

insights

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Delegation of Authority is Essential to a Successful Country Presence

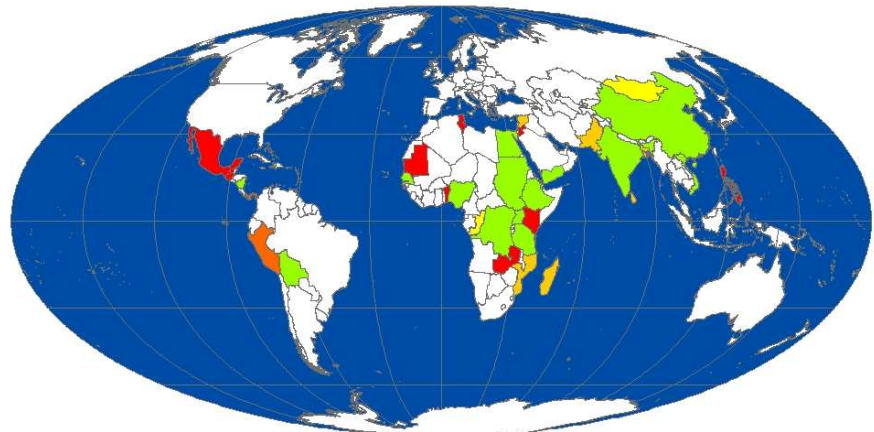
IFAD's development effectiveness is enhanced by closer interaction with its partners and operations

Development initiatives have been increasingly owned by developing countries in recent years. This has been associated with closer donor partnerships, and to increased aid harmonization and coordination - as also called for under the Paris Declaration to Enhance Aid Effectiveness (2005). As a result, actions formerly handled at donor-headquarters level are now increasingly taken in the recipient countries themselves. Within this evolving environment and in seeking to concentrate its efforts closer to the ground, key steps taken by IFAD include:

- The implementation of a three-year Field Presence Pilot Programme (FPPP) approved by the Executive Board in December 2003. The FPPP was designed to test alternative models of country presence – limited to 15 countries in all regions – and to determine whether a more permanent country presence would strengthen IFAD's effectiveness in four areas, namely, implementation support, policy dialogue, partnership building and knowledge management;
- The establishment of "proxy" field presence¹ arrangements in various partner countries;
- The outposting from IFAD headquarters of two country programme managers (CPMs) to the country level²; and
- The Executive Board's adoption, in December 2006, of IFAD's Policy on Supervision and Implementation Support, which allows the Fund to directly supervise, and provide implementation support to, its operations.

Challenges related to delegation of authority

The recently completed evaluation of the FPPP concluded that, if IFAD is to effectively engage in the new aid architecture, the aforementioned developments call for changes in a number of core organizational systems, processes and procedures. In this regard, the key issue of delegation of authority warrants careful consideration and deeper reflection. Indeed, the evaluation deemed that the delegation of authority (or lack of it) from headquarters to country presence officers (CPOs) would play a major role in ensuring their effectiveness – in both FPPP and proxy presence countries. However, while there were variations in the degree of authority delegated in such countries, the limited level accorded to CPOs generally prevented them from making a meaningful contribution to achieving results on the ground. In this regard, the evaluation submitted three important findings:



- **FPPP countries:** Bolivia, China, Congo DR, Egypt, Ethiopia, Haiti, India, Nicaragua, Nigeria, Senegal, Sudan, Tanzania, Uganda, Vietnam, Yemen
- **Satellite countries:** Congo Brazzaville, Gambia, Mongolia
- **Proxy countries:** Bangladesh, Madagascar, Mozambique, Pakistan, Sri Lanka, Syria
- **Countries with outposted country programme managers:** Panama, Peru
- **Comparator countries:** Benin, Guatemala, Jordan, Kenya, Mauritania, Mexico, Philippines, Tunisia, Zambia

- At meetings with government on policy issues or in donor thematic working groups, CPOs mostly participate as observers or as facilitators of knowledge about IFAD experiences and operations. This is a noticeable advancement: when it had no country presence, 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. However, as an example, because of the lack of delegation of authority from headquarters, CPOs are not usually empowered to take decisions on policy issues or to initiate timely follow-up action on programming, policy or budgetary questions;

- CPOs are constrained by the lack of delegation of authority, especially when expected to play a role in providing project/programme implementation support, country programme monitoring and related follow-up. The evaluation also pointed up a lack of clarity with regard to the roles and responsibilities of CPOs, cooperating institutions and CPMs, especially as far as supervision and implementation support are concerned. This creates confusion, not only among major country-level partners but also among the CPOs, CPMs and cooperating institutions; and
- Because country-level partners are aware of the general lack of delegation of authority to, and status of, the Fund's CPOs, they usually prefer to contact the responsible headquarters-based CPM on key issues or simply to crosscheck statements made by CPOs. This undermines the foundations and credibility of IFAD's country presence.

EXPERIENCE WITH DELEGATION OF AUTHORITY IN COMPARATOR ORGANIZATIONS

- **Delegation of authority from headquarters to country offices is an essential ingredient for enhancing an organization's development effectiveness. When not empowered to take decisions in real-time on the ground, a country presence may be perceived as a further bureaucratic layer in an organization's structure, rather than a mechanism that may effectively contribute to furthering its objectives.**
- **A crucial aspect for effective field presence includes not only delegation of tasks but also a delegation of authority with regard to conceptual, planning, operational and financial matters. As a result, the role of headquarters staff is defined increasingly as support to its field offices and as a centre for maintaining appropriate levels of field-headquarters/corporate dialogue.**
- **The outposting of staff to the country level will have an impact on the overall organizational structure and functioning of headquarters. That is, the transfer of part of an organization's staff to the country level calls for reorganization of remaining positions and processes at headquarters.**

A number of key factors have held back a full discussion and development within IFAD of adequate delegation of authority to the country level. For instance, because a number of CPOs under the FPPP and proxy arrangements have been engaged on a consultancy basis, they are not seen as IFAD officials, are not legally authorized to represent the Fund, and have no benefits in terms of privileges and immunities (e.g. in relation to work permits or diplomatic immunity). Moreover, IFAD's rules stipulate that consultants may work only for a period not exceeding 11 months, after which they are required to take a one-month break before resuming duty. The evaluation stressed that such contracts are inappropriate for CPOs, who must work on a continuous basis if they are to be effective. Finally, several CPOs have been hired under contracts issued by sister agencies (e.g. the Food and Agriculture Organization of the United Nations, the United Nations Development Programme or the World Food Programme), but this has led to limitations in IFAD's identity and, in some cases, to a lack of clarity with regard to reporting lines, and has thus generally curtailed the effectiveness of IFAD's country presence.

For an organization such as IFAD, with little experience of working within a decentralized structure, the delegating of authority will need to be treated both carefully and systematically. For example, having staff at the country level calls for robust oversight mechanisms and decentralized systems for accounting and financial and personnel management, and, not least, provision for timely coaching, supervision and feedback. Furthermore, new modalities will be needed to ensure that objective mid-year and annual performance assessments are made of staff based at the country level.

In addition to the two CPMs currently based at the country level, IFAD plans to outpost a number of others in the near future. These staff members will retain the same degree of authority as that vested in headquarters-based CPMs. Therefore, they will be authorized to take decisions on the full range of country strategy, programming and operational issues, which will greatly enhance the effectiveness of IFAD's country presence. It is to be borne in mind, however, that difficulties are likely to arise regarding the delegation of authority when a CPO is installed in a country falling under the responsibility of an outposted CPM.

In the case of outposted CPMs, ensuring greater IFAD effectiveness at the country level will call for careful consideration of such concerns as the CPMs' relationship with headquarters and their contribution to divisional and corporate processes. For example, how will an outposted CPM effectively participate in the annual divisional portfolio review process presently held at headquarters? Or how will he/she effectively participate in the necessary quality assurance steps for project design? Furthermore, the outposting of CPMs will eventually lead to changes in the role of headquarters-based programme assistants, who are expected to assist CPMs at the same physical location rather than at a distance. In sum, the outposting of CPMs calls for serious consideration regarding the impact it will likely have on the structure and functioning of IFAD as a whole, a universe comprising staff at both headquarters and in the field.

¹ As a general rule, "proxies" are local consultants hired on a retainer basis by IFAD; their terms of reference are to advance the objectives of the Fund's country programme.

² In Panama and Peru. The CPM in Peru, who is also responsible for IFAD operations in Bolivia and Colombia, has been outposted for more than ten years. The CPM in Panama, who also covers operations in Barbados, Belize, Grenada, Guyana, Jamaica and Suriname, has been outposted for about five years although she has functioned fully as a CPM for some two years.