60 225
4. Hardship allowance			6 480	19 440	6 480	19 440
5. Mobility allowance			7 620	7 620	7 620	7 620
6. Non-removal allowance			2 500	2 500	2 500	2 500
Total	158 908	185 645	148 104	193 111	169 383	220 774
Difference: HQs-field	-	-	(10 804)	34 204	(16 262)	35 129

Source: The mobility and hardship scheme - An information booklet, UN (January 2007); The post adjustment system, UN (April 2003); UN website on Salaries, allowances and benefits (www.un.org/Depts/OHRM/); Consolidated Post Adjustment Circular, ICSC (March 2007); IFAD 2007 Standard cost for professional and general services staff for budget purposes (IFAD intranet); IFAD Strategic and Planning Division staff cost tables; IFAD Human resources procedures manual and websites on salaries, allowances & benefits.

105. The analysis is presented here in order to raise attention to the range of cost-related issues that need to be taken into account in outposting, with the understanding that a more in depth costing will need to be done, should the management or the Board decide to pursue this option in the future. Obviously, the above discussion is entirely related to costs, and does not yet take into consideration the benefits that such outposting arrangements can produce.

Box 3. The Costs Related to Decentralization

In the SIDA, an organization also addressed by the benchmarking study, decentralization has resulted in an improvement of the quality of aid but at an increased cost, or as all interviewees had put it “decentralization resulted in significant budget outlays, but such outlays were as an important investment in providing a wide range of services better than in the past.”

In AsDB 11,7 per cent of the overall administrative budget was related to the field offices in 2002. According to different scenarios, the figure could be as high as 27 per cent in the future.

Evaluation Benchmarking Study, 2007

E. Performance and Results

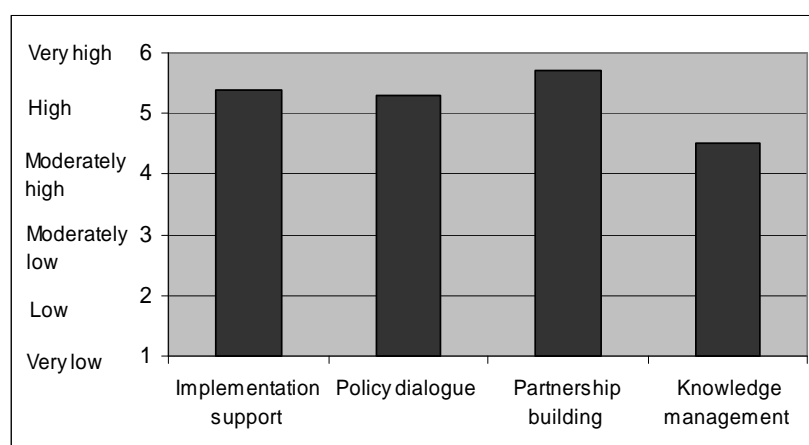
106. **Introduction.** In addition to reviewing key documents and collecting various data, the FPPP results were assessed through a process of seeking systematic feedback from the relevant stakeholders. First, the Headquarters perspective was obtained from the CPMs and, through a broader ranging discussion, with the Division Directors. Second, the field perspective was obtained by interviews with a sample of stakeholders, all selected with the help of the CPM to ensure that they had relevant IFAD knowledge: these included, consistently to the extent feasible, project staff, representatives of government, bilateral and multilateral donors, non-governmental organizations and other civil society. In the light of the findings, the evaluators rated the field presence contributions

under various heading discussed in the following sections. The ratings are consistent with the standard six-point scale used in OE evaluations, ranging from 1 to 6, where 1 represents the lowest score and 6 the highest. Ratings are based on aggregated data from the 35 CWP and CDRNs prepared in the FPPP evaluation.

107. **Priority of Objectives.** In a first step, the evaluation sought the views and priorities of all concerned CPMs with regard to the four key dimensions included in the FPPP. This served as a reference line for understanding what were the Fund’s priorities, according to the CPMs, in countries with field presence (i.e., in FPPP and proxy field presence countries, as well as in countries with outposted CPMs).

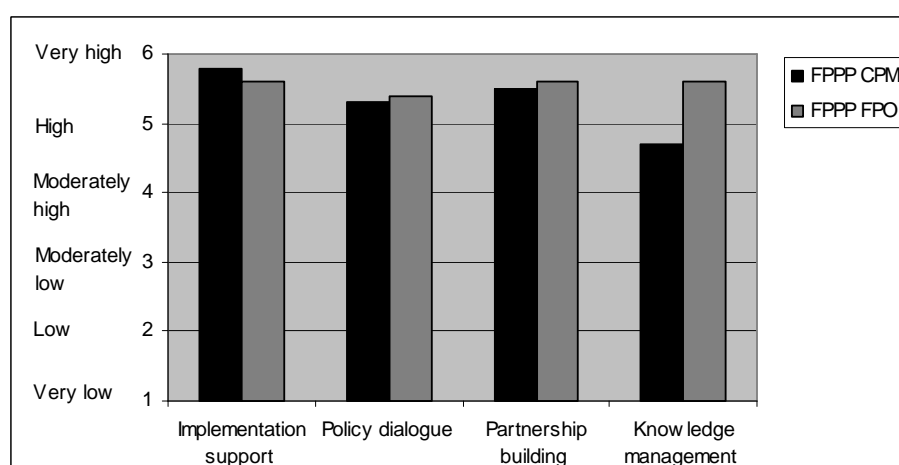
108. As per figure 7, the evaluation notes that top priority is attached to partnership building, a term that appears to represent the entire range of relationships with and within a country. This dimension is followed by implementation support, policy dialogue and knowledge management. A break-down of the evaluation’s country sample reveals that, in the FPPP countries only, CPMs instead give highest attention to implementation support, thereby signalling their primary concern with project-related activities. Across the entire sample of counties, knowledge management is last on the scale, especially for the proxy group where the focus is highest on policy dialogue.

Figure 7. Priority Rating of the IFAD Objectives by Country Programme Managers



109. The priority concerns of the CPMs in the FPPP countries are by and large similar to the field presence officers, as reflected in Figure 8. Interestingly, the field presence officers, being in the country rather than at Headquarters, give higher priority to knowledge management. This may suggests the need for them to build deeper awareness about IFAD, which is crucial for them to effectively further the four inter-related dimensions and priorities of the FPPP.

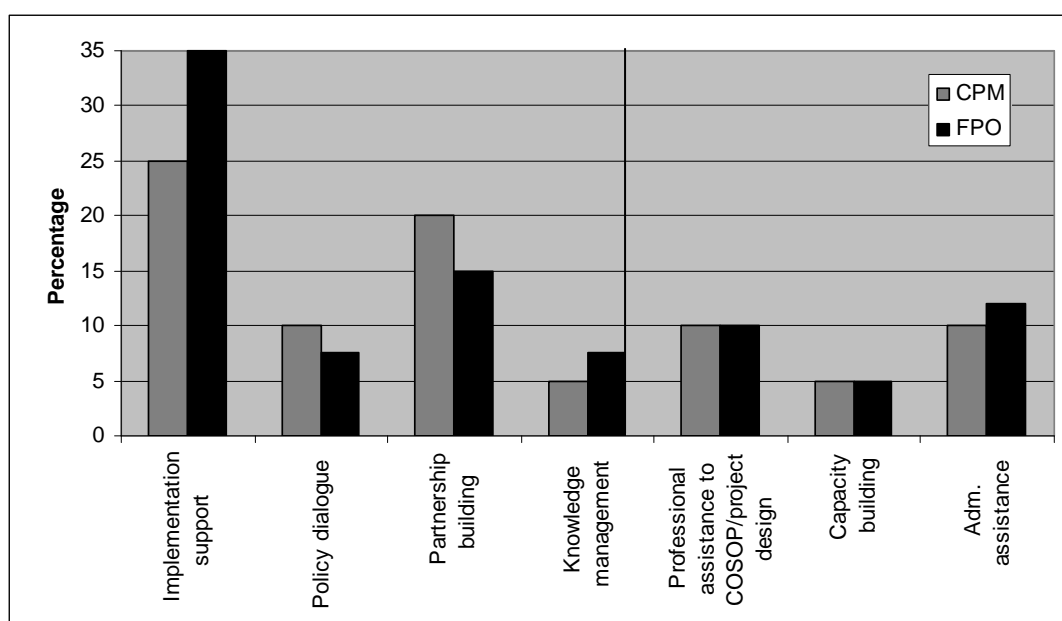
Figure 8. Priority Ratings of the Four FPPP Objectives by Country Programme Managers as Compared to the Views of Field Presence Officers (only FPPP countries)



110. As a further test regarding the priorities attached by the field presence officers to the four FPPP dimensions, the evaluation obtained data from both the CPMs and the field presence officers on the latter's use of time. This information needs to be treated with caution, as it was collected by the evaluation during interviews with the CPMs and field presence officers. They are not based on accurate recording of time invested in different activities through, for example, the use of timesheets. Nevertheless, the results presented in Figure 9 give some indication about the prioritization of the FPPP dimensions, which confirms the evaluation's overall observations that:

- (i) There are rather small differences with the perceived use of time between the field presence officer and the corresponding CPM, except in the area of project implementation support.
- (ii) Project implementation support is the single most important dimension for the field presence officer's work, followed by partnership building.
- (iii) Both dimensions combined account for 45 per cent to 50 per cent of the field presence officer's time, according to both the field presence officers themselves and the CPMs, respectively.

Figure 9. Time-spent as Perceived by Country Programme Managers and Field Presence Officers in FPPP Countries⁶³



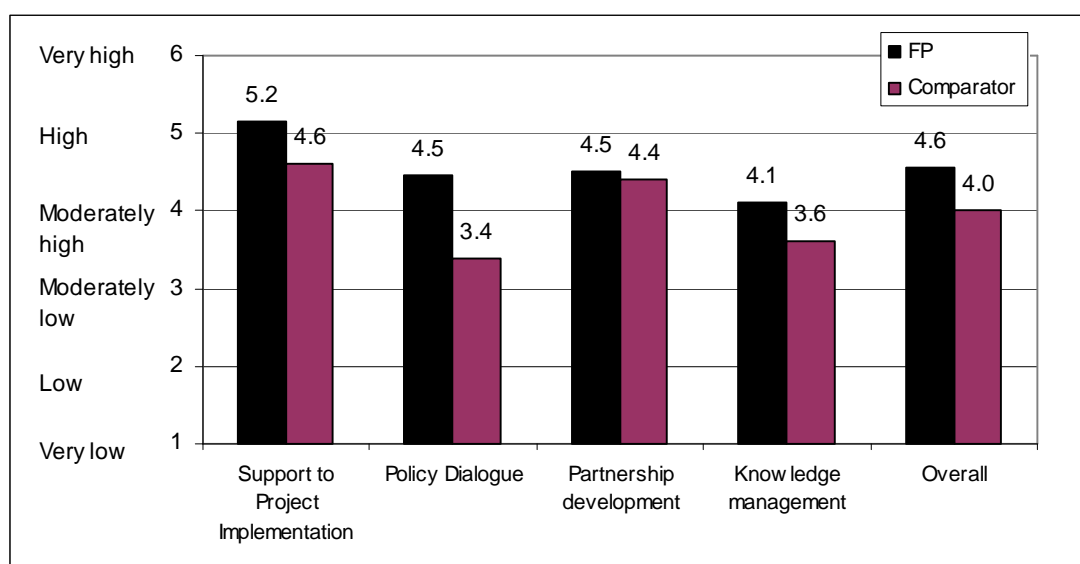
111. **Performance Assessment: The Case “With” and “Without.”** As mentioned in chapter 2, the evaluation included a sample of comparator countries in order to capture the estimated effectiveness of IFAD in the absence of field presence. This assessment focused on the four dimensions of the FPPP and involved data collection using structured questionnaires to collect information from CPMs, government representatives, project staff, and donor organisations. It also entailed reviewing a range of existing evaluative evidence, including OE evaluation reports. Questions (drawn from the evaluation framework) addressed to project directors focussed particular on implementation support and knowledge management aspects, whereas discussions with donors and government

⁶³ Based on the median for Egypt, Ethiopia, Nicaragua, Uganda and Vietnam, the only FPPP countries with data for CPM's and FPO' perceptions; using the median results in total not adding up to 100 per cent.

representatives centred mainly around IFAD's role in policy dialogue and partnership strengthening. Given their overall responsibilities in managing IFAD country programmes, the CPMs were asked all questions contained in the evaluation framework on the four key inter-related dimensions of the FPPP.

112. Figure 10 shows the evaluation results found in comparator countries – the “without” situation – and in field presence countries (including FPPP, proxy and outposts) – the “with” situation. That is, achievements across implementation support, policy dialogue, partnership strengthening and knowledge management in countries with field presence (in any form, ranging from outposted CPM, FPPP or proxy field presence) is markedly greater in relation with the comparator countries without any field presence. The break-down of the results by the aforementioned four dimensions confirm the limitations that prevail for IFAD effectiveness in the “without” case, and more pertinent, the areas where the addition of a field presence yields the highest returns. For example, policy dialogue in absence of a permanent field presence is a very difficult task to accomplish effectively. As to partnership development, the evaluation CWP's have reported consistently a need to cultivate partners, both domestic and external, and that this can be achieved in depth only through a continuous presence in the country. In sum, both policy dialogue and partnership development cannot be achieved systematically and effectively through periodic interactions or a one-shot action, but require a continuous process of engagement, communication and building of trust, which can be best achieved through a permanent presence on the ground. The PMD self-assessment report on the FPPP generally supports the above findings⁶⁴ stating, inter alia, that “policy dialogue is considered one of the areas in which the Field Presence Pilot Initiatives have a significant role in helping IFAD influence policies in favour of the rural poor....[and] overall, a positive trend in progress indicators [for partnerships] is found in all the Field Presence Pilot Initiative..”. This is also a conclusion of the benchmarking study, which states that “field presence is an opportunity for small and medium-size agencies to leverage policy influence” A broader summary of the main messages and conclusions contained in the benchmarking study may be found in chapter IV.

Figure 10. Comparison of Results Between Comparator and Field Presence Countries



113. The above results in the FPPP evaluation are also echoed by many evaluations, including the recent OE country programme evaluations in Mali (2006/7), Morocco (2006/7) and Mexico⁶⁵ (2005/6). None of these countries are part of the FPPP, or have a proxy field presence or an outposted CPM. In each of these countries, the respective evaluations found the need for a deeper IFAD

⁶⁴ See paragraphs 22-33 in the self-assessment report.

⁶⁵ Which is a comparator country.

participation in policy dialogue, innovation promotion process, and partnership building. At the same time, the evaluations recognized the overall limitations that constraints the effectiveness of IFAD in these areas, including the lack of a permanent country presence.

114. The Mali and Mexico evaluations were discussed in the Evaluation Committee⁶⁶. The Committee also had a chance to visit the two said countries as part of their annual field visits in March 2006 and 2007, respectively, and hold discussions with a variety of partners themselves and visit IFAD-funded project activities on the ground. The two reports of the Evaluation Committee chairman to the Executive Board⁶⁷ following these field visits underline the need for IFAD to strengthen its country presence to, inter alia, allow the institution to closely follow and learn from the operations it funds, as well as engage more widely and constantly in donor coordination and policy dialogue activities.

115. As another example, the FPPP evaluation country working paper for the Philippines (part of the evaluation comparator group) and two recent OE project evaluations⁶⁸ in this connection reveal that the lack of field presence in the country has been a contributing factor in the limited overall partnership and dialogue with the AsDB. The evaluation of IFAD's strategy for Asia and the Pacific (2006) included a similar conclusion, noting among other issues that, only 4 out of the 68 projects financed by IFAD in the Asia and Pacific region between 1996 and 2005 were cofinanced with the AsDB⁶⁹. Finally, the OE country programme evaluation for Rwanda (2006), a country without any form of field presence at the time, outlined that "IFAD's lack of a permanent field presence...limited IFAD's capacity to engage actively and effectively in [...] policy dialogue"⁷⁰.

116. The relatively strong attention given to project implementation support even in the absence of a field presence appears to reflect the traditional model of IFAD operations, with the majority of project and programme supervision and implementation support performed by cooperating institutions. In this model, IFAD CPMs have traditionally provided complementary supervision and implementation support to the portfolio, which is an important ingredient in enhancing overall project implementation performance at the country level. PMD's self-assessment notes that the "Field Presence Pilot Initiatives have been successful in contributing towards improving the quality of project implementation", which is a central ingredient in achieving better impact on the livelihoods of the rural poor⁷¹. In particular, the self-

Box 4: Changing Performance in Project Implementation Support Linked to Field Presence

Project implementation is one field where local representations have a comparative advantage (AsDB), followed by partnership building and policy dialogue (Action Aid, SDC), a finding coherent with the ones from the FPPP evaluation. While no direct qualitative evidence of direct benefits of enhanced field presence on project implementation could be found, AsDB field offices proved more successful in bringing projects out of the risk category. This could be related to the fact that field presence dedicates 47 per cent more mission days to projects in comparison to projects managed by AsDB headquarters. Furthermore, indirect benefits are better intelligence on the ground and a quicker response time, findings from SDC that are congruent with the ones from the FPPP evaluation.

Evaluation Benchmarking Study, 2007

⁶⁶ See Evaluation Committee documents: EC 2005/41/W.P.2 (Mexico) and EC 2006/46/W.P.3 (Mali).

⁶⁷ See documents EB 2006/87/R.4/Rev.1 (Mexico) and EC 2007/90/R.5 (Mali).

⁶⁸ See evaluations of the Rural Micro-Enterprise Project (2003) and Cordillera Highlands Agricultural Resources Management Project (2006/7).

⁶⁹ See paragraph 234 in the report dated July 2006.

⁷⁰ See paragraph 7 in the executive summary of the evaluation report dated July 2006.

⁷¹ This was confirmed by the evaluation of the DSPP, see report dated November 2005.

assessment finds that better results are achieved in terms of the time between loan approval and effectiveness, project start-up, disbursement performance, quality and submission of audit reports, and so on⁷². In fact, OE's own analysis confirms the marginally better disbursement performance in general in FPPP countries (of around 5 per cent per year on average), as compared to countries without field presence. Moreover, a study of data from IFAD's self evaluation system⁷³ reveals better ratings across a number of indicators in some FPPP countries, for example, such as the time lag between loan approval and project effectiveness in China or submission of project audit reports in India. However, at this early stage in the implementation of the pilot, it is not easy to find trends across these and other indicators when taking all field presence countries as a group.

117. The smallest difference between field presence and comparator group countries may, however, be observed with respect to knowledge management. This may be somewhat explained by the fact that CPMs, whether they are responsible for field presence or comparator countries, do not devote as much attention to this area. This is partly due to the limited resources allocated for the purpose and the lack of an IFAD-wide knowledge management strategy, but also due to insufficient time available for FPPPs to perform knowledge management functions. This conclusion is echoed in paragraphs 34-39 in the PMD self-assessment report on the FPPP. This may now change in light of the approval of the Fund's knowledge management strategy in April 2007.

118. One other important aspect that does not appear in Figure 10 is the ability of IFAD to promote innovations that can be replicated and up-scaled by governments, donors, the private sector and others. It is important to recall that the promotion of replicable innovations was not an explicit objective of the FPPP and nor features in any prominent manner in the terms of reference of field presence officers. However, the emphasis in the FPPP on the four overarching dimensions, which are all crucial ingredients in successfully promoting replicable innovations, in itself reveals that the pilot programme was implicitly designed in such a way to facilitate the Fund's innovation promotion process. There are some indications from the evaluation that field presence has allowed for better scouting of innovations from the grassroots level, for example, through a wider knowledge of and networking with local institutions involved in such activities. Although the FPPP evaluation found that there are some examples of innovations in comparator group countries, the up-scaling and replication of innovations remains a challenge in most such countries. On the other hand, there are various successful examples of up-scaling and replication captured by OE evaluations⁷⁴ in countries with some form of field presence. These include, for example, the promotion of linkages between self-help groups and financial institutions in India, and anchoring decentralized planning and development more broadly in Uganda and Vietnam. While these successful examples cannot be attributed only to the field presence officer, they have played an important role in the overall innovation promotion process.

119. Moreover, the evaluation underlines that, given the Fund's better performance in field presence against comparator countries in implementation support, policy dialogue, partnership building and knowledge management, there are greater prospects for the promotion of replicable innovations once IFAD's field presence activities are further consolidated. This is supported by the examples provided in the previous paragraph, which relates to the four countries (India, Peru, Uganda and Vietnam) where IFAD has had field presence for several years. Finally, the role of the outposted CPM in Peru is considered significant in promoting innovations, as acknowledge also by the thematic evaluation by OE on innovative experiences of IFAD project in Peru. The Peru thematic evaluation states that "constant support and monitoring by the CPM...has facilitated the adoption of innovations"⁷⁵. The

⁷² See paragraphs 16-21 in the PMD self-assessment report.

⁷³ These include the ratings contained in the PMD Project Status Reports.

⁷⁴ See evaluations of the Uganda District Development Support Programme (2005), the India North East Resources Management Project (2006), the Vietnam Ha Giang and Quang Bing projects (2004).

⁷⁵ See paragraph 8 in the evaluation report dated June 2004.

country working paper on Peru of the independent external evaluation of IFAD (2004/5) also comes to the same conclusion.

120. It is important to note that the difference in evaluation ratings across the four inter-related dimensions between those countries with longer field presence perform is even better in relation to comparator group countries. In particular, in 9 countries⁷⁶ IFAD has had some form of field presence for more than two years. The gap in ratings in these and the comparator group countries is larger, in relation to the gap in ratings between all field presence and the same comparator group countries (see table 3). However, these results must be interpreted with caution since the FPPP was directed to countries where borrowers' attitudes and capacities were relatively favourable.

Table 3. Comparison of Evaluation Ratings Between Countries with Longer Field Presence and No Field Presence

Four key inter-related dimension	Countries with field presence for more than two years	Comparator group countries
Implementation support	5.0	4.6
Policy dialogue	4.8	3.4
Partnership strengthening	4.8	4.4
Knowledge management	4.3	3.6
Overall	4.7	4.0

Source: OE evaluation data, 2007.

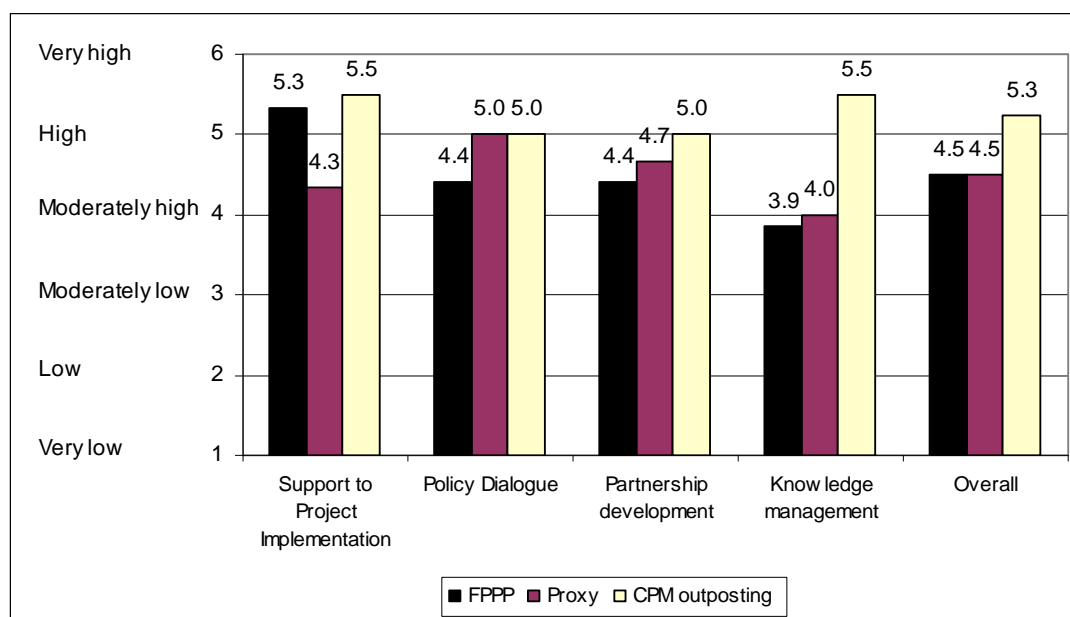
121. In sum, the evaluation finds that field presence is an important contributor to lifting IFAD's overall effectiveness in corresponding countries, as compared to countries without any form of field presence.

122. **Performance Assessment: The Case “Before” and “After.”** The main effort of the evaluation focused on the change in IFAD's effectiveness (in the four inter-related dimensions) that can be attributed to the introduction of a field presence, with the central attention given to the FPPP countries without excluding key findings from the proxy field presence and those with outposted CPMs. That is, the evaluation made efforts to capture the changes in the situation before the establishment of field presence, as compared to the current situation, with ongoing field presence in all countries for at least one year. It needs to be clarified that for China, India, Tanzania and Uganda, which had proxy field presences before their inclusion in the FPPP, the evaluation took the “before” scenario as being previous to the establishment of the proxies in the corresponding countries. The undertaking of the “before and after” analysis was particularly challenging given the lack of any baseline data on the “before” field presence scenario. As such, the analysis in this section is based to a large extent on the memory recall technique (that is, information provided by stakeholders), supplemented by the review of key documents that were produce before and after the establishment of IFAD field presence in the concerned countries.

123. Again, the results in the following sections focus mainly on the four key FPPP dimensions and include all countries with some form of IFAD field presence (i.e., FPPP, proxy and outposted CPMs). The results are summarized in Figure 11.

⁷⁶ Bolivia, China, India, Mozambique, Pakistan, Panama, Peru, Tanzania and Uganda.

Figure 11. Ratings of the Four Inter-related Dimensions of Different Types of Field Presence



124. It is noteworthy from Figure 11 that, apart from knowledge management, the overall effectiveness of field presence is rated between 4 and 5 or higher (on a scale where 6 is the best rating possible). In particular, the evaluation found that all three field presence models appear to yield overall at least moderately high results in terms of improving IFAD effectiveness. Although the CPM outposting emerges as the most successful model of IFAD field presence, it is to be underlined that the results are based on a sample of two countries where IFAD presently has outposted CPMs (Panama and Peru). It is interesting to observe that the largest difference in performance between outposted CPMs on one hand, and the FPPP and proxy field presence on the other, is in the area of knowledge management⁷⁷. One explanation is that being on the ground has allowed CPMs to acquire first hand knowledge about the country context and IFAD operations, which s/he is able to feedback in a more useful and direct manner into country strategy formulation and programme design processes. That is, outposting of CPMs also contributes towards shortening the learning loop. This finding is consistent with a similar conclusion contained in the evaluation of the DSPP⁷⁸.

125. As an example, the evaluation of the Colombia Rural Micro-Enterprise Project, which achieved very good results and was recently discussed in the 47th session of the Evaluation Committee, is an example of an operation that benefited from the constant backstopping and support of the IFAD outposted CPM. To clarify, the outposted CPM is based in Peru, covering also Bolivia and Colombia. The contribution of the same CPM was also recognized by the Executive Board during its 90th session while considering the Progress Report on the FPPP.

126. One issue, with regard to outposting of CPMs, that emerged in discussions with governments and other partners at the country level during the evaluation, was the importance of outposting staff with the required level of experience and seniority. This is important for many reasons, not least to minimise the risks that the Fund could be potentially exposed to, given that outposted CPMs would be expected to take key decision on strategy, operational and financial matters. A similar conclusion may be found in the evaluation of the DSPP⁷⁹. While on the topic of outposting, it needs to be stated that

⁷⁷ Knowledge management covers the documentation, storage and dissemination of IFAD's operational experiences within individual field presence countries. It also includes the sharing of experiences and good practices between FPPP countries and the Fund's headquarters.

⁷⁸ See paragraph 6 in the ACP of the evaluation report dated November 2005.

⁷⁹ See paragraph 138 in the main evaluation report dated November 2005.

the Headquarters location of IFAD may have been an important factor considered by various staff in seeking employment at the Fund. Therefore, such staff may not be inclined to taking up an assignment at a different duty station, which could lead to protracted negotiations and in some cases resistance towards outposting that will need to be considered.

Box 5. Tanzania Case Study

As a short case study, it is interesting to use the example of IFAD operations in Tanzania to illustrate the “before” and “after” field presence scenarios. In this regard, it is useful to recall that OE undertook a country programme evaluation in Tanzania in 2001/2⁸¹, which revealed major weaknesses in IFAD’s role in donor coordination and harmonization, policy dialogue and partnership building, but also in terms of project results on the ground. Upon the recommendation of the country programme evaluation, Tanzania was then included in the FPPP and the field presence officer started her duty in February 2004⁸². Thereafter, Tanzania was covered within the framework of the Independent External Evaluation of IFAD and a corresponding country working paper was produced⁸³ in September 2004 following a mission to the country. Tanzania was also included in the thematic evaluation on decentralization in Eastern and Southern Africa (2005), and a separate evaluation was conducted by OE of the Participatory Irrigation Development Programme in the country in 2006. Interestingly, these evaluations reveal a very clear upwards trend towards generally better performance and results since the establishment of the FPPP in the country, both in terms of results on beneficiaries, but especially in terms of IFAD’s role in donor coordination and harmonization activities. A part of this positive move can be attributed to the field presence officer in Tanzania, but the overall role of IFAD’s CPM needs due recognition as well. Although the field presence officer does not yet have the required level of delegation of authority from the CPM, she has proactively engaged in networking with donors and government, enhanced communication with IFAD and others, as well as undertaken the required follow-up in a timely manner to address emerging strategic and operational matters.

127. As indicated previously, however, the possibility of testing additional CPMs outposts was not taken advantage of under the FPPP, despite the fact that this was an option the Board had made available to the Fund. It is also noteworthy that opportunities for IFAD to explore the potential of outposting some CPMs was already recommended by both the Independent External Evaluation of IFAD (2005), the External Review of the Results and Impact of IFAD Operations (2002), and various OE country programme evaluations⁸⁰.

128. Within the FPPP countries, as mentioned previously, the best results are achieved in implementation support activities, illustrating to some extent the importance devoted by the Fund to its lending activities. This is not surprising, given that by and large, IFAD’s core business remains the funding of projects and programmes that aim to contribute to the reduction of rural poverty. Least encouraging results are achieved in knowledge management, as already discussed in paragraph 104. On policy dialogue and donor coordination, the evaluation finds that in countries such as

Mozambique, Nicaragua, Tanzania and Uganda with emphasis on Sector Wide Approach Programmes in agriculture or rural development, field presence (including proxy field presence) benefits are above the FPPP averages. The same can be said for partnership strengthening. This is especially important in light of IFAD’s commitment in promoting harmonization and alignment in the framework of the Paris Declaration on Aid Effectiveness (2005).

⁸⁰ Including the most recent country programme evaluation (2006/7) concluded by OE in Mali.

129. On another issue, the group of satellite countries covered by the main FPPP country (e.g., Mongolia covered by the FPPP in China) showed a relatively lower overall effectiveness in policy dialogue, partnership strengthening and knowledge management. Results in implementation support were broadly similar in the main FPPP and satellite countries. One issue is that it is not easy for a person stationed in a given country to effectively participate in policy dialogue activities in a neighbouring country, especially given that policy dialogue requires an ongoing interaction and dialogue with a variety of persons and institutions at the country level. The same applies for partnership strengthening, inter alia, demanding building confidence among concerned partners, which is a process that requires time and concerted follow-up. This leads to the finding that field presence from a neighbouring country works well for project implementation issues. The benchmarking study underlines advantages to establishing (sub-)regional offices, in addition to setting up country offices, as a means to providing technical backstopping to projects in several countries of the region, rather than providing the same backstopping from the headquarters.

130. The situation with proxy field presence is different. Firstly, it is evident that their scope of work is more narrowly focused as compared to the FPPP countries. Most of them, for example, cover only one or at most two of the four dimensions in the FPPP. The area of focus is also driven largely by the most pressing needs for IFAD to address in the corresponding country. Proxy field presence has proven to be effective especially in engaging in policy dialogue and donor coordination activities, and less so in implementation support. This is partly due to the fact that the terms of reference of proxies have often focused more on these dimensions, and less on implementation support. However, the evaluation found that proxies also face similar constraints to those in FPPP countries, for example, in terms of weak office infrastructure and administrative support, as well as limited delegation of authority to make statements or commitments on behalf of IFAD. Finally, the OE country programme evaluation of Bangladesh (2005/6) highlighted that the proxy field presence has contributed to anchoring IFAD better in the national dialogue on agriculture and rural development issues, in particular stating that “IFAD now participates very actively in the Local Consultative Group, the main donor coordinating body in Dhaka”.⁸⁴ Likewise, the evaluation of the Mozambique Niassa Agricultural Development Project by OE in 2005/6 recognized the useful role played by the proxy field presence in IFAD’s participation in the multi-donor sector wide agriculture programme (PROAGRI).

131. The main conclusion of this sub-section is that field presence had a positive outcome in terms of increased effectiveness. This is very much in line with the findings of all other institutions covered in the benchmark study, undertaken in the context of this evaluation. The latter states “the development effectiveness of field presence is viewed positively by all organizations – in spite of numerous challenges and associated costs. Due to better contacts with the field aid is better adapted to the local situation and its effectiveness has improved”⁸⁵.

⁸¹ Report dated February 2003.

⁸² See paragraph 212 in the Tanzania country programme evaluation report dated February 2003, which states that “one possibility for the Fund is to include the United Republic of Tanzania, together with a few other selected countries, in a pilot programme to test alternative arrangements for enhancing the Fund’s field presence. This pilot programme could then be evaluated after a number of years and, if results are positive, be given further consideration”.

⁸³ Report dated 17 September 2004 by ITAD Ltd.

⁸⁴ See paragraph 136-7 in the Bangladesh country programme evaluation report dated 2006.

⁸⁵ See Overall Findings, Evaluation Benchmarking Study, 2007.

Key Points

- The results across the four key dimensions are markedly better in countries with some form of field presence (FPPP, proxy or outposted country programme managers) as compared to those without. The results are even greater in favour of field presence when comparing the 9 countries where field presence was established two or more years ago in relation to the comparator group of countries.
- Although the sample is small, the outposted country programme manager model yields the best overall results
- FPPP design ambitious in relation to human and financial resources allocated
- Inadequate attention by the management during the implementation of the pilot programme, in particular but not only with regard to the experimentation of alternative forms of field presence models
- Synergies between the FPPP and other corporate processes, such as RIMS and supervision and implementation support not considered at design, and the role and responsibilities of the field presence officer, co-operating institution and country programme manager not clarified up front
- No baseline survey was undertaken and data and reporting on the FPPP implementation did not systematically cover the indicators approved by the Board, thus adding to the challenges for the evaluation
- FPPP country selection followed criteria agreed by the Board, but some countries with large portfolios not covered such as Brazil, Indonesia, the Philippines and Mexico.

IV. HIGHLIGHTS FROM THE EVALUATION BENCHMARKING STUDY

132. The overall objectives and methodology of the benchmarking study can be seen in Appendix II. The same appendix also contains a summary of the main characteristics related to country presence of the five main organisations (Action Aid, AsDB, IFPRI, FAO and SDC) included in the benchmarking study. Relevant experiences of other organization such as the Worldbank, DFID and SIDA are also reflected in the study. In this chapter, the evaluation presents the main findings from the study divided into two sections, namely: (i) institutional issues; and (ii) according to the four FPPP dimensions.

133. There are numerous key findings related to institutional issues. Firstly, the benchmarking study reveals that different organizations paid varying emphasis to decentralization, and some have had field offices for many years (e.g., FAO and SDC), whereas others have established them more recently (e.g., IFPRI). In any case, given the diverse backgrounds and history of each organization, it is not surprising that restructuring processes have taken very different approaches: top-down in FAO versus bottom-up approach in Action Aid and SDC, and somewhere in between at AsDB and IFPRI.

134. The diversity of the chosen restructuring processes also reflects the manifold motives for the establishment of field offices. One of them is certainly the wish for improved client orientation and proximity to operations on the ground. In other cases, external pressure played a role, such as greater call for donor coordination and joint programming at the country level. In the specific case of the AsDB, the reasons for enhancing field presence are largely similar to those of IFAD. AsDB mentions the following as tasks for their resident missions: promotion of the Bank's overarching goal of poverty reduction; enhancement of policy dialogue; being sources of knowledge; enhancement of AsDB's visibility and responsiveness; creation of strong partnerships; taking on leadership in aid coordination; and promotion of subregional cooperation.

135. There have been multiple approaches by the five organizations to field presence. Action Aid explicitly states that decentralization is seen to have no blueprint, and that there are wide differences in their office structures, responsibilities and priorities from one country to another. AsDB distinguishes between resident missions, subregional offices, representative offices, and special

liaison offices⁸⁶. The FAO states that it cannot have the same approach in all regions and all developing countries. In the case of SDC, it is stated that a globally unified field presence model for the organization is not feasible, neither from a development policy point of view nor would it be a cost effective solution.

136. Establishing of field offices in all organization's required a carefully reflection of the relationship and division of labour between headquarters and the field offices. Moreover, it is equally important to assess how other concurrent change processes at headquarters, for example the



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Source: Maurizio Valentini

introduction of a corporate knowledge management strategy at SDC, are likely to affect the headquarters-field relationship and dynamics. In their decentralization, SDC allocated tasks according to perceived comparative advantages, with field offices taking on those assignments that it can perform more effectively such as portfolio monitoring, whereas the headquarters is increasingly focusing on, the development of policies and guidelines. Likewise, the bulk of FAO's operations staff have been outposted to subregional and regional offices, with headquarters providing technical backstopping and policy orientations.

137. The benchmarking study notes that project design and implementation are areas where local representations of the comparator organizations have a comparative advantage. AsDB resident missions have expanded their role and participation in key aspects of country programming and management. The positive effect of receiving inputs for the country programming can be attributed to the fact that this task has been clearly delegated to the field, and programme managers have been shifted to the countries. FAO representatives are increasingly involved in the formulation of technical cooperation projects, monitoring of project execution and policy dialogue with government on agricultural policies and strategies. One aspect of caution that the benchmarking study underlines is that, at times, headquarters requests regular feedback from field offices, for example on a variety of issues ranging from the status of the office's accounts to the country's political and policy developments, which can become cumbersome detracting country offices from pursuing their core responsibilities.

138. A crucial aspect for effective field presence, according to the study, includes not only delegation of tasks but also a delegation of authority in conceptual, planning, operational and financial

⁸⁶ ADB has 19 resident missions (country offices) that provide the primary operational interface between the ADB and host government. They have 2 sub-regional offices including the Pacific Liaison and Coordination Office covering Nauru, Solomon Islands and Vanuatu, and the South Pacific Subregional office covering Cook Islands, Fiji, Kiribati, Samoa, Tonga and Tuvalu. These offices perform a full range of resident mission functions such as strengthen relation with governments, organise ADB operations with the evolving needs of the Pacific islands, policy dialogue, country reporting, aid coordination, and so on. In addition, ADB has 3 representative offices in Europe, Japan and North America, mainly for building working relations with countries and institutions in these regions. They have 2 special liaison offices in the Philippines and Timor Leste dealing with specific programme issues.

affairs. In earlier times, it was noted that FAO representatives were limited in developing their roles by the lack of decentralization of authority. In the case of SDC, an imbalance between delegated authority and financial competences is reported. That is, the country offices enjoy an important degree of decision-making authority with regard to the formulation, implementation, monitoring and evaluation of the country or regional programme, as well as administration of budget and management of staff. Their relatively high degree of programming independence contrasts with a relatively low level of financial autonomy they have been granted, as their delegated authority is only CHF20 000 per activity. In SIDA⁸⁷, full delegation accords decision-making responsibility to the head of the individual field office for activities up to US\$6 million and for all programmes and projects included in the Country Plan. In DFID⁸⁸, delegated responsibilities include formulation of the country plans (which requires review from headquarters), full authority to implement the plan, monitoring and reporting, ensuring cohesion with national strategies and systems, promoting coherent UK policy and taking appropriate actions if programme objectives require attention. The head of DFID office is delegated financial authority up to GBP7.5 million per action. Increasingly, the role of headquarters staff is defined in support of its field offices and so as to maintain appropriate levels of field – headquarters dialogue.

139. Outposting of staff to the country level has consequences for the overall organizational structure and functioning of the headquarters. That is, the transfer of part of an organization's staff to the country level requires a reorganization of the remaining positions and processes at headquarters. For example, in SIDA, a major rethinking took place with regard to the tasks of the (headquarters-based) regional departments and the staff remaining at headquarters when all the basic functions were delegated to the field. SIDA also discovered that there is need for a change in mind-sets in general to favour a more field oriented approach. The same happened at FAO during the major decentralization from 1994 onwards. For instance, decentralization of most operations staff to the regions led to the merging of the then three operations divisions⁸⁹ at headquarters into one division. While staff in the regional offices were made responsible for project design and technical backstopping, the operations division at headquarters was mainly responsible for providing overall strategic guidance and ensuring coordination with technical divisions.

140. As mentioned above, the benchmarking study specifically also reviewed the experiences and lessons learned of the five organizations in the area of implementation support, policy dialogue, partnership building, and knowledge management.

141. In this regard, the study notes that getting more deeply involved in project and programme implementation was initially the main motivation for promoting field presence in the five organizations under review. The study was not able to find documented quantitative evidence of direct benefits of enhanced field presence on project implementation. However, AsDB aggregate analysis shows that field offices have a higher success in bringing projects out of the at risk category. Based on 2003 data from the AsDB, their resident missions have greater success in bringing the projects they administer out of the at risk category. In this regard, 61 per cent of headquarters-administered projects were brought out of risk, as compared to 67 per cent of projects administered by the resident missions. However, the real difference may be even greater, as 43 per cent of projects under headquarters administration that were brought out of risk involved loan closures. The corresponding figure for resident mission-administered projects was 31 per cent. In any case, in the interviews conducted by the evaluation, a positive relationship between project performance and field presence was assumed by all organizations.

142. Most organizations use policy dialogue, through field presence, to up-scale and main stream lessons learned from research and operations. Participation in policy dialogue was a key argument

⁸⁷ Which is not one of the five core organizations included in the benchmarking study.

⁸⁸ Another organization not explicitly covered in the benchmarking study.

⁸⁹ One each for Agriculture, Fisheries and Forestry operations.

made by AsDB and SDC for field presence and further decentralization. According to Action Aid, closeness to operations at the country level has lent deeper credibility to its contribution in domestic policy dialogue. However, one finding is that field offices need to be adequately staffed to engage in policy dialogue, and that staff need to be given sufficient resources and time to prepare for, and participate in meaningful policy dialogue processes, although they have also relied on the support of headquarters for policy analysis purposes. The lack of resources has at times hampered the FAO Representatives ability to strengthen its policy dialogue functions. Interestingly, field presence is also seen as an opportunity for small and medium-size agencies to leverage policy influence. For example, SDC, even though a relatively small bi-lateral donors, has been entrusted with the chair of donor groups for general budget support in a number of countries⁹⁰. A contributing factor to success in policy dialogue is for organizations to make use of its experiences in other countries and balance them against local evidence when contributing to policy dialogue.

143. The benchmarking study notes that partnerships are critical elements, especially in the context of increased collaboration among different institutions in development cooperation in the context of the new aid architecture that has emerged in the recent past. Field presence has allowed each of the five organizations to strengthening their partnerships with a variety of institutions at the country level. For example, thanks to its resident missions, AsDB increased its relations with non-governmental organizations, thus allowing it to engage them more closely in investments programmes. Having said that, managing partnerships by field presence requires delegation of authority from headquarters. FAO's evaluation on decentralization mentions the lack of authority in regional offices has diminishes their standing as partners of the government and the international community. The benchmarking study introduces also the notion of "delegated partnerships"⁹¹ with like-minded organizations, as a means to reducing cost of an organization's field presence and transaction costs for partner countries. Along similar lines, IFPRI has established a series of cooperation arrangements with local partner organizations instead of setting up separate offices. For example, in Ethiopia, IFPRI works with the International Livestock Research Institute with whom it has a service agreement that covers office space, computers, and other administrative services. In this regard, the benchmarking study argues that using the facilities of a partner institution is an effective measure of cutting basic field presence costs. Finally, the study also notes that the establishment of donor field presence has contributed to better partnerships in terms of aid coordination and harmonization at the country level, and facilitated the formulation and implementation of joint assistance strategies, sector wide approaches, and budget support programmes.

144. In terms of knowledge management, the study notes that when establishing field presence, it is necessary to ensure feedback mechanisms from the field to headquarters to further institutional learning and memory. The SDC evaluation illustrates that its country offices had some responsibility for documenting good practices, but within SDC knowledge management is mainly the responsibility of technical department at headquarters. As such, the importance of having a knowledge management policy at the institutional level is crucial, so that knowledge management is addressed in a comprehensive manner, taking into account knowledge flows and communication from headquarters to the field and vice versa.

145. In addition, the study illustrates that field offices have provided the organizations opportunities for staff rotation, which is important to foster knowledge management. In fact, in some organizations such as SDC and WFP, an experience in their country offices is considered a necessary condition for professional development. At FAO, regular rotation of officers between regional and subregional offices and headquarters is being promoted in order to enhance coherence and flow of information.

⁹⁰ It chaired the general budget support group of 17 donors in Mozambique in 2004/5 and in Tanzania it was entrusted with the chair for the general budget support group on behalf of 14 donors in 2006/7.

⁹¹ In such an arrangement, a particular institution with no field offices and limited resources would enter into a close partnership with another institution with field offices. The latter would be responsible for advancing key activities on behalf of the former organization that does not have any field presence.

The FAO evaluation on decentralization had found that 56 per cent of FAO Representatives have never worked at headquarters.

146. The benchmarking study reveals that there is a marked improvement in the overall operations of the concerned organizations with well organized field presence. These include being less remote or culturally more in tune. The World Bank's focus on decentralization of its staff has resulted in better client relations and more listening. The increased accessibility of Bank staff, combined with increased exposure of staff to the daily challenges of supervising Bank-supported operations, has increased understanding and appreciation of participation of all relevant stakeholders. The devolution of the European Commission's external aid management resulted in clear improvements in terms of the speed and quality of project management. This leads to a better problem-solving capacity within the delegation and to increased contacts with beneficiaries and other relevant parties as well as to a better understanding of local conditions, risks and opportunities.

147. On another issue, the benchmarking study outlines that most organizations are concerned with improving their development effectiveness, and that costs are just one consideration in deciding to outpost staff. The cost of a new AsDB resident mission with two headquarters staff is likely to be about US\$300 000 one-time capital expenditure, and about US\$800 000 in annual recurring costs. The percentage of resident mission's administrative expenses to total AsDB administrative expenses grew from 0.73 per cent in 1982 to around 11.7 per cent in 2002. Interestingly, at the AsDB, while there has been an increase in field staff, this was not accompanied by a proportionate decrease in headquarters staff. The experience at the African Development Bank has been similar: the cost of a resident mission with three expatriate staff was estimated at about US\$276 000 for initial investments and US\$434 000 for annual recurrent cost, without an expectation that headquarters costs would be reduced. Based on their current data, the annual costs of operating an FAO Representation is on average US\$530 000 (ranging from US\$400 000 in small to US\$620 000 in large countries). SIDA came to the conclusion that decentralization does not cut costs, and the Canadian International Development Agency's (CIDA) experience with a major decentralization of staff in the late 1980s was an expensive undertaking and this contributed to the decision to shift back towards more centralized operations. However, one measure to limit costs by CIDA was to embark on field presence selectively in a limited number of countries.

148. The study underlines that there are other areas such as a regional approach or deliberate outsourcing, which have the potential for cost cutting measures. The AsDB has established a regional office in the Pacific, as it is cheaper to run a regional office, rather than several small resident missions. FAO's evaluation on decentralization outlines that attempts to maximize the number of countries with an FAO representative has resulted in heavy costs, without the commensurate benefits in all cases. As such, in addition to its five regional offices, FAO has established a number of subregional offices (e.g., in Cameroon for Western Africa, Zimbabwe for Eastern Africa, Barbados for the Caribbean, Samoa for the Pacific and others). UNESCO, UNDP and WFP closed a number of country offices in recent times and increased the number of regional offices or promoted multiple accreditation of regional representations. United Nations Children's Fund (UNICEF) has six regional offices on top of its wide network of country offices. UNDP has also a number of Regional Centres, which backstop their country offices and operations. For example, there are two Regional Centres in Asia and the Pacific (in Bangkok and Colombo), which provide most countries in the region with policy advice, knowledge on specific themes, promote regional partnerships and so on.

149. Deliberate outsourcing of selected administrative functions from headquarters can lower costs. For example, FAO is shifting service functions (e.g., human resources, travel, finance, procurement, etc) to three shared service centres in existing regional offices (in Bangkok, Budapest and Santiago). The World Bank has also moved many similar functions to Chennai. Moreover, FAO and CIDA both make wide use of local staff, as a means of enhancing field presence at lower costs, even though they recognize that the presence of international staff is crucial for some functions such as policy dialogue.

150. In spite of the difference between the benchmarking organizations and IFAD, there are some common lessons across the five organizations that have implications for the overall findings of the FPPP evaluation. The key points are presented below.

Key Points

- **The development effectiveness of field presence is viewed positively** by all comparator organizations – in spite of numerous challenges and associated costs. This positive appreciation relates mainly to qualitative aspects of the organizations' work. Due to better contacts with the field, aid is better adapted to the local situation and its effectiveness has improved. Local representations have a comparative advantage and a key responsibility in identifying and designing projects, partnership building, and in giving legitimacy to policy dialogue activities.
- **Efficiency gains are not automatic, and deliberate efforts are required to compensate for the additional costs that are likely to occur when establishing field and/or regional offices.** Decentralization in all comparator organizations has resulted in a fair amount of additional costs, which in any case was merely one of the factors considered in deciding to proceed with outposting in the five organizations. While efforts have been made to limit the overall costs to each organization, the study underlined that field offices need to be appropriately staffed, and have the required infrastructure and resources to effectively contribute to deeper results on the ground.
- **Decentralization processes do not occur in isolation.** Clarity on the primary objective of strengthening field presence is essential – increasing the development effectiveness of operations and cutting costs of operations are not necessarily compatible. The relationship between efforts to strengthen field presence and other on-going institutional reforms needs to be considered and prioritized. Changing the role of the field has repercussions at the headquarters level.
- **Flexibility is essential in order to find appropriate answers to different and changing contexts** – with respect to structures, staffing issues, locations, distribution of responsibilities. Diversity is also reflected in the shaping of the structures of field offices. In particular, it is important to use multiple approaches to field presence to respond to different contexts.
- **Inappropriate delegation of authority to the field seriously hampers effectiveness** and undermines the potential benefits of field presence. The delegation of authority is not an all or nothing issue but requires a multi-faceted approach dealing in a tailor-made manner with the different areas affected by delegation or the lack of it. An inappropriate delegation of authority can have a negative impact not only on the organization's effectiveness but also on its perception and reputation in the host country.

V. CONCLUSIONS

151. **Overall, there are positive and significant results emerging from the FPPP.** The same can be said of the proxies and in particular the CPM outposting model, and the benchmarking study confirmed that the overwhelming majority of multilateral and bilateral organisations consider a permanent presence in the field central to their development effectiveness. Yet the pilot, with its insufficient allocation of resources, delayed start-up, scarce attention towards experimentation including in particular with the successful model of CPM outposting, ineffective monitoring and documentation of results and costs, must be considered as a missed opportunity in terms of delivering a clear and conclusive demonstration of the most effective form of field presence for IFAD to adopt in the future.

152. Notwithstanding the limitations in both the design and implementation of the FPPP, the evaluation concludes that the overall effectiveness of IFAD – with a particular focus on the four FPPP dimensions of implementation support, policy dialogue, partnership development and knowledge management – is greater in FPPP countries and in countries with outposted CPMs than in those



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Source: Maurizio Valentini

without. Proxy countries also perform on the whole better, particularly in the areas of policy dialogue and partnership strengthening, as compared to countries without field presence. These conclusions are broadly consistent with the overall findings of the benchmarking study, which notes that “development effectiveness of field presence is viewed positively by all comparator organizations, in spite of the numerous challenges and associated costs”. Similarly, the PMD self-assessment report on the FPPP contains similar findings stating that “despite its limited implementation period, the FPPP has shown positive results in terms of progress indicators and encouraging signals with regard to outcome indicators.”

153. The FPPP appears to have made IFAD more visible and more efficient working in-country and has allowed for better and more consistent follow-up. It is expected that this, in turn, will improve both the quality of country programmes and their impact⁹². In general, the evaluation finds that the FPPP's greatest contribution has been to further IFAD's implementation support activities. This is due in part to the profile of most of the field presence officers recruited, but it is also the result of the emphasis in their terms of reference on these types of activities. IFAD's performance in policy dialogue, partnership strengthening and, to a lesser extent, knowledge management is also greater in countries with field presence. The weaker performance in knowledge management can be explained by the lack – until recently – of an overall corporate knowledge management strategy at IFAD, and also by the fact that the FPPP paid less attention to this dimension. The FPPP has also allowed for better communication between IFAD and its country-level partners, enhancing IFAD's understanding of in-country processes and rural poverty issues in general, while also enabling local partners to become more familiar with IFAD operations. In sum, in comparing the with and without as well as before and after scenarios, the evaluation concludes that IFAD's performance in the four key FPPP dimensions generally improved with field presence.

154. On another issue, the Executive Board did not explicitly state that the promotion of innovations would be a core objective of the FPPP. However, the FPPP did recognize the importance of innovations implicitly since each of the four FPPP dimensions is a critical element of IFAD's innovation promotion chain. In this regard, although there was evidence of some innovations in country programmes without field presence, the results of the evaluation clearly indicate that IFAD's capacity to promote innovative approaches to rural poverty reduction, which can then be replicated and scaled up by the Government, donors and others, is greater in countries with field presence.

⁹² See paragraphs 44 and 54 in the self-assessment report.

155. **Inadequate Design and Implementation Arrangements.** The evaluation notes that the FPPP could have achieved even greater results with a better design and implementation, greater resources, and more rigorous and longer implementation period, rather than the merely three years allocated. Clearly, the level of human and financial resources allocated was not commensurate with the objectives and focus of the FPPP, and did not allow for appropriate programme implementation. For example, the pilot expected one single field presence officer to perform multiple tasks related to the four FPPP dimensions, in addition to participating in country strategy and project design processes, and in supervision missions organized by IFAD's cooperating institutions – all without the benefit of a formal induction programme or structured training opportunities. The evaluation concurs with the PMD self-assessment report, which states that “funding is considered adequate only for the minimal operations of most FPPIs...[and] human resource constraints relate to inadequate staffing levels”⁹³.

156. The FPPP design paid insufficient attention to integrating field presence with the functions of IFAD CPMs and cooperating institutions. More specifically, the roles and responsibilities of field



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presence officers – especially but not only in the area of implementation support – were not clarified at FPPP outset in relation to the contribution in similar areas that CPMs and supervision missions make. This created confusion among IFAD-funded projects and partners about the actual role of the field presence officer. The benchmarking study reveals that the establishment of field presence and decentralization processes do not occur in isolation: the relationship between efforts to strengthen field presence and other ongoing institutional reforms and related processes needs to be considered and prioritized.

157. While IFAD Management was thoroughly engaged and provided key guidance during the design of the FPPP, the evaluation finds that the same level of involvement was not apparent during FPPP implementation. As a consequence, IFAD did not exploit the opportunity provided by the FPPP to test alternative forms of field presence arrangements (such as the ouposting of CPMs or the establishment of subregional offices⁹⁴), which the design of the pilot programme had encouraged⁹⁵, nor did the Fund accurately track the FPPP costs. It also did not establish a platform for periodically sharing the experiences and lessons emerging from the pilot, no baseline survey was conducted at the outset of the pilot, and the reporting on implementation did not systematically cover all performance indicators adopted by the Board. In sum, a more proactive and systematic management and coaching would have seemed required for the implementation of a pilot which constituted a paradigm shift from the Headquarters-centric culture prevailing at IFAD. Having said that, it is to be recognised that the management and staff invested additional time and efforts in implementing the individual field

⁹³ See paragraphs 46 and 47 in the self-assessment report.

⁹⁴ See Appendix I of the FPPP design document EB 2003/80/R.4.

⁹⁵ Consequently, most of the 15 pilot initiatives follow a similar field presence model, with a national officer recruited by and hosted within the offices of other international organizations.

presence initiatives under the FPPP, given that no specific human or financial resources were allocated to IFAD for the management and implementation of the pilot.

158. On area that needs further reflection is delegation of authority. The FPPP did not empower sufficiently the field presence officers to achieve the core objectives of the pilot programme. Delegation of authority from headquarters has been limited, for example in the area of operations and policy dialogue, severely limiting the role and contribution the FPPP could make in furthering IFAD's country programme objectives. In fact, the extent to which authority is delegated is a key element for any form of field presence to achieve better results on the ground. This is confirmed by the benchmarking study, which states that delegation of authority from headquarters to field offices "is a key factor of success" in enhancing an organization's overall effectiveness. Thus, when not empowered to take decisions on select issues in real-time on the ground, a field presence may be perceived as merely a further bureaucratic layer in the organization's structure, rather than a mechanism that can effectively contribute to furthering the objectives of IFAD's country programme.

159. Ultimately, the FPPP had an ambitious design and was under-funded. This can be seen as a reflection of the compromise that had to be reached in order to garner the acceptability of Board members, several of whom strongly favoured the IFAD field presence, whereas others did not.

160. **Outposting of Country Programme Managers.** The evaluation stresses that, of the alternative forms of field presence tested so far, the best results have been achieved by the full-time presence of an IFAD CPM at country level – with full delegation of authority like that of CPMs at Headquarters. It is to be underlined that this conclusion is based on the analysis of the only two outposted IFAD CPMs at the moment. The evaluation also recognizes, however, that outposting of CPMs has consequences on the overall set-up and work of IFAD regional divisions. In particular, it is essential to define what relationship outposted CPMs should have with Headquarters, and establish what their contribution should be to corporate processes and divisional management. For example, how will outposted staff participate in their regional divisions' annual portfolio review processes or in the corporate thematic working groups to be established under the new IFAD knowledge management strategy. Plans must also be made for oversight and coaching of CPMs by their regional division director. Moreover, the roles and responsibilities of programme assistants and secretarial staff at Headquarters also need reconsideration with the outposting of CPMs.

161. Finally, in terms of the costs, based on the calculations undertaken during the evaluation⁹⁶ and as shown in appendix VIII, it is evident that additional costs will be required for outposting CPMs. While costs will vary by duty station and grade, in the least favourable scenario, these could be around US\$35 000 per year for a P5 level staff. Furthermore, a hazard allowance is also available in (few) duty stations. In addition to the aforementioned costs, there will be one time costs for the transfer of staff currently based at headquarters (more than US\$50 000 per person on average). Total expenses for rental subsidy is likely to be significantly higher in the field than what IFAD actually provides at present in Rome, as outposted staff will benefit from such subsidy from scratch. Lastly, costs related to setting up the necessary infrastructure for making outposted CPM operational will need to be considered as well. Some savings could, however, be generated by recruiting local administrative and secretarial staff to support the outposted CPM. In addition, funds previously provided to co-operating institutions for supervision and implementation support could also be used for country presence purposes as a result of the implementation of the new supervision and implementation support policy of IFAD should IFAD decide – as it would seem appropriate – to have the field presence officer participate in supervision and implementation support activities.

⁹⁶ The methodology and overall approach in determining the estimates have benefited from the comments of IFAD's Human Resources and Strategic Planning and Budget Divisions. They have also reviewed the actual results of the calculations made by OE.

162. **The Satellites.** Three pilot field presence countries extended their coverage to neighbouring countries⁹⁷. The evaluation finds this approach to be a feasible model for IFAD field presence, in particular concerning implementation support activities in the satellite countries. Support is greater through a field presence based in a nearby country, than when provided by a cooperating institution or directly by the CPM stationed in Rome. However, though possible, it is not easy for one single field presence officer resident in one country to participate effectively in policy dialogue or strengthen partnerships in a neighbouring country, as these aspects require a more permanent interaction and dialogue with a range of partners at the country level. In fact, the benchmarking study revealed that other organizations, such as FAO, have made wide use of regional or subregional offices, in addition to establishing specific country offices in order to address both policy issues and support project implementation adequately. For example, FAO country-level representation has enabled the organization to engage proactively in policy dialogue processes⁹⁸, whereas its regional and subregional offices provide technical support for project implementation in countries throughout the region⁹⁹. The AsDB also place specialized experts in their regional offices to enhance cost-effectiveness. Numerous multilateral and bilateral aid organizations (for example, CIDA, SIDA and USAID) have taken a regional approach to their field presence. On this, the benchmarking study concluded that “a regional approach is therefore also a question of costs: it is more efficient to run a regional unit rather than several small resident missions”. It further states that it is very important to “consider the gains in cost-effectiveness when establishing a smaller number of regional offices instead of a large number of national field representations”.

163. **The Proxy Field Presence Experience.** The evaluation finds positive elements in the implementation of proxy field presence arrangements. This type of field presence complements the formal FPPP and has been most effective in policy dialogue, the promotion of donor harmonization and coordination, and partnership development. This is partly because CPMs have carefully crafted the terms of reference of the proxy field presence in response to specific and time-bound issues that require immediate attention to improve the performance of IFAD’s country programme. As a result, many proxy field presence officers have not focused as much on implementation support as have the FPPP field presence officers. The evaluation notes that they face many of the same challenges as the field presence officers do under the FPPP, including limited infrastructure, insufficient administrative support and little delegation of authority.

164. **FPPP Costs.** Analysing the costs of the FPPP has been challenging, partly because staff did not use the available accounting system in a way that would enable a proper tracking of costs related to the FPPP. In any case, based on the internal audit of FPPP costs, it is evident that the FPPP was underfunded and budget excess among country pilot initiatives have been common¹⁰⁰. This is also recognized in the PMD self-assessment, which states, among other examples, that the “limited provision for in-country travel is cited by most field presence pilot initiatives as a major constraint”¹⁰¹. As stated earlier, on funding, the Board was instrumental in limiting the level of resources allocated to the pilot programme.

⁹⁷ To recall, this includes Mongolia (covered by China), the Gambia (covered by Senegal), and Congo Brazzaville (covered by Congo DR).

⁹⁸ For example, the FAO representative in Tanzania used to chair the Food and Agriculture Sector Working Group of donors (see Tanzania country programme evaluation, 2002), whereas the FAO representative in Indonesia chaired the donor working groups on Water Resources as well as on Agriculture and Rural Development (see Indonesia country programme evaluation report, 2004).

⁹⁹ For example, staff (such as agricultural, forestry and fisheries operation officers) stationed in the FAO regional office for Asia and the Pacific, located in Bangkok, travel to a variety of countries in the region backstopping project implementation.

¹⁰⁰ See Table 5 in Appendix III.

¹⁰¹ See paragraph 46 in the self-assessment report.

165. With regard to costs, the FPPP design also did not take into account the increases in staff costs that were experienced in some countries. Likewise, since more than 70 per cent of the total actual expenditures has been incurred by staff costs, the resources allocated for country programme-related activities are very limited.

166. Interestingly, the benchmarking study notes, first, that other organizations have treated costs as merely one of the factors, but not an essential one, in deciding their overall approach to country presence. Other factors are important as well, such as security and availability of human resources who could be considered for employment in their country offices. Second, various organizations found that the strengthening of country presence does not necessarily lead to lower costs overall, and that “deliberate decisions are required to analyse and implement cost reduction options at Headquarters”. In fact, costs have to be closely related to the overall outputs and the potential for enhanced development effectiveness.

167. **What Type of Field Presence?** The FPPP evaluation shows that all alternative forms of field presence tested so far have enhanced IFAD’s effectiveness at the country level. Clearly, physical vicinity to partners and a more permanent presence in the concerned countries matter very much: development cooperation and partnership cannot be performed virtually, by remote control or sporadic visits. This is the main reason why almost all development agencies, whether multilateral or bilateral, have decentralized their organizational structure over the years and are indeed increasingly doing so.

168. But, the evaluation concludes that IFAD will not be able to harvest fully the potential and benefits that field presence offers unless it makes a commensurate investment in terms of financial and human resources, and also carries out the required organizational adjustments, in particular in terms of delegation of authority, including a clear articulation of the interaction between field presence activities and the role of Headquarters in general. In sum, it would be wrong to assume that strengthening country presence will be cost-neutral and easy.

169. Thus, the concerns about the cost of IFAD’s country presence appear both real and justified. However, the analysis should also take into consideration the many documented benefits that country presence generates, difficult as they may be to quantify in monetary terms. The question for IFAD is therefore not whether or not to have a field presence, but rather what form this presence should take to maximize the Fund’s cost-effectiveness in a given country context as well as take account of the changes introduced by IFAD’s Action Plan and the UN reform process. Unfortunately, the FPPP did not provide a conclusive indication of the most cost-effective form of field presence for IFAD. The next section offers a number of suggestions on how to move towards this objective.

VI. RECOMMENDATIONS

170. The FPPP evaluation recommendations derive from the main conclusions outlined in the previous chapter, which are anchored in the results and performance assessment undertaken by the evaluation, the results of Management’s self-assessment and the benchmarking study.

Recommendation 1. Embark on a New Country Presence Programme

171. Given that the FPPP did not succeed in providing a conclusive indication of the most effective form of field presence for IFAD, the evaluation concludes that it is premature to propose a mainstreaming of the initiative. Instead, the FPPP should be transformed in a new programme - the IFAD Country Presence Programme (CPP)¹⁰² - that would aim at consolidating the evidence around

¹⁰² It is proposed to replace the term ‘field’ with ‘country’, given that the word field is normally associated with geographic areas where IFAD-funded projects are implemented. This should not however preclude the possibility for IFAD to establish country presence outside the capital city, should this be considered appropriate in any particular case.

the positive results as well as determining the most cost effective form of country presence that IFAD should adopt in diverse country context. The CPP would consist of two distinct tracks:

- Continue implementation of existing FPPP country initiatives; and
- Expand the programme to allow systematic experimentation with alternative country presence models.

172. In particular, the evaluation recommends the:

- Continued implementation, under the CPP, of all FPPP country initiatives, whether they were due to complete their three year implementation by the end of 2007 or not.
- **Expansion of the Country Presence Programme to experiment with alternative models of country presence.** It is recommended to experiment with alternative country presence models in additional countries (beyond those included in the FPPP) in all five IFAD regions. This would allow IFAD to fulfil the original objective contained in the FPPP of piloting and learning from diverse approaches to IFAD's country presence. The expansion could entail, but would not necessarily be limited to, two specific measures, namely (i) outposting of CPMs; and (ii) the establishment of subregional offices. Under this expansion, special attention will be given to IFAD's engagement in the ongoing UN reform processes, in particular the one UN pilot initiative at the country level.
- **Outposting of Country Programme Managers.** The evaluation revealed that the best results have been achieved on average in the two countries where IFAD currently has outposted CPMs. However, the experience with this model is too limited in size, and the cost implications not sufficiently clear to recommend this as the most cost-effective country presence approach for IFAD. Therefore, for the time being, IFAD should consider outposting around 10 CPMs¹⁰³ with the necessary experience and seniority in all regions, including in some ongoing FPPP countries with large portfolios. Under this approach, the CPM may be responsible for the coverage of additional neighbouring countries, over and above the country of her/his residence¹⁰⁴. The implementation of such a recommendation would be in line with the provisions of the original FPPP design document approved by the Board in December 2003, which gave the Fund the opportunity to outpost CPMs as one form of country presence model. It would also be consistent with the recent initiatives taken by the IFAD Management for outposting CPMs. The Fund will need to negotiate direct hosting agreements with concerned governments in countries where it intends to outpost CPMs that would, inter alia, provide the overall legal framework for establishing officially an IFAD country presence with the required diplomatic immunities and privileges. Last but not least, the Fund will need to carefully assess the required logistical and infrastructure requirements for outposting CPMs, including exploring opportunities for hosting arrangements with international financial institutions.
- **Establishment of Subregional Offices.** The subregional model appears to be an interesting cost-efficient model - as corroborated by the experience of a number of other development organizations - of bringing IFAD closer to the ground. Its cost-effectiveness should be assessed during the CPP phase. Therefore, as part of the experiment of outposting CPMs, and based on the generally positive experience with the satellite countries under the FPPP and the findings of the benchmarking study, it is also

¹⁰³ Which is around 30 per cent of the total number of IFAD CPMs. Such a recommendation was also contained in the independent external evaluation of IFAD, which encouraged the Fund to outpost around 30 per cent of all CPMs.

¹⁰⁴ It is normal practice for the two currently outposted CPMs to be concurrently responsible for more than one country in the same region.

recommended that IFAD set up two-three subregional offices in located in different IFAD regions. The subregional office could be located in one country with a large portfolio where IFAD would consider it necessary, following largely the criteria under the FPPP, to have a country presence. Such an office would cover the host country, as well as a number of neighbouring countries with relatively smaller portfolios. The proper functioning of such an office would also need the recruitment of an appropriate number of local staff. Such an arrangement would locate the CPM closer to the countries and, among other issues, contribute to a reduction in travel time and costs.

173. It is important that each country initiative under the new phase of CPP (including the FPPIs) is reviewed and the shortcomings and lessons learnt emerging from the evaluation addressed in a systematic manner. Some of the necessary enhancement are recommended in the below paragraphs grouped into three broad areas related to the (a) pilot programme's design including administrative and legal matters, and (b) implementation issues.

174. In Terms of Design:

- (i) In general, the CPP should incorporate the four dimensions contained in the FPPP. This is particularly crucial not only for achieving better results on rural poverty, but also for advancing the Fund's role as a promoter of innovations, in which implementation support, policy dialogue, partnership strengthening and knowledge management each play a mutually reinforcing function.
- (ii) In order to make the CPP more effective in pursuing IFAD's country programme objectives, the Fund should identify areas in which field presence offices could benefit from greater and clearer delegation of authority (see (iii) below). Deeper delegation of authority to field presence officers will require a more systematic mechanism for supervision and oversight, as well as staff performance assessment.
- (iii) Adequate human and financial resources should be made available to field presence officers to ensure they have access to the required administrative and logistic services (e.g., funds for internal travel, secretarial support, transportation and fuel, and so on) in a timely manner to improve their overall operations. This would require a reassessment of the annual budget of each FPPP. In this context, a more differentiated approach reflecting the size of each country of subregion would be appropriate.
- (iv) With regard to legal and administrative matters, it is imperative that all IFAD field presence officers need to have contracts that do not hamper their effectiveness. The Fund should develop the required instruments, say fixed term contracts for two or three years, that would allow it to recruit local personnel on IFAD staff contracts directly from Headquarters rather than through hosting agencies or consultancy contracts, which at present are either a problem from an identity point of view or compel them to take a one month break after 11 months of service. Better and more secure contract arrangements will serve as an incentive to the field staff and limit opportunities for conflict of interest. Equally important, this changeover will enable management to delegate the authority deemed necessary by headquarters for the field presence officers to carry out their functions in the most effective manner.

175. In Terms of the Implementation of the CPP:

- (i) A separate comprehensive accounting system should be developed for recording, monitoring and analysing the budgets and disbursements in relation to IFAD's country presence activities. Such a system would allow the Fund to gain an overview of all expenditures, and a more accurate picture of the actual costs related to the alternative country presence models, according to the different funding sources utilized, including

those from the administrative budget, programme development financing facility supplementary funds and so on.

- (ii) IFAD should ensure that the reporting from country offices, for both the current as well as the new countries under the CPP, includes coverage of all indicators chosen, both in terms of development and organizational effectiveness. This will overtime facilitate the undertaking of an assessment of the results and benefits achieved by the country presence arrangements established.
- (iii) A systematic mechanism should be developed for exchanging experiences across the country presence officers and CPMs. This could include workshops organized periodically by Management focusing on country presence issues. At Headquarters level, efforts need to be made to periodically reflect on the lessons learned from CPP. The IFAD CPMs Forum could be used as one platform for the purpose. In addition, an appropriate programme of induction should be organized for new field presence officers, and opportunities for training for all field presence staff identified.
- (iv) It is also recommended that IFAD takes the lead in establishing a Rome-based inter-agency (FAO, IFAD and WFP) working group on country presence issues. Such a working group would, inter alia, facilitate the exchange of experiences and lessons learned in the establishment and running of country presence arrangements, as well as identify opportunities for further strengthening cooperation in the functioning of country offices. Among other issues, such a working group would ensure an appropriate and synergistic engagement of the Rome-based UN agencies in the ongoing UN reform process at the country level including in the one UN pilot initiative.
- (v) The Assistant President, PMD, and regional division directors should be comprehensively engaged in country presence issues, for example, in the approval of the country presences' annual work plans and budgets, performance evaluations of country presence staff, and in monitoring the achievement of country presence objectives. This would include the setting up of a cross-departmental committee to accompany and supervise the implementation of the CPP in the next few years.

176. **Related Issues.** The implementation of the above recommendation would have consequences on the organizational set up and broad functioning of the regional divisions in Rome that need to be taken into account. For example, how will Headquarters-based programme assistants and secretarial staff effectively contribute to the work of CPM outposted at the country level?

177. For all countries in the CPP (including the original 15 approved under the FPPP), it is imperative that IFAD clarifies among IFAD staff and then communicates to key partners the complementary roles and responsibilities of the CPM, field presence officer and cooperating institution. This is particularly essential in light of the forthcoming implementation of IFAD's Policy on Supervision and Implementation Support, and should also include a clarification on the lines of reporting, accountability and overall authority related to the country programme.

178. The CPP will require the allocation of adequate resources. For example, more funds are required for ongoing FPPPs to ensure that all anticipated activities, including those related to knowledge management, can be undertaken in a proper and timely manner. Extra funds are also required for mobilizing the required administrative support to enhance the programme. In addition, the analysis undertaken by the evaluation itself reveals that outposting of CPMs will have financial repercussions that need to be met. As such, Management will need to undertake a detailed cost analysis (including for the related effects on support staff), as well as an assessment of the skills and competency of existing CPMs to determine the suitability for their outposting.

179. IFAD should undertake baseline surveys across key indicators, which should be integrated into the corporate result-based framework, at the outset of implementing country presence arrangements in all countries under the CPP. Moreover, as for all other IFAD staff, all country presence officers should be provided with full access to all IFAD internal databases and information systems, including but not only the project portfolio monitoring system, the loans and grants system, and so on.

Recommendation 2. Develop an IFAD Country Presence Policy after 2010

180. The evaluation concludes that it is premature for IFAD to formulate its country presence policy, especially in light of the limited experience both in terms of implementation duration and diversity of country presence models experimented under the FPPP. It is particularly crucial for IFAD to develop such a policy, especially given that the Fund was established as a headquarters-based institution and the establishment of country presence would represent a fundamental change in the overall structural nature and operations of the Fund.

181. Therefore, it is recommended that a self assessment of the CPP (including the FPPP) be undertaken by the IFAD management in 2010. This would serve as the basis for the development of IFAD's comprehensive country presence policy to be submitted for approval to the Executive Board following the final assessment in 2010. Key elements of the policy will emerge overtime based on the further critical experience in implementing alternative forms of country presence arrangements under the CPP.

Evaluation of the Field Presence Pilot Program (FPPP)

**Comments by Dr Nafis Sadik and Professor Robert Picciotto,
Senior Advisers to the Evaluation**

1. We were involved as Senior Advisers at all major stages of what proved to be an unusually extended and difficult evaluation process. This note summarizes our joint assessment.

A complex evaluation assignment

2. The evaluation required extensive desk work, numerous field visits and wide ranging consultations because three major challenges had to be overcome:

- (i) A lack of consensus within the organization about the risks and rewards of decentralized decision making.
- (ii) Weaknesses in design and implementation of the pilot program.
- (iii) Unrealistic terms of reference of the FPPP that sought to attribute project level results to exceedingly modest and recent changes in field presence.

Changes in the authorizing environment

3. For IFAD the issue of field presence has been perceived as controversial and the executive directors have taken a direct interest in the detailed design of the Field Presence Pilot Program (FPPP).

4. By contrast, for most bilateral and multilateral development assistance agencies, an enhanced field presence has been perceived as a self evident imperative as well as a clear-cut management prerogative given the following major changes in the authorizing environment for development assistance:

- (i) Since the endorsement of the Millennium Development Goals by all UN members, the responsibility for poverty reduction has shifted to developing countries;
- (ii) All aid processes are expected to be explicitly connected to country based poverty reduction programs prepared and owned by developing country governments in consultation with the private sector and the civil society;
- (iii) All donors have committed themselves to enhance the coordination, harmonization and alignment of their activities through country based processes (Paris declaration);
- (iv) The UN system is undergoing reform to achieve coherence at country level.

5. The strategic debate that led to the FPPP is explained by two contrasting visions of the organization. For some stakeholders, IFAD is a project oriented, specialized global fund that is relatively small (compared to the international financial institutions) and must manage its scarce financial and human resources with prudence and flexibility across countries as well as within countries. For other stakeholders, IFAD should aim to become a nimble organization dedicated to the pioneering of new approaches to agricultural and rural development best nurtured 'on the ground' since 'up-scaling' and mainstreaming of innovations can only be achieved through knowledge management, policy dialogue, and partnerships that are embedded in country led processes.

6. These different notions of what kind of organization would best serve the cause of rural poverty reduction underlie the decision to launch the FPPP and to commission an independent evaluation of its workings. Thus, the evaluation was expected to determine empirically the extent to which an

enhanced field presence contributes to development effectiveness through improved implementation support, policy dialogue, partnership building and knowledge management.

Tackling methodological challenges

7. Had the FPPP been properly designed and implemented, the evaluation would have been easy to carry out. Unfortunately, the FPPP was not readily 'evaluable':

- (i) The program did not try out all relevant field presence models and, in particular it neglected to pilot the most promising option (the outposting of country managers).
- (ii) It did not secure in a systematic fashion base line, monitoring or self-evaluation data.
- (iii) It did not provide reliable estimates of budgetary savings and incremental costs.
- (iv) It was not properly resourced and did not create a learning platform to help fine tune implementation and disseminate lessons learnt.

8. These weaknesses implied tough methodological challenges for the evaluation. Initially, the evaluation team attempted to relate the enhanced field presence to 'results' at project level as this was a key objective of the FPPP. Considerable weight was given to comparison of portfolio and other indicators in countries with and without field presence. However, the results deserve qualification since one of the key criteria adopted by the Board for the selection of countries to include in the FPPP, "conducive environment at the level of government and other development partners" created a selection bias in the sample of countries included in the FPPP.

9. Thus, it was determined that only a genuine triangulation of methods using a mix of qualitative and quantitative observations would generate useable results. Accordingly, the evaluation complemented its appreciation of results in countries *with and without* field presence with data on results achieved *before and after* the establishment of field presence by securing the views of informed stakeholders. It also secured systematic desk review data and stakeholders' feedback about the benefits of actual or potential field presence both within IFAD and at country level. Finally, it carried out a comprehensive *benchmarking study* to review the overall approaches to and lessons learned of these organisations with regard to country presence and overall organisational decentralisation

10. While largely qualitative, the collection of evidence was impressive in content, scope and volume. The evaluation took full account of monitoring, self evaluation and internal audit reports. It went beyond the limited FPPP pilots to cover a variety of proxy field presence arrangements and 2 outposted country manager models that pre-dated the FPPP and that have been hailed as highly successful by prior independent evaluations. Country visits took place in 25 of the 35 countries included in the evaluation sample, some with and others without any form of field presence. Original work on budget costs was carried out by the FPPP evaluation. Building on the latter, the management now needs to undertake a more comprehensive analysis of the full costs related to IFAD's country presence. All in all, the methodological challenges of this unusual evaluation assignment were tackled with great care and suitable attention to nuance and detail.

Reaching evaluative judgments

11. Comprehensive and rigorous as they were, neither the with/without analysis that suffers from sample selection bias inherent to the FPPP design; nor the opinion surveys and before/after surveys inevitably affected by the Hawthorne effect (i.e. the influence of observations on participants' behaviour); nor the benchmarking surveys that dealt with organizations endowed with different structures and mandates could on their own have been considered definitive.

12. It is the remarkable convergence of results and the overwhelming endorsement of report findings by stakeholders that justifies the important conclusion that the evaluation ultimately reaches:

“IFAD’s effectiveness measured along the four dimensions of implementation support, policy dialogue, partnership development and knowledge management has been greater in countries with field presence than in countries without”.

Conclusions

13. All in all, we fully concur that the evaluation has reached sensible and useful judgments. Its findings and recommendations are properly connected to the evidence. Enough information has been secured to forge a strategic consensus about the next phase of the field presence initiative.

14. While many participants at the stakeholders’ workshop argued against further experimentation and for endorsing a new policy well before 2010, we concur with the major conclusion reached by the evaluation: it would not be prudent to mainstream the FPPP at this juncture. Nor would it be timely for the executive directors to endorse a definitive field presence policy without additional field testing and policy work.

15. Specifically, we believe that:

- (i) The judicious choice among country presence options is a case by case process that requires full consultation with host member countries.
- (ii) The full benefits of enhanced field presence will not be tapped unless hosting arrangements are combined with strategic alliances (through UN pilots and IFIs’ lending programs) that generate positive synergies through up-scaling of IFAD funded innovations.
- (iii) The expanded field presence will not be effective without a comprehensive program of administrative support that addresses induction, training, relocation assistance, information technology enhancements and contractual arrangements.
- (iv) A budget efficient outcome will not be achieved unless the significant investment in enhanced field presence likely to be required is compensated by reductions in administrative overheads at headquarters and reduced travel costs through clear-cut delegation of authority.

Dr Nafis Sadik
(former Executive Director, UNFPA)

Professor Robert Picciotto
(former Director General,
Independent Evaluation Group
The World Bank)

13 June 2007

EVALUATION FRAMEWORK

Objectives/Assessment	Key Activities	Key Questions
Assess the performance and impact of the FPPP in enhancing IFAD's country programme objectives as captured in the COSOPs	<ul style="list-style-type: none"> (i) Desk review (ii) Self evaluation by IFAD Management (iii) Interviews with IFAD staff and EBWG members (iv) Country visits and structured discussions with key government officials, field presence staff, project staff, representatives from civil society, research/academic institutions, and IFIs/United Nations/International NGO (INGO)/bilateral development organizations 	<ul style="list-style-type: none"> 1. What are the results achieved by the FPPP/proxy-field presence specifically in enhancing project implementation/performance, policy dialogue, partnership building, knowledge management, innovations promotion, as well as building up local capacity?
Generate a series of insights, lessons learned and recommendations	<ul style="list-style-type: none"> (v) Desk review (vi) Country visits and structured discussions with key government officials, field presence staff, selected project staff, representatives from civil society and IFIs/UN/INGO/bilateral development organizations (vii) Preparation of Issues Paper & Final Report including ACP 	<ul style="list-style-type: none"> 2. What are the key lessons and insights from the implementation of the FPPP/proxy-field presence? 3. Do benefits from the FPPP/proxy-field presence justify the costs? What are the trade-offs between costs and benefits of field presence? 4. What are the key features and experiences in relation to field presence of other UN/IFIs/INGOs/bilateral-aid organizations? 5. Based on the above, what are the key recommendations for the future of IFAD's field presence?
FPPP Design/ Framework	<ul style="list-style-type: none"> (viii) Review all documents considered by the Executive Board, Governing Council, and the 6th and 7th replenishment processes on issues related to IFAD field presence (ix) Review evaluation indicators for the FPPP and each pilot initiatives (x) Review relevant OE and IEE evaluation reports (xi) Interview IFAD staff and EBWG members on field presence (xii) Country visit and structured discussion with various partners at the country level 	<ul style="list-style-type: none"> 6. Was the FPPP designed appropriately to achieve the objectives established? In particular, were the objectives realistic & the four inter-related dimensions defined the most appropriate ones? 7. Were the five FPPP country selection criteria and the total number of countries (15) to be included in the FPPP appropriate? 8. Assess the eight criteria adopted for determining the field presence arrangements to be deployed in each pilot country. 9. What was the quality assurance mechanism during design and approval process for the development of the individual pilot initiatives? 10. Was the three year timeframe established and budgets allocated for the pilot programme appropriate? 11. How well designed were the individual FPPP initiatives and to what extent are they appropriate in achieving COSOP objectives? 12. Are the evaluation indicators of the FPPP and each pilot initiative appropriate, clear and measurable? 13. Were suitable monitoring, oversight and reporting arrangements defined in the FPPP? 14. Did the overall FPPP framework and individual pilots take into account good practices and lessons learned from other international organizations?
FPPP Implementation	<ul style="list-style-type: none"> (xiii) Review FPPP annual progress reports to the Executive Board (xiv) Review annual division and country programme portfolio reviews (xv) Interview with relevant IFAD staff (xvi) Country visit and structured discussions with FP staff and various partners at the country level (xvii) Review financial reports on FPPP 	<ul style="list-style-type: none"> 15. Do all 15 pilot countries selected meet the five country selection criteria? 16. Do the individual field presence arrangements meet the eight criteria adopted? 17. Are all pilots in coherence with the overall FPPP and relevant COSOP objectives? 18. How well were the FPPP and the individual initiatives put into practice? 19. What is the progress of the FPPP to date, in terms of infrastructure, human resources deployed, preparation of annual work plans and budgets, delegation of authority, progress reporting, monitoring and evaluation, and organizational set-up? 20. How effective is the mechanism set up by IFAD for quality assurance during implementation, including monitoring, reporting and exercising oversight of the pilot initiatives' functions and performance of its staff? 21. What are the real costs of the FPPP/proxy-field presence so far, in comparison with the original budget allocated? (relying on OA assessment) 22. What are the costs of the proxy-field presence arrangements? (relying on OA assessment)

Objectives/Assessments	Key Activities	Key Questions
Results and Impact of the FPPP/Proxy-field Presence	<ul style="list-style-type: none"> - Review annual progress reports on the FPPP to the Executive Board - Review selected project documents, including supervision reports, mid term reviews, project completion reports, as well as relevant OE evaluation reports - Review project status reports, annual division and country programme portfolio reviews - Interview with CPMs and other concerned staff - Country visits and structured discussions with key government officials, field presence staff, selected project staff, representatives from civil society and IFIs/UN/INGO/bilateral development organizations 	<p>Project implementation support</p> <ul style="list-style-type: none"> - What specific activities were undertaken and resources were allocated for supporting project implementation? - In which ways have field presence arrangements contributed to improving project implementation performance? - Has field presence ensured a better follow-up to supervision recommendations and ongoing monitoring of project activities? Has field presence allowed better implementation support to IFAD-funded projects and programmes? - What are the main differences between the performance of projects benefiting and not benefiting from field presence? - What authority is delegated to field presence staff to take decisions on project implementation matters? <p>Policy dialogue and partnership building</p> <ul style="list-style-type: none"> - What specific activities were undertaken and resources were allocated for supporting policy dialogue and partnership building? - How effectively has field presence contributed to IFAD's policy dialogue and partnership building with national governments and other international donors at country level? - To what extent IFAD-promoted policies and development approaches discussed and adopted by key partners, e.g., within the PRSP and UNDAF processes? (We don't specifically mention PRSP and UNDAF but leave it open to be mentioned in the interview) - Has IFAD's participation in donor coordination and harmonization improved? - Has field presence allowed strengthening existing and developing new partnerships? - Has cofinancing and domestic financing enhanced as a result of field presence? - Has field presence contributed to greater involvement of project beneficiaries and NGOs in IFAD operations? <p>Knowledge management</p> <ul style="list-style-type: none"> - What specific activities were undertaken and resources allocated for knowledge management? - How have the field presence initiatives facilitated the flow of knowledge/information captured from the field to headquarters and vice versa? - Have lessons/knowledge/information sharing among the projects in the same country/subregional improved? - Were specific efforts made to document innovative approaches and to what extent has field presence promoted the introduction of innovative approaches? - Are there more replication and up-scaling of IFAD's innovative approaches to rural poverty reduction? - Has the dissemination of information improved IFAD design and operations in FPPP countries and/or in other IFAD programmes or among partners? - Has the dissemination of information influenced the work of partners at the country level? - What are the mechanisms for sharing knowledge and experiences across individual FPPP initiatives, both at IFAD level (CPMs) and among FPPP staff/countries themselves? - Have field presence staff made use of OE evaluations for learning? <p>Local capacity building</p> <ul style="list-style-type: none"> - What specific activities were undertaken and resources allocated for building up local capacity? - In which ways has IFAD's local capacity been enhanced by the FPPP/proxy-field presence? - How is IFAD's in-country capacity in relation to comparable international organizations? - Is the capacity built sustainable? - What are the requirements for enhancing further IFAD's in-country capacity to allow the Fund to pursue even better its country level objectives?

Benchmarking Study

1. **Objectives and Background.** As mentioned previously, the FPPP evaluation included the undertaking of a benchmarking study with the main objective of understanding the approaches and experiences in field presence of other organizations. One of the main reasons for embarking on the benchmarking study was the relative limited implementation duration so far of the FPPP, which would not facilitate an assessment of the results achieved by the pilot programme. Hence, in order to limit the risks of only undertaking a results-based evaluation of the FPPP, OE supplemented the analysis with the conclusions and recommendations contained in the benchmarking study.
2. The five organizations selected include Action Aid, AsDB, FAO, IFPRI and SDC. Their selection was determined by a number of criteria, including: (i) the availability of evaluations or reviews by the respective organization on their field presence arrangements; and (ii) a desire to include one international financial organization, one non-governmental organization, one UN organization, one bi-lateral aid agency and one international research organization each in order to gain an understanding of how different types of organizations have addressed field presence issues. While closely reviewing the experiences of the five organizations, the benchmarking study also reviewed to a lesser extent key experiences of some other development organizations (such as DFID, GTZ, UNESCO, UNDP, USAID, WFP and others) with field presence.
3. **Methodology and Deliverable.** The study entailed three main steps: (i) a desk review of all pertinent documents of the five organizations, especially evaluation reports on field presence-related matters; (ii) interviews by phone with key officials from the five organizations to verify the initial analysis undertaken during the desk review, and more generally, to exchange views with staff at their Headquarters; and (iii) identification of gaps in information and data, which was collected from the field offices of the five organizations by the FPPP evaluation team during their country visits. It is to be noted that the FPPP evaluation team could not meet the field offices of all five organizations in each country visited. This is because in various instances some of the organizations were not represented in the countries visited by the evaluation. The AsDB, for example, with operations in only the Asia and the Pacific region, does not have field representations outside the said region.
4. More specifically, through the benchmarking study, an attempt has been made to identify across the five organizations common elements and lessons learned on the four key dimensions in the FPPP, namely implementation support, policy dialogue, partnership strengthening and knowledge management. Information was also collected on the background and current arrangements related to the field presence of the five organizations covered by the study. Specific attention was also devoted to assessing the relationship between Headquarters and the field.
5. **Organizations Covered.** It is useful to note that each organization covered has either a country, sub-regional and regional field presence offices or a combination of these arrangements. This is partly determined by the geographic coverage of the organization and partly by the approach they have taken to field presence.
6. Action Aid with its headquarters in South Africa has a total of 42 field representations, with a number of subregional and country offices. Only around 50 out of around 1 700 Action Aid staff are located at headquarters. The size of field offices can vary from 100 staff in larger cases, and 3-4 staff in smaller country offices.
7. The AsDB, with its headquarters in the Philippines, has more than 20 country offices in the Asia and the Pacific region, including two subregional offices covering the Pacific islands. More than 300 out of the around 2000 AsDB staff are located in resident missions. The number of outposted

staff has been consistently increasing in the last 7-8 years. The AsDB country director or representative is normally an international staff (i.e., not nationals of the country in which a resident mission is located). Resident missions, especially in larger countries (e.g., China, India, Indonesia, Pakistan, Vietnam), have numerous international staff with expertise in various sectors¹.

8. FAO, with headquarters in Rome, has 132 field offices in all regions. The organization has traditionally devoted much attention to decentralization and its structure includes FAO representatives in 78 countries, who in various cases cover neighbouring countries as well (i.e., multiple accreditation). As in the case of AsDB, all FAO representatives are headed by international staff members, that is, they are not nationals of the country where the representation is located. One reason for this is to promote greater independence of the representations of international organizations at the country level, which would not be equally possible with national staff as the head of the country offices. National officers could be exposed to conflict of interest issues or more easily subject to influence from a variety of sources. In any case, National Programme Officers are also hired by FAO for supporting FAO representatives. FAO field offices may have a maximum of 22 and minimum of 5 staff. In addition to country representations, in most regions, FAO has both subregional and regional level offices. Between 1994 and 1997, there was a rise by 81 per cent in the professional staff in FAO field offices. Just over 50 per cent of total FAO staff work at headquarters.

9. IFPRI is one of 15 agricultural research centres member of the CGIAR system. IFPRI headquarters is located in Washington, D.C., with 5 offices in developing countries. IFPRI employs more or less 200 staff, out of which 32 are currently outposted to IFPRI field offices and other organizations. IFPRI undertakes increasingly decentralized collaborative research in some 50 developing countries. IFPRI is deeply committed to further decentralization, given its main role as a capacity-building and policy communications institute. These are activities that seem best undertaken in close contact with local research communities, partnering institutions, and national governments.

10. SDC, with its headquarters in Bern, accelerated its decentralization in the early 1990s, even though it had coordination offices in many countries before that date. In 2006, its total staff number was around 1100 globally. Around 175 of the 545 internationally recruited staff are located in SDC country offices. The latter are normally located in the Swiss Embassies, although in some cases they may be located in stand-alone premises. SDC has seen a sharp increase in the number of country offices from 21 in 1991 to 52 as of today. Country offices include a significant number of local staff. In 2005 approx. 65 per cent or all SDC staff was local staff, which is considered very important for continuity purposes, especially as international staff rotate every 3-5 years.

¹ The Operations Evaluation Department of the AsDB will undertake another evaluation of the Bank's resident mission policy in 2007-8.

Appendix 4-Table 1. Compliance with FPPP Selection Criteria

		Congo Brazzaville (S)	Congo DR	Nigeria	Senegal	The Gambia (S)		Ethiopia	Tanzania	Uganda		China	Mongolia (S)	India	Vietnam		Bolivia	Haiti	Nicaragua (former S)		Egypt	Sudan	Yemen
FPPP selection criteria	Compliance indicators	PA					PF				PI					PL				PN			
Criteria	Measures																						
High levels of poverty, particularly in rural areas	HDI poverty ranking index		140	167	159	156	155	177	162	145		81	116	126	109		115	154	112		111	141	150
	Rural poverty headcount: % of rural population		n.a.	n.a.	n.a.	n.a.	61	45	39	42		5	33	30	36		n.a.	66	69		23	n.a.	45
Sufficiently conducive environment	UNDAF PRSP		Yes	No	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes	Yes
			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		No	Yes	No	Yes		Yes	Yes	Yes		No	No	Yes
Identified need to strengthen policy & institutional environment	IRAI		2,8	2,8	3,1	3,8	3,1	3,4	3,9	3,9		n.a.	3,4	3,8	3,7		3,7	2,8	3,7		n.a.	2,6	3,3
Adequate prospective IFAD portfolio sizes	Portfolio value million \$ (12/06)		20	31	96	55	14	73	98	97		186	15	227	72		27	50	28		60	104	50
	Number of active projects (12/06)		2	2	4	5	2	3	5	5		7	1	8	3		3	3	2		3	5	4
	Lending prospect million \$ (2007 -09)		9	28	45	19	9	82	49	46		98	12	98	62		19	10	16		30	26	14
Adequate regional distribution	Number of FPPI countries per region	3					3				3					3				3			

Appendix 4-Table 2: Overview of FPPP

IFAD												
Region	Countries	country type	FPPIs: Number of dimensions; if more than standard 4, footnote	Equal weight to four dimensions?	Date of submission of FPPI	Start date of FPO	Time lag to establish FP in months	Hosting agency (if non, any office rented?)	Assistant*	Car	Professional background of FPOs	Total budget according to FPPI
PA	Gambia	S	3, no KM	N	Dec 03	Oct. 05	22	UNDP	Y	N	Project director	\$225K for Senegal plus Gambia
PA	Senegal	F	3, no KM	N	Dec 03	Oct. 05	22	UNDP	Y	N	PD	\$225K for Senegal plus Gambia
PA	Congo DR	F	3, no KM	N	Dec 03	Nov 05	23	UNDP	Y	N	Gov	\$225k for Congo DR and Congo
PA	Congo Brazzaville	S	3, no KM	N	Dec 03	Nov 05	23	UNDP	Y	N	Gov	\$225k for Congo DR and Congo
PA	Nigeria	F	4; partner	N	Sep 04	Dec 05	15	UNDP	Y	N	Gov	\$240k
PF	Ethiopia	F	4; empha	N	Dec 04	Sep 05	9	UNDP	Y	Y	Gov	\$250k
PF	Uganda	F	4; more a	Similar	Apr 04	May 06	25	UNDP	N	N	cons & bilat	\$240.523
PF	Tanzania (initially with	F	4; more a	Similar	Dec 03	Feb 04	2	FAO	Y	?	PhD Agri	\$269.899
PI	India	F	4; with def	Similar	Dec 03	2001	0	WFP	Y	?	Project director	\$210.600
PI	Vietnam	F	2; no part	N	Sep 04	Apr 05	7	Private	Y		NGO & bilat	\$225k
PI	China (initially with P.R	F	4; less er	Similar	Dec 03	Feb 05	14	WFP	N	N	UNOPS	\$262k for China and Mongolia
PI	Mongolia (s)	S	4; less er	Similar	Dec 03	Feb 05	14	WFP	N	N	UNOPS	\$262k for China and Mongolia
PL	Bolivia	F	2; no poli	N	Apr 04	Oct 04	6	GTZ	N	N	IFAD project staff	\$210k
PL	Haiti	F	4	Similar	Dec 04	Jan 05	1	Private	N	N	Project director	\$212k
PL	Nicaragua (initially em	F	2; focus c	N	Dec 03	Feb 04	2	UNDP	N	N	Project director	\$231k
PN	Egypt	F	4	Y	Dec 04	Jan 06	13	UNDP	Y	N	Agric. Economist	\$240k
PN	Sudan	F	4; focus c	N	Dec 03	Oct 05	22	UNDP	Y	N	PhD Agri	\$252k
PN	Yemen	F	3; minor a	N	Dec 03	June 06	30	UNDP	N	N	Agric. Economist	\$240k
Bold: FPPP countries												
<i>Italic: proxy field presence countries</i>												
Normal: comparator group countries												
<u>Underline: Countries without field visit and therefore CDRNs will be the final products</u>												
S = Satellite country												
F = FPPP country												
P = Proxy FP country												
CPM = CPM outpost country												
* Assistants fulfill administrative roles and in some cases also professional ones												

Source: IFAD

Appendix 4-Table 3: IFAD FPPP Analysis (part 1)

Region	Countries	country type	Number of active loans (up to 12/2006, from EB approval to closing)	Portfolio value, active (\$ mil) (up to 12/2006)	Lending prospect 2007-09 (\$)	Date of last COSOP	Year of CPE	Projects at risk (numbers; 12/2006)	Time-lag from approval-effectiveness; before FPPI and proxy and average C countries (months)	Time-lag from EB approval to loan effectiveness; after FPPI and proxy (months)	Directly supervised projects; Year of project completion
PA	Benin	C	3	33.1	19.2	2005	2005	0	12.3	na	2006
PA	Congo Brazzaville	S	2	20.3	9.2	2001	na	0	14.2	na	-
PA	Congo DR	F	2	30.6	28.2	2003	na	0	12.8	na	-
PA	Gambia	S	2	13.6	9.4	2003	na	0	14.0	na	1 not effective/ 2006
PA	Mauritania	C	3	32.9	11.8	2000	na	0	10.5	na	-
PA	Nigeria	F	4	95.5	45	2001	na	1	na	na	-
PA	Senegal	F	5	55	18.8	2004	2003	2	11.6	na	-
PF	Ethiopia	F	3	72.9	81.5	1999	na	0	10.2	na	-
PF	Kenya	C	5	72.5	25.5	2002	na	0	3.0	na	-
PF	Madagascar	P	3	40.6	32	2000	na	0	11.4	8.7	-
PF	Mozambique	P	4	70.2	34.8	2004	na	0	12.1	20.4	1 not effective
PF	Tanzania	F	5	98.3	48.8	2003	2003	0	10.2	24	2 ongoing 2015
PF	Uganda	F	5	96.9	46	2004	na	0	11.7	na	2006
PF	Zambia	C	4	52.5	13.1	2004	na	0	11.0	na	2007
PI	Bangladesh	P	5	101.9	51.1	2006	2005	0	8.0	6	2004
PI	China	F	7	185.5	97.5	2005	na	1	6.4	5	1 not signed
PI	India	F	8	227.3	97.5	2005	na	2	10.9	13	2009/1 not signed
PI	Mongolia	S	1	14.8	11.6			0	na	na	-
PI	Pakistan	P	8	152.6	49.3	2003	na	2	12.3	na	-
PI	Philippines	C	3	52	40.4	2006*	na	0	8.8	na	-
PI	Sri Lanka	F	5	91.1	25.5	2003	2002	0	na	na	1 not signed
PI	Vietnam	F	3	72	61.7	2003	2001	0	5.7	na	-

Source: IFAD OE

Appendix 4- Table 3 continued: IFAD FPPP Analysis (part 2)

Region	Countries	country type	Number of active loans (up to 12/2006, from EB approval to closing)	Portfolio value, active (\$ mil) (up to 12/2006)	Lending prospect 2007-09 (\$)	Date of last COSOP	Year of CPE	Projects at risk (numbers; 12/2006)	Time-lag from approval-effectiveness; before FPPP and proxy and average C countries (months)	Time-lag from EB approval to loan effectiveness; after FPPP and proxy (months)	Directly supervised projects; Year of project completion
PL	Bolivia	F	3	27,4	19,1	1998	2005	0	17,4	na	-
PL	Guatemala	C	4	77	19,3	2003	na	0	18,3	na	-
PL	Haiti	F	3	50	9,8	1999	na	2	9,5	na	-
PL	Mexico	C	3	65	41	1999	2006	0	15,0	na	-
PL	Hicaragua	F	2	28,2	15,5	2005	na	1	17,3	na	-
PL	<i>Panama</i>	CPM	2	37,2	4,8	2000	na	1	12,3	na	-
PL	<i>Peru</i>	CPM	2	34,9	28,8	2002	na	0	18,9	na	2007
PN	Egypt	F	3	59,6	30,1	2006	2005	0	14,0	na	1 not signed
PN	Jordan	C	1	11,8	7,7	2000	na	0	8,5	na	-
PN	Sudan	F	5	103,7	25,5	2002	na	0	10,2	na	1 not signed/ 2008
PN	<i>Syria</i>	P	2	37,7	20,3	2000	2001	0	7,8	11,1	-
PN	Tunisia	C	3	50,2	12,7	1998	2003	0	8,3	na	-
PN	Yemen	E	4	50	13,5	2000	na	2	14,0	na	-
Bold: FPPP countries									S = Satellite country		
<i>Italic: proxy field presence countries</i>									F = FPPP country		
Normal: comparator group countries									P = Proxy FP country		
<u>Underline: Countries without field visit and therefore CDRNs will be the final products</u>									CPM = CPM outposting country		
									* = draft		

Source: IFAD OE

Appendix 4- Table 4: Original FPPP Budget

Division	Country	Budget Communicated to EB (As per relevant EB document)					Memorandum of Understanding (Note 1)				
		Year 1 \$'000	Year 2 \$'000	Year 3 \$'000	Total \$'000		Partner Institute	Date of Signature	Operational Date	Amount \$'000	Advance \$'000
PA	Congo/ DR Congo	75	75	75	225		UNDP	01/07/2005	Jan-06	240 p.t.	120
	Senegal	75	75	75	225		UNDP	01/07/2005	Oct-05	240 p.t.	120
	Nigeria	77	80	83	240		UNDP	05/07/2005	Dec-05	240 p.t.	72
	TOTAL	227	230	233	690						
PF	Ethiopia	110	70	70	250		UNDP	12/04/2005	Sep-05	250 p.t.	75
	Tanzania	88	90	91.9	269.9		FAO	No MoU	Feb-04	80 p.a.	N/a
	Uganda	85.4	76.5	78.7	240.6		UNDP	01/07/2005	Apr-06	240 p.t.	72
	TOTAL	283.4	236.5	240.6	760.5						
PI	China/ Mongolia	94	84	84	262		WFP	16/03/2006	Dec-05	103 p.a.	75.8
	India	70.2	70.2	70.2	210.6		WFP	01/06/2004	Jun-04	70 p.a.	N/a
	Vietnam	78	73.5	73.5	225		UNDP	N/a	Apr-05	(Note 2)	N/a
	TOTAL	242.2	227.7	227.7	697.6						
PL	Bolivia	70	70	70	210		No MoU's. All arrangements are based on direct consultancy relationships	Oct-04	N/a	N/a	
	Haiti	72	70	70	212			Jan-05	N/a	N/a	
	Honduras/ Nicaragua	78.5	76.5	76.5	231.5			Feb-04	N/a	N/a	
	TOTAL	220.5	216.5	216.5	653.5						
PN	Egypt	106.3	65.8	65.8	237.9		UNDP	11/11/2005	Dec-05	239.9 p.t.	72
	Sudan	84	83.9	84.1	252		UNDP	19/12/2005	Dec-05	251.9 p.t.	75.6
	Yemen	78.6	79.5	81.9	240		UNDP	17/02/2007	Jun-06	118 p.a	0
	TOTAL	268.9	229.2	231.8	729.9						
TOTAL	(Note 3)	1,242.0	1,139.9	1,149.6	3,531.5						

Source: Office of Internal Audit

Key:

p.a. = MoU has been drafted on an annual cost basis.

p.t. = MoU has been drafted so that monetary limit is not to be exceeded (i.e. normally US\$240k). However, if limit is exceeded in less than 3 years the contract does not specify what will occur. As there is no evidence that IFAD are controlling how UNDP are spending funds, IFAD is not aware of what the actual cost incurred by UNDP are per annum. In addition, as no SOE's have been received from UNDP, there is no accurate data within IFAD on costs incurred in relation to Field Presence locations partnered with UNDP.

Note 1: Congo, Senegal, China and Sudan have all entered MoU's that are above annual amounts approved by EB. In addition, all UNDP arrangements extend to a period after 2007 (i.e. after pilot has ceased).

Note 2: Although Vietnam appears to have an arrangement with UNDP, the primary field presence is a direct arrangement with two consultants.

Note 3: It is unclear as to why sum of detailed budgets approved by EB is US\$3.5m when high level limit of US\$3m was approved for FPPP. Total advances paid amount to US\$682 400

Appendix 4- Table 5: FPPP Expenses and Encumbrances

	Expenses & Encumbrances per PS (USD)						Costs as per General Ledger (USD)				Notes on G/L coding
		2004	2005	2006	Total		2004	2005	2006	Total	
PA	Congo	-	12,650	89,600	102,250		-	12,650	89,600	102,250	Expense in G/L reflects advance paid.
	Senegal	-	27,380	94,585	121,965		-	26,380	95,585	121,965	Expense in G/L reflects advances paid
	Nigeria	-	13,584	88,257	101,841		-	20,550	85,903	106,453	Over accrual in 2005
	Other	-	-	-	-		1,000	-	-	1,000	Mis-classification of costs as "Regional"
	TOTAL	-	53,614	272,442	326,056		1,000	59,580	271,088	331,668	
PF	Ethiopia	-	39,976	61,838	101,814		-	47,904	53,907	101,811	
	Tanzania	-	107,480	18,280	125,760		-	107,480	18,280	125,760	Over accrual in 2005
	Uganda	-	72,000	(5,348)	66,652		-	72,000	(5,348)	66,652	Over accrual in 2005
	TOTAL	-	219,456	74,770	294,226		-	227,384	66,839	294,223	
PI	China	-	17,314	111,959	129,273		-	41,473	67,636	109,109	
	India	-	140,000	39,301	179,301		70,000	142,417	35,000	247,417	Over accrual in 2005, c/f to 2006
	Vietnam	-	51,836	75,698	127,534		-	49,271	89,520	138,791	
	Other		-	10,099	10,099		-	-	29,727	29,727	
	TOTAL		209,150	237,057	446,207		70,000	233,161	221,883	525,044	60% of all costs coded as "Regional" in PI
PL	Bolivia	-	72,855	71,482	144,337		25,424	72,855	73,937	172,216	
	Haiti	-	56,835	59,608	116,443		-	56,835	59,487	116,322	
	Honduras/ Nicaragua	-	97,356	58,342	155,698		88,679	96,310	54,050	239,039	
	Other	-	-	-	-		536	-	-	536	Mis-classification of costs as "Regional"
	TOTAL	-	227,046	189,432	416,478		114,639	226,000	187,474	528,113	
PN	Egypt	-	85,996	2,733	88,729		-	81,666	2,733	84,399	Over accrual in 2005
	Sudan	-	12,246	75,600	87,846		-	8,898	75,600	84,498	Expense in G/L reflects advance paid.
	Yemen	-	5,958	38,062	44,020		-	5,958	30,398	36,356	Costs being charged outside of MoU
	Other	-	5,016	-	5,016			5,016	-	5,016	Mis-classification of costs as "Regional"
	TOTAL	-	109,216	116,395	225,611		-	101,538	108,731	210,269	
EC		-	119,380	66,855	186,235		-	103,989	12,618	116,607	EC not formally applied budget
TOTAL		-	937,862	956,951	1,894,813		185,639	951,652	868,633	2,005,924	

Source: Internal Audit Office

Note: The above analysis indicates significant over-accruals in 2005 accounts in relation to Tanzania, Uganda, China, India and Egypt, which were adjusted for during 4th quarter 2006. No SOE's have been provided for Field Presence Initiatives relating to Sudan and Senegal. In addition, the initiative relating to the Yemen has no SOE as it is only in the commencement phase.

Appendix 4- Table 6: Proxy and Outposted CPM Costs Identified

Division	Country	Number of Years Operational	Proxy Field Presence Costs Identified (in General Ledger)		
			2004	2005	2006
PF	Mozambique	2.5	49,800	57,240	18,486
	Madagascar	3	35,000	19,116	14,875
PI	Pakistan	1.8	-	103,154	44,100
	Bangladesh	2.3	3,446	33,995	27,192
PL	Panama	See Note 3	83,669	83,669	88,344
	Peru	See Note 3	163,899	163,899	163,800
PN	Egypt/Syria	0.8	-	20,637	13,376
TOTAL		2.3	335,814	481,710	370,173

Source: Internal Audit Office

1. Mozambique – Most recent annual budget indicates costs of US\$ 57k per year. Costs for 2005 and 2006 are funded out of IFA06 while 2004 costs were funded by supplementary funds (although PO set up in 2006 to reflect as commitment was never encumbered. FAO do not believe a liability exists, however, so it is unlikely that amount will be disbursed in the short to medium term).
2. Pakistan – The most recent contract in existence specifically related to field presence is for US\$ 44k for seven months (i.e. US\$ 75.5k per annum). It is not possible to identify any additional administration costs that might exist over and above amount paid to consultant. Amounts reflected above relate to total payments made to consultant in Pakistan during 2005 and 2006. Due to the way amounts are described in PeopleSoft it is unclear if they all relate to Proxy Field Presence or not. All amounts funded out of IFA05 and IFA06.
3. Panama and Peru – Only payroll data for 2005 and 2006 of the outposted CPMs was available (both outposted prior to 2004). The 2004 amount has been included based on the 2005 payroll data.
4. Egypt/Syria – Amounts included above relate to amounts paid to N. Mahaini (consultant) who is being used to ensure a proxy field presence in Syria and may also be providing support to Egypt. It is unclear how the formal FPPP in Egypt and this proxy field presence operate together.
5. Madagascar and Bangladesh were added to the review after a request from OE.

Appendix 5- Table 1: Estimate Annual Costs of HQ-based and Field-based CPMs

#	Items	HQ-based staff					Field-based staff**									
		P4 Level		P5 Level			P4, step 1		P4, step 5		P5, step 1		P5, step 5		P5, step 10	
		Step 1	Step 5	Step 1	Step 5	Step 10	Cheapest duty station ^a	Most expensive duty station ^b	Cheapest duty station ^a	Most expensive duty station ^b	Cheapest duty station ^a	Most expensive duty station ^b	Cheapest duty station ^a	Most expensive duty station ^b	Cheapest duty station ^a	Most expensive duty station ^b
	Standard costs for all professional staff*															
1	Net base salary	64 691	70 320	77 577	83 412	90 704	64 691	64 691	70 320	70 320	77 577	77 577	83 412	83 412	90 704	90 704
2	Post adjustment	39 896	43 367	47 843	51 441	55 938	12 492	44 539	13 579	48 415	14 980	53 411	16 107	57 429	17 515	62 449
3	Other standard benefits	54 321	56 913	60 225	62 916	66 279	54 321	54 321	56 913	56 913	60 225	60 225	62 916	62 916	66 279	66 279
	Additional field-based costs***															
4	Hardship allowance						6 480	19 440	6 480	19 440	6 480	19 440	6 480	19 440	6 480	19 440
5	Mobility allowance						7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620
6	Non-removal allowance						2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500	2 500
	TOTAL	158 908	170 601	185 645	197 769	212 922	148 104	193 111	157 413	205 209	169 383	220 774	179 035	233 317	191 099	248 993
	Difference between HQ and field						(10 804)	34 204	(13 188)	34 608	(16 262)	35 129	(18 734)	35 547	(21 823)	36 071

Note: All the costs are subjected to periodic revisions by UN. Cost of living index (multiplier) in Rome = 61, as of May 2007

1. Base salary remains the same wherever staff is located.
2. Post adjustment is designed to ensure that no matter where UN staff work, their net remuneration has the same purchasing power as at the UNHQ in New York.
3. Other standard benefits applied to both all professional staff wherever they work, including educational grant, pension contribution, insurance, dependence allowances, rental subsidy, home leave...
4. Hardship allowance aims to compensate staff for the difficult living conditions at duty stations.
5. Mobility allowance is an incentive to encourage movement from one duty station to another.
6. Non-removal allowance aims to compensate for the non-removal of household goods.

a) Based on the lowest UN cost of living index (multiplier) = 19.1, as of May 2007

b) Based on the highest UN cost of living index (multiplier) = 68.1, as of May 2007

*) All costs are based on UN standard costs as of March 2007. Except post adjustment, all other costs are estimated based on IFAD methodology to calculate staff costs for budgeting purpose.

**) Applied only to professional staff on an assignment of one year or more at the duty station. This excludes hazard allowance applied in extremely difficult countries such as Afghanistan, Haiti and Côte d'Ivoire.

***) Some one-time costs may apply to a certain difficult duty locations and are not included in the calculation since they are unquantifiable, such as accelerated home leave travel, additional education grant, additional reimbursement of boarding costs and family visit travel...

Source: The mobility and hardship scheme - An information booklet, UN (January 2007); The Post adjustment system, UN (April 2003); UN website on Salaries, allowances and benefits (www.un.org/Depts/OHRM/); Consolidated Post Adjustment Circular, ICSC (March 2007); IFAD 2007 Standard cost for professional and general services staff for budget purposes (IFAD intranet); FS staff cost tables

**Appendix 5- Table 2: Estimate One-time Staff Costs to Outpost a CPM (P5/5)
from Rome to the Field**

#	Items	<i>Cheapest duty station^a</i>	<i>Most expensive duty station^b</i>
1	Extra post-adjustment at Rome rate for the first 6 months*	35,334	0
2	Travel expenses	12,000	20,000
	Staff	3,000	5,000
	Family members (3 persons)	9,000	15,000
3	Assignment grant	17,212	25,584
	Staff	3,600	9,360
	Family members (3 persons)	5,400	4,680
	Lump sum (1 month)	8,212	11,544
4	Removal & shipment costs (lump sum)	6,157	8,716
	Staff	2,774	3,476
	Family members (3 persons)	3,383	5,240
	TOTAL	70,703	54,300

Notes:

- 1) This applies only to duty stations where the cost of living index is lower than Rome
- 2) Estimated cost of travel related expenses to send staff to Bolivia and Congo, applying IFAD travel rules (including air ticket, terminal cost, visa...)
- 3) Assignment grant is paid when the organization transfer staff to a duty station of at least one year. It comprises a DSA and a lump-sum portion.
- 4) Removal & shipment costs are based on IFAD lump sum costs for outbound shipment of personal effects (FH website)

Source:

ICSC, UN common system of salaries, allowances & benefits.
 UN website on salaries, allowances and benefits (www.un.org/Depts/OHRM/salaries_allowances)
 IFAD Human resources procedures manual and websites on salaries, allowances & benefits

Appendix 5 - Table 3. Estimate Annual Costs of HQ-based and Field-based CPMs, Based on Different Ranges of Living Costs

#	Items	HQ-based	Field-based*		
		P5, step 1	P5, step 1		
		Living cost index = 61	Low range (living cost index = 28,9)	Medium range (living cost index = 41)	High range (living cost index = 57,6)
	Standard costs for all professional staff				
1)	Net base salary	77,577	77,577	77,577	77,577
2)	Post adjustment	47,843	22,666	32,157	45,176
3)	Other standard benefits	60,225	60,225	60,225	60,225
	Additional field-based costs*				
4)	Hardship allowance		6,480	11,880	19,440
5)	Mobility allowance		7,620	7,620	7,620
6)	Non-removal allowance		2,500	2,500	2,500
	TOTAL	185,645	177,069	191,959	212,539
	Difference between HQ and field		(8,576)	6,314	26,893

Note: All the costs are subjected to periodic revisions by UN. Cost of living indexes (multiplier) are as of May 2007

*) The living cost indexes are mean of the indexes in all IFAD active borrowers, divided into 3 different groups: low range where the cost of living index is lower than 35, with around 40 countries; medium range lower than 50 with around 40 countries; and high range above 50 with around 10 countries.

Source: The mobility and hardship scheme - An information booklet, UN (January 2007); The Post adjustment system, UN (April 2003); UN website on Salaries, allowances and benefits (www.un.org/Depts/OHRM/); Consolidated Post Adjustment Circular, ICSC (March 2007); IFAD 2007 Standard cost for professional and general services staff for budget purposes (IFAD intranet); FS staff cost tables



Via del Serafico 107 - 00142 Rome, Italy
Tel: +39 06 54592048 - Fax: +39 06 54593048
E-mail: evaluation@ifad.org
Web: www.ifad.org/evaluation