

**PEER REVIEW**

**THE EVALUATION FUNCTION OF THE FOOD AND  
AGRICULTURE ORGANISATION (FAO)**

**FINAL REPORT**

**July 2012**

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The Annexes to this report include the Terms of Reference, List of Persons Interviewed, Normative Framework and Present Status of Actions to strengthen evaluation found in the Immediate Plan of Action. The full evaluation report including Annexes can be found at: <http://www.fao.org/evaluation/oed-documents-and-reports/en/>

## Acronyms and Abbreviations

CGIAR	Consultative Group on International Agricultural Research
CPF	Country Programming Framework
E&R	Emergency and rehabilitation
ECG	Evaluation Cooperation Group (for multilateral development banks)
FAOR	FAO Representative
FPMIS	Field Programme Management Information System
GEF	Global Environment Facility
IAEA	International Atomic Energy Agency
IEE	Independent External Evaluation of FAO
IFAD	International Fund for Agricultural Development
IPA	Immediate Plan of Action for FAO renewal
NGO	Non-governmental organization
OECD	Organisation for Economic Co-operation and Development
OED	FAO's Office of Evaluation
OIOS	United Nations Office of Internal Oversight Services
PC	Programme Committee
PEMS	Performance Evaluation and Management System
PoW	Programme of Work
TF	Trust Fund
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
USD	US dollars
WFP	World Food Programme

## Executive Summary

i. This peer review was requested by FAO in line with its new Charter for the FAO Office of Evaluation (OED), which requires a biennial review of "conformity of evaluation work to best practice and standards".<sup>1</sup> It was carried out between January and June 2012 by a panel of professional evaluators and was conducted in line with the UN Evaluation Group's Framework for Professional Reviews of the Evaluation Function of UN Organizations. In line with the *Framework*, three core criteria that need to be satisfied for evaluation functions and products to be considered of high quality - independence, credibility and utility - were examined.

ii. The Peer Review Panel included: Rob D. van den Berg, director of evaluation of the Global Environment Facility in Washington, DC, USA (Chair of the Panel); Doha Abdelhamid, independent senior consultant and professor of finance and policy evaluation, Cairo, Egypt; Henri Jorritsma, vice-chair of the DAC Evaluation Network and deputy director of the Policy and Operations Evaluation Department of the Dutch Ministry of Foreign Affairs, the Hague, the Netherlands; and Segbedzi Norgbey, chief of evaluation of the UN Environment Programme, Nairobi, Kenya. The Panel was assisted by an advisor, expert in evaluation and familiar with multilateral organizations, Paul Balogun.

iii. FAO's collaboration and full support throughout the review process is greatly appreciated. The Office of Evaluation has engaged with the Panel in an open and constructive dialogue, sharing information, thoughts and ideas, as have the members of the Programme Committee and FAO management who made time to engage with the Panel.

iv. Within the approach adopted for the Peer Review, the most significant limitation was the lack of consultation with key external stakeholders, in particular government and NGO cooperating partners based in partner countries and a wider range of FAO staff directly affected by the evaluations. Such processes, to be credible, are by their nature resource intensive and would have required significant additional resources, including visits to several countries. The review focused on the systems and approaches for identifying, implementing and using evaluations to the Governing Bodies and the country evaluations and project evaluations were not examined in great detail. The Peer Review's main limitations and issues that might be more thoroughly covered in the future evaluation of evaluation within FAO are covered in detail under Sections 2.4 and 8.2 respectively of this report.

### Overarching Conclusions

v. In comparison with many other agencies in the UN system, FAO has a mature evaluation function with considerable experience, reflecting its establishment in 1968. The recommendations on evaluation included in FAO's Immediate Plan of Action (IPA), approved by the 35<sup>th</sup> Session of the FAO Conference in November 2008, have triggered significant change. The panel concludes that significant progress has been made over the past two years in implementing the evaluation-related IPA recommendations. This is most clearly shown in FAO's new Evaluation Policy - called the Charter for the FAO Office of Evaluation - which was approved by FAO's Governing Council in April 2010. However, remedial action is required on the Charter to ensure the continued usefulness, credibility and independence of the evaluation function in FAO.

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<sup>1</sup> Charter for the FAO Office of Evaluation, VI. paragraph 30

## **Utility**

vi. The panel found that the systems and approaches commonly identified under the UNEG norms for enhancing and facilitating the use of strategic evaluations are in place. Issues related to the use of evaluation are adequately covered within the Charter. However, opportunities exist for significantly enhancing the usefulness of evaluation to the organisation.

vii. The 2007 Independent External Evaluation of FAO's review of the FAO evaluation function found that Programme Committee members and senior managers agreed that the Governing Bodies did not use the findings of evaluations in making decisions on the overall strategic direction of the Organisation, including priority setting and resource allocation – and that, in principle, they thought that they should. Our overall conclusion is that making more strategic use of evaluation in the future is where the greatest opportunity lies for enhancing the usefulness of evaluations to the Governing Bodies.

viii. Moving towards more strategic evaluation and strategic use of evaluations requires both change in what the Programme Committee and the Director-General and Evaluation Committee see as the purpose of strategic evaluations and then how they are used. On the part of OED, it requires a number of changes in the approach to evaluation currently used, with consideration of what strategic questions are and whether or not meeting strategic information demands would be best met through more use of synthesis of lessons and experience across evaluations. Finally, it implies a shift in the evaluation recommendations from telling operational management in detail what it should do, and how, to identification of issues that need to be solved through strategic decisions. Lessons on the operational and technical level are often better raised in consultative workshops during the evaluations and in specific knowledge products emerging from evaluations.

ix. The overall utility of country evaluations can be improved. FAO's recent rapid introduction of country programming approaches, as signified by the rollout of the country programme frameworks, suggests that there is now an opportunity to look at how to enhance their utility. The time is also right to carry out a meta-evaluation of the country programme evaluations completed to date, to learn what works and what does not, and in which contexts.

x. As in many other organizations the link between RBM and evaluation is challenging and this is one of the few areas in which something clearly stated in the Charter – namely an advisory role for OED to management on results based management – has not been acted upon. We agree with the rationale given for why this role was included in the IPA and then the Charter and also think that the fact that management is actively considering how the RBM approach/systems should change in future makes this an opportune moment for OED and senior management to work together on this issue.

## **Credibility**

xi. Credibility in the individual evaluations has been primarily reliant on evaluation practice as interpreted by the individual evaluation managers and the credibility of the contracted team leaders. Our conclusion is that the systems and approaches used to recruit professional staff into OED accord with good practice elsewhere. Evaluations are conducted transparently, assessed as impartial and conducted independently without interference from management. Stakeholder consultation takes place at various parts of the process but does not always engage all stakeholders.

xii. OED's approach does diverge from comparable evaluation functions in two key aspects related to ensuring credibility. First, final responsibility for the contents of the OED evaluations lies

with the evaluation team – and in practice with the contracted team leader – rather than with the evaluation office. Evaluation offices in the UN with similar level of independence all take final responsibility for the evaluation, to ensure greater utility, comparability of findings and consistency in approaches, in line with best international practice. Second, to date, a common and consistent understanding and application across the team of evaluation managers of evaluation practice and standards is not ensured.

xiii. Over the past eighteen months OED has started to introduce guidance to strengthen common practice by the evaluation managers and the systems identified under the relevant UNEG Norms are now being put in place. Our view is that demands upon evaluation will continue to evolve over the next few years and that the changes in demands will necessitate acceleration in the changes to how credibility and quality are ensured in OED evaluations. A more strategic use of evaluations in management and the Programme Committee requires greater ownership of these evaluations by OED. External evaluation teams tend to focus on technical and sector issues and are rarely able to address higher level institutional issues, such as on priority setting between sectors or further strategic guidance to the organization. Lastly, evaluation findings tend to gain strategic weight if they are gathered through a series of evaluations rather than through individual evaluations only. This calls for greater guidance and involvement of OED in the evaluations, to ensure comparability over time and through evaluations.

xiv. To conclude: OED should align with practice elsewhere and assume explicit responsibility for the contents and quality/credibility of its evaluation reports. This will necessitate some redefinition of the roles of the Director, evaluation managers and team leaders. It will also require strengthening of quality assurance approaches and including information in the evaluations to: (i) show that a credible evaluation methodology has been selected; and (ii) that it has been applied. Lastly, evaluations need to provide information on the limitations in the methodology and data for addressing the evaluation questions posed. This in turn emphasises the need for OED to complete the moves to systematise practice and understanding in the office.

## **Independence**

xv. The differing contexts of the evaluation functions that belong to UNEG means that the Norms related to independence are by necessity broad. Therefore the panel has, to a significant extent, benchmarked OED's independence and the systems put in place against those found in the most independent UN evaluation functions, such as UNDP and IFAD, and experience from the independent evaluation functions of the GEF and the multilateral banks. Our overall conclusion is that along with UNDP's Evaluation Office and IFAD's Office of Evaluation, OED is the most functionally independent evaluation office across the UN family. However, a more strategic role of the evaluation function with its required shift towards greater ownership of evaluations also requires changes in the Charter to ensure the functional independence of OED.

xvi. While significant progress has been made in establishing OED's functional independence, experience suggests that there are still areas where it would be wise to further formally clarify issues. The panel observes that while OED is structurally independent of operational and technical line management functions, the existence of a reporting line to the Director-General and being subject to the normal FAO administrative rules and procedures (which implies accountability to the Director-General) means that the Office is not structurally independent. Notwithstanding that there may be solid reasons and legal grounds for not granting full structural independence, and with the exception of IFAD no other UN evaluation function has greater structural independence, this undoubtedly increases the challenges of maintaining the functional independence for the evaluation function. We therefore have offered a number of suggestions under the recommendations on how

the Charter might be revised to address these issues, along with suggestions on how to maintain OED's independence within the agreed rules and procedures of FAO.

xvii. Impartiality is closely related to independence and we find no evidence that the evaluations are not, in the main, impartial. We conclude that the evaluations are impartial mainly due to the efforts of OED to ensure that it recruits team leaders who are independent and have not been involved with the work under evaluation. However, we would note that scope still remains to ensure that evidence of impartiality is more clearly presented in the evaluation reports, by ensuring that the linkage between evidence and findings and the conclusions is more clearly made and, where appropriate, ensuring that alternative views on the conclusions to be drawn from the evidence presented are included in the evaluation reports.

## **Recommendations**

### **Utility**

#### **Recommendation 1: To the Programme Committee, Director-General and OED**

*FAO should move to more strategic use of evaluations to the Governing Bodies, requiring evaluations to address strategic issues, focusing recommendations on strategic decisions and broadening the evaluative base through a more consistent evaluation practice*

#### **Recommendation 2: To the Director-General and OED**

*OED and management should agree how country evaluations can best be used within FAO's evolving country programming approach and clarify roles and responsibilities for the management responses and follow-up reports*

#### **Recommendation 3: To the Director-General and OED**

*The advisory role of the OED to management in the RBM system should be established as soon as possible*

### **Credibility**

#### **Recommendation 4: To OED**

*OED should become explicitly responsible for the contents of all evaluations that it delivers*

#### **Recommendation 5: To OED**

*Evaluation reports should adopt a uniform approach on presenting the methods used, the data collected and analyzed and on the scope and limitations of the evaluation, in order to provide transparency on how the evaluation gathered findings and reached conclusions.*

#### **Recommendation 6: To OED**

*OED should rapidly move to systematise common and consistent evaluation practice and understanding across the team of evaluation managers*



## Independence

### **Recommendation 7: To the Programme Committee**

*The Charter should be amended to clarify a number of issues required to ensure functional independence of the OED*

### **Recommendation 8: To the Programme Committee**

*The Charter should be amended to allow an evaluation of evaluation in FAO in late 2015 or early 2016, to allow time for changes suggested here to bear results and also fit with development of the next strategic plan in 2017. Alternate peer reviews and evaluations should then be scheduled every three years.*

### **Recommendation 9: To the Director-General and OED**

*The Director-General and OED should draft an agreement between management and OED identifying how administrative rules on procurement, human resources, budget management and travel will be applied to ensure both the accountability and independence of OED.*

## Proposed Changes in the Charter

*With reference to **recommendation 7**, responsibility for maintenance of OED's functional independence should be included in the roles and responsibilities of the FAO Director-General. This can be done by inserting "independently" after "functions" in paragraph 37 sub 5 of the Charter.*

*The role of the Programme Committee in the recruitment, re-appointment and possible dismissal of the OED Director should be clarified. Possibilities include:*

- *The Charter recognizes the right of the Programme Committee/Council to recommend its preferred candidate for appointment to the position of Director;*
- *The Charter states that the Director's re-appointment for a second term can only be refused by the Director-General if the Programme Committee/Council requests this; and*
- *The Charter states that the Director's appointment can only be terminated before its end date if the Programme Committee/Council requests this or there are fiduciary reasons for termination.*

*The panel suggests that the possibility of the Director's performance assessment either being done by the Programme Committee/Council or that they have a substantive input in the assessment be included in any future amendment of the Charter.*

*With reference to **recommendation 8**, the Charter should be amended on the schedule for biennial review by independent peers and an independent evaluation of the evaluation function every six years: paragraphs 30 and 31 should reflect that peer reviews take place every six years as well and that peer reviews and independent evaluations alternate.*

*With reference to **recommendation 4**, Paragraph 24 of the Charter should be amended to reflect that the evaluation report would be owned by the Office of Evaluation, without diluting the responsibility of the evaluation team to undertake a credible and independent evaluation.*

# 1. Introduction

## 1.1 Background

1. Two key factors led to the introduction of Professional Peer Reviews of evaluation functions in multilateral agencies in 2004: a strong demand for multi-donor evaluations of multilateral organisations on the one hand and the recognition of the need to harmonize evaluation practice due to the considerable variation across the UN System on the other. In view of this, the Evaluation Network of the Development Assistance Committee (DAC)/Organisation for Economic Cooperation and Development (OECD), jointly with the United Nations Evaluation Group (UNEG), introduced the Peer Review mechanism. Over the years this developed into the UNEG framework for professional peer reviews, with a strong linkage to the UNEG norms and standards. The purpose of peer reviews is to assess the extent to which the evaluation function meets the UNEG norms and standards and to recommend how the function could be strengthened and made more credible and its evaluations more useful. Over the years, Peer Reviews have assessed the evaluation functions of UNDP, UNICEF, WFP, OIOS, UNIDO, IFAD, the GEF, UN-Habitat, and UNEP.

2. The 2006 Independent External Evaluation (IEE) of the FAO led to a process of reform called the Immediate Plan of Action for FAO's renewal (IPA). This included a number of actions to strengthen the role and independence of the Office of Evaluation (OED). The original timetable for implementation of these actions was delayed while a new Director was appointed. Implementation really started in January 2010, when the evaluation function was separated from the Division of Programming, Budget and Evaluation under which it had previously been administratively located to become the Office of Evaluation, with the position of the head of the Office upgraded to Director level. Progress to date in implementing the actions identified in the IPA is summarized at Annex IV. A new evaluation policy, called the Charter for the FAO Office of Evaluation and providing the policy framework for the evaluation function in FAO, was approved by the Council in May 2010 and incorporated into the Basic Texts of the Organisation. This Charter describes the new organisational structure in which the Office operates. It also confirms that the Office will adhere to the norms and standards established by the United Nations Evaluation Group (UNEG). The primary principles underpinning evaluation in FAO are: independence, impartiality, credibility, transparency and usefulness.

3. This peer review was requested by FAO in line with its new Charter for the FAO Office of Evaluation, which requires a biennial review of "conformity of evaluation work to best practice and standards".<sup>2</sup> It was carried out between January and June 2012 by a panel of professional evaluators.<sup>3</sup> Terms of Reference for the review are at Annex I. A list of people interviewed as part of the process is at Annex II.

## 1.2 Purpose and scope of the review

4. The Review was conducted in line with the *UNEG Framework for Professional Peer Reviews of Evaluation Function of UN Organisations*<sup>4</sup>, which was approved by the Annual General Meeting of the UN Evaluation Group in 2011. This framework, based on experience from previous peer reviews, mainly focuses on review of three core issues, namely the independence, credibility and usefulness of the evaluation function.

5. The review took place within an on-going process of improvement of FAO's Office of Evaluation. It is therefore intended to contribute to this process through an independent assessment

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<sup>2</sup> Charter for the FAO Office of Evaluation, VI. paragraph 30

<sup>3</sup> Ibidem, paragraph 31

<sup>4</sup> [http://www.uneval.org/papersandpubs/documentdetail.jsp?doc\\_id=945](http://www.uneval.org/papersandpubs/documentdetail.jsp?doc_id=945)

of the independence, credibility and utility of FAO's Office of Evaluation and the quality and use of its work.

6. The Reviewers examined and, where thought relevant, commented upon:

- I. The evaluation policy of the FAO as embodied in the Charter of the FAO Office of Evaluation and other policies and procedures having a bearing on the Office of Evaluation and its work, in particular the extent to which the evaluation policy conforms with international standards, and whether other policies are relevant to the functioning of the Office of Evaluation (e.g. those concerning results-based management, harmonization and alignment, strategic planning, budgeting, evaluation coverage, etc.)
- II. The nature of relations of the Office of Evaluation with the various organisational units in FAO, as well as FAO's representations in member countries.
- III. Organisational relationships of the Office of Evaluation with Management and the Governing Body of the FAO.
- IV. The quality of the evaluations undertaken under the auspices of the Office of Evaluation. This includes the planning process, the conduct of the evaluations, the quality of the evaluation reports, the independence of evaluation teams and team leaders, and the ways in which the Office enables them to produce credible reports and stakeholders are able to effectively comment on draft reports.
- V. Adequacy of the quality assurance system, including periodicity of reviews of the evaluation function.
- VI. The quality and use of evaluation results and follow-up. Important aspects are: the actual impact of the evaluations; the ways in which evaluation results are disseminated and lessons used both within the FAO and by others (member countries, donors, cooperating partners etc); the responsibility for the follow-up of recommendations; and how follow-up is undertaken and monitored. How well does the management implement decisions based on evaluation recommendations?
- VII. Structural aspects of how the evaluation function operates in the FAO, including whether the current functional arrangements are effective in ensuring that the Office of Evaluation can contribute to the learning and accountability within the FAO.
- VIII. Other actions undertaken by FAO's Office of Evaluation such as networking, conferences, website, etc.
- IX. Adequacy of resources for evaluation, including observations about of the two Trust Funds (Emergency TF and Development TF) linked to voluntary-funded resources of the Organisation.
- X. The internal organisation of the FAO Office of Evaluation.

7. The review is also intended to provide recommendations to the Director-General, the Governing Bodies and the Office of Evaluation aimed at improving the quality of FAO's evaluation regime and to inform further discussions and decisions about the functional and administrative independence of FAO's Office of Evaluation. For the Office of Evaluation several of the findings and

conclusions and their implications were discussed as part of a half-day peer exchange between the panel members and all of the department's staff. The findings of the Review were also presented to the UNEG members, as well as the DAC Evaluation Network. This was to ensure feedback on the quality of evaluation in one of the multilateral organisations and contribute to the further development of this instrument.

## 2. Methodology

### 2.1 Core Assessment Criteria

8. In line with the *Framework for Professional Peer Reviews of Evaluation Functions in Multilateral Organisations*, which was developed by UNEG, the Review mainly focused on examining three core issues that strongly affect whether or not an evaluation function and its products are likely to be of high quality:

- A. **Independence** of evaluations and the evaluation system(s). The evaluation process should be impartial and independent of the organisation's processes and systems concerned with policy making, delivery, and the management of assistance. A requisite degree of independence of the evaluation function is a recognised pre-condition for the credibility, validity and usefulness of evaluation products. In assessing independence, the reviewers kept in mind that the appropriate guarantees of the necessary independence of the OED are defined by the nature of its work, its governance and decision-making arrangements, and other factors. Moreover, like most UN organisations, the Office's aim is to encourage the active application and use of evaluations at all levels of management, meaning that systemic measures for ensuring the necessary objectivity and impartiality of this work should receive due attention.
- B. **Credibility** of evaluations. The credibility of evaluation depends on the expertise and independence of the evaluators and the degree of transparency of the evaluation process. Credibility requires that evaluations should report successes as well as failures. Recipient countries also should, as a rule, fully participate in evaluation in order to promote credibility and commitment. Whether and how the organisation's approach to evaluation fosters partnership and helps build ownership therefore merits attention as a major theme.
- C. **Utility** of evaluations. To have an impact on decision-making, evaluation findings must be perceived as relevant and useful and be presented in a clear and concise way. They should fully reflect the different interests and needs of the many parties involved in development co-operation. Importantly, each review should bear in mind that ensuring the utility of evaluations is only partly under the control of evaluators. It is also critically a function of the interest of managers, and member countries through their participation on governing bodies, in commissioning, receiving and using evaluations.

9. In addition to examining the above three core issues, the **impartiality** and **transparency** of evaluation processes were also examined, as they are strongly related to the three core issues and are emphasised in the Charter for FAO's evaluation function. Impartiality is enabled by independence and is a fundamental element of the credibility of evaluations. Transparency is another fundamental element of credibility, and is an important basis for the utility of evaluations. As a first step in the review process, the core issues were elaborated in the Normative Framework found at Annex III of this report.

## **2.2 Peer Review Approach**

10. A professional peer review is not a full-fledged evaluation intended to comprehensively and systematically evaluate practices, processes and outcomes. As such it is not as comprehensive as the evaluation of FAO's evaluation function carried out as part of the 2006 Independent External Evaluation of the FAO. It is also important to note that the Charter calls for an independent evaluation of the evaluation function every six years.

11. The review was instead designed to be a relatively lighter process, in line with the approach adopted in other recent peer review processes. As such, the reviewers took care to be open when there was insufficient evidence upon which to come to a firm conclusion or make a strong recommendation. Notwithstanding its more limited scope, the methodology applied in this review was consistent with that used in previous peer reviews. However, the review approach did differ from previous peer reviews in two key areas. First, the peer panel members assumed greater responsibility for both the collection and analysis of information. This contrasts with previous reviews, where the advisor/advisors to the panel have done most of this work. Second, based on the preliminary analysis, development of both the conclusions and recommendations was enriched to some extent by a structured peer exchange with the professional staff of the OED. This both enhanced the level of understanding of the reviewers and, as importantly, provided a genuine learning opportunity for the OED staff.

12. The following major steps and activities were undertaken during the Review.

### *Preparation of the Approach for the Review*

The preparatory activities were conducted collaboratively by the peer panel members and the OED. The Terms of Reference and normative framework were developed and agreed between September and November 2011. Subsequent to agreement of the normative framework, the OED produced its self-assessment against the questions in the framework in late November-early December 2011.

### *Review of background documentation*

The peer review team and advisor reviewed key documents covering general information on FAO, its organisational structure and the institutional setting of the OED and evaluation-specific documents. This work also allowed the reviewers to gain insight into the processes governing the programming, conduct, reporting and feedback of evaluations commissioned by OED. Combined with the self-assessment, this work was used by the peer reviewers to identify key issues that needed to be examined in more depth during the rest of the process.

### *First set of interviews with stakeholders in Rome*

From 16 – 18 January 2012, the panel and advisor visited FAO headquarters in Rome and conducted semi-structured interviews with the OED professional staff and FAO programme management. The basic purpose of the interviews was to collect information on the structural aspects of the functioning of the OED and in relation to the three main quality assessment criteria. The semi-structured nature of the interviews allowed new questions to be introduced during the interviews in response to the interviewee's answers. During the mission a meeting was also organised with representatives of the Governing Council's Programme Committee.

### *Further data collection and analysis*

Based on the initial analysis completed in the first visit to Rome, the peer reviewers, with support from the advisor, carried out the following:

- Analysis of the evaluation process and final products for five evaluations to the Governing Bodies completed by the OED between 2009 and 2011<sup>5</sup> and discussed with the Programme Committee and all country evaluations completed to date where there was also a management response.
- Analysis of the methodology used for country evaluations and benchmarking of the approach against that used by other comparable organisations.
- Continued review of FAO and other documentation to gather evidence to fill gaps identified in the normative framework.
- A three day visit by the Advisor to the OED to interview OED professional staff on how OED is organized and staffed and systems/practices in place to ensure that evaluation managers have the needed support and training.

#### *The peer exchange*

The peer reviewers and OED staff held a peer exchange during the panel's second Rome visit, from 19<sup>th</sup> – 24<sup>th</sup> April. During this visit, interviews were also conducted with a number of other FAO stakeholders.

#### *Drafting and validation of the report*

An initial draft of this report was shared with OED and checked for factual accuracy.

### **2.3 The Review Panel**

13. A number of important considerations were taken into account when deciding the panel membership: (i) relevant professional experience; (ii) independence – to avoid any potential or alleged conflict of interest or partiality, the panel members don't have any close working relationship to FAO that might influence the panel's position and deliberations; and (iii) independent multilateral and bilateral members as well as experiences from the South and transition countries.

14. The combination of these criteria together with the voluntary nature of serving on the panel resulted in the following composition:

- Doha Abdelhamid, independent senior consultant and professor of finance and policy evaluation, Cairo, Egypt
- Henri Jorritsma, vice-chair of the DAC Evaluation Network and deputy director of the Policy and Operations Evaluation Department of the Dutch Ministry of Foreign Affairs, the Hague, the Netherlands
- Segbedzi Norgbey, chief of evaluation of the UN Environment Programme, Nairobi, Kenya
- Rob D. van den Berg, director of evaluation of the Global Environment Facility in Washington, DC, USA (Chair of the Panel)

15. The panel was assisted by an advisor, expert in evaluation and familiar with multilateral organisations, Paul Balogun. The advisor had also acted as an advisor on two previous peer reviews – UNDP and IFAD. He was responsible for preparatory work (data collection and information gathering) and a preliminary assessment of the collected information. The advisor also participated in the interviews of stakeholders and in the drafting of the Peer Review report.

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<sup>5</sup> The five evaluations were: (i) Strategic Evaluation of FAO Country Programming, including the NMTPF mechanism (2010); (ii) Evaluation of FAO's role and work related to water (2011); (iii) Evaluation of FAO's role and work in nutrition (2010); (iv) Evaluation of FAO's Regional and Sub-regional Offices for the Near East (2011); and (v) Second Real-Time Evaluation of FAO's work on Highly Pathogenic Avian Influenza (HPAI) (2010)

## **2.4 Limitations**

16. It should be noted that the Peer Review is not a formal evaluation. It is a less comprehensive and in-depth assessment but adheres to a rigorous methodology applying the key principles of evaluation while taking full advantage of the particular benefits of a peer mechanism. Issues that were not covered in this peer review but which might be covered in the anticipated evaluation of evaluation in FAO are noted the conclusions and recommendations section.

17. Within the approach adopted for the Peer Review, the most significant limitation was the lack of consultation with key external stakeholders, in particular government and NGO cooperating partners based in partner countries and a wider range of FAO staff directly affected by the evaluations. This reflected the decision to adopt a 'light' peer review process and the fact that systematic consultation with the wider group of stakeholders would have required systematic identification of all of the key stakeholders across a number of evaluations and then interviewing all of them. Such processes, to be credible, are by their nature resource intensive and would have required significant additional resources, including possibly visits to several countries.

18. As a strategic peer review, a decision was also taken not to examine project level evaluation processes within FAO, even though these comprise a significant and on-going component of the OED work programme. This decision was taken because senior management and the Programme Committee are not the main audience for these evaluations and therefore engaging with either the relevant donors or in-country stakeholders that are the actual audience for these evaluations would have required significant extra resources.

19. Although not all aspects were covered by this Peer Review, the panel is confident that the report can serve as a credible input and stimulus for FAO as it moves forward to improve and embed the evaluation function as a critical component in its ongoing search for excellence in fulfilling its mandate.

## **3. The Food and Agriculture Organisation: An Overview**

### **3.1 Mandate and Vision**

20. FAO was established in 1945 as a specialized United Nations agency with the vision of an organisation that would ensure a world where never again would there be widespread hunger, malnutrition or famine.

21. Over the ensuing decades, FAO's work has expanded to include concerns about international codes and standards, intellectual property, poverty and rural development, and a range of issues related to the environment including conservation, climate change and the sustainability of a variety of natural resources. Moreover, the virtual explosion of international agencies concerned in one way or the other with agriculture that has taken place means that FAO now operates in a very crowded field. Agricultural research as an international public good now resides unquestionably with the Consultative Group on International Agricultural Research (CGIAR). The number, size and impact of NGOs working in agriculture, food security and environment have expanded exponentially. The private sector has become a driver of changes in the global food and agricultural system.

22. As pointed out in the 2007 Independent External Evaluation of FAO, these changes confront FAO with a range of new challenges while many of the old challenges still remain unresolved. FAO now must address the global issues of food and agriculture, while at the same time helping to build local capacity. FAO is expected to exercise regional and global leadership through unifying international development efforts, while at the same time taking into full account the myriad of

differing, if not conflicting, interests, viewpoints, and priorities of its constituents. It is expected to seek out and function effectively in partnership with governments, decentralized authorities, the private sector, bilateral and other multilateral agencies and NGOs, and to do so at grassroots, national and international levels. FAO is instructed to decentralize and increase operational strength on the ground while demonstrating increased savings in administrative costs while operating with a steadily decreasing core budget as percentage of overall budget.

23. In adopting the Immediate Plan of Action for FAO's renewal (IPA), the (Special) Session of the FAO Conference in November 2008 approved the following Vision for FAO:

*FAO's vision is of a world free of hunger and malnutrition where food and agriculture contributes to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner.*

24. The Conference also approved in principle a set of Strategic Objectives, Functional Objectives and Core Functions of FAO expressing the impact expected to be achieved in the ten-year time horizon 2010-2019 by Members with a contribution from FAO. Our understanding is that the Director-General has now proposed that a new set of five strategic objectives be used, but this proposal has not yet been approved by the Governing Bodies.

#### *Strategic Objectives*

- A. Sustainable intensification of crop production.
- B. Increased sustainable livestock production.
- C. Sustainable management and use of fisheries and aquaculture resources.
- D. Improved quality and safety of food at all stages of the food chain.
- E. Sustainable management of forests and trees.
- F. Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture.
- G. Enabling environment for markets to improve livelihoods and rural development.
- H. Improved food security and better nutrition.
- I. Improved preparedness for, and effective response to, food and agricultural threats and emergencies.
- K. Gender equity in access to resources, goods, services and decision-making in the rural areas.
- L. Increased and more effective public and private investment in agriculture and rural development.

#### *Functional Objectives*

- X. Effective collaboration with Member States and stakeholders.
- Y. Efficient and effective administration.

#### *Core Functions*

- a) Providing long-term perspectives and leadership in monitoring and assessing trends in food security and agriculture, fisheries and forestry.
- b) Stimulating the generation, dissemination and application of information and knowledge, including statistics.



- c) Negotiating international instruments, setting norms, standards and voluntary guidelines, supporting the development of national legal instruments and promoting their implementation.
- d) Articulating policy and strategy options and advice.
- e) Providing technical support to:
  - promote technology transfer;
  - catalyse change; and
  - build capacity, particularly for rural institutions.
- f) Undertaking advocacy and communication, to mobilise political will and promote global recognition of required actions in areas of FAO's mandate.
- g) Bringing integrated interdisciplinary and innovative approaches to bear on the Organisation's technical work and support services.
- h) Working through strong partnerships and alliances where joint action is needed.

### **3.2 Governance**

25. The governance architecture is set out in the Basic Texts of the Organisation and consists of the Conference, the Council with an independent chairperson, and the specialist committees reporting to the Council. The Conference and the Council are the Governing Bodies empowered to take decisions. The specialist committees, while an integral part of governance, have only an advisory role.

26. The Conference is the highest political body of FAO. It consists of 191 Member Nations, two associate members and one member organisation, the European Union. Each has a single equal vote. Decisions are made by either consensus, simple majority voting or by a two-thirds majority vote for changes in the Constitution. The Conference meets biennially and delegates many of its substantive functions to the Council. Decisions reserved for the Council include: (i) admission of new Members; (ii) approval of conventions and agreements; (iii) budget approval; (iv) election of the Director-General; and (v) appointment of the Independent Chairperson of the Council.

27. The Council consists of 49 representatives of member countries drawn from the seven regional groupings of FAO. Members of the Council serve three-year rotating terms. Meeting three times per biennium in substantive sessions, its role is to carry out executive oversight of FAO's programme and budgetary activities. Decisions are taken by consensus or simple majority voting.

28. Beneath the Council are a number of specialist committees, of which the most relevant for the peer review are the Programme and the Finance Committees. Each of these committees has 12 members, and they are the committees most closely involved in oversight of FAO's management, programme, budget and financial issues. The Programme Committee (PC) has responsibilities for reviewing the FAO Programme of Work and Budget, the content and balance of the programme activities, and for making recommendations regarding priorities. The Finance Committee (FC) reviews *inter alia* the financial implications of management's budgetary proposals and approves budgetary transfers proposed by management. It also examines on behalf of the Council FAO's audited accounts. The two committees hold concurrent sessions and also meet for about one day at each session in what is known as the Joint Meeting (JM). Here, they consider the proposed budget level and other issues common to both.

29. The 2010 Charter for the FAO Office of Evaluation states that the Council is the decision-making body on evaluation policy and work programming. It exercises oversight over evaluation and ensures that there is transparent, professional and independent evaluation of FAO's performance in contributing to its planned outcomes and impacts, including feedback of evaluation into planning and programming. In practice, much of this role has been delegated to the Programme Committee,

which is the direct recipient of evaluation reports for the governing bodies. Reports involving financial or administrative matters may be referred to the Finance Committee.

30. According to the Charter, the role of the Programme Committee with respect to evaluation is to advise the Council on overall evaluation policies and procedures and to:

- I. approve the rolling workplan for major evaluations;
- II. consider major evaluation reports and the management response to the evaluation and its findings and recommendations. The Committee presents its conclusions on both the evaluation and the management response to the Council in its report as well as its recommendations for follow-up action; and
- III. receive progress reports on the implementation of evaluation findings and recommendations and provide recommendations to the Council.

### **3.3 Organisational Structure**

31. The current Director-General, José Graziano da Silva assumed his functions on 1 January 2012 for a term which expires on 31 July 2015. A number of corporate level functions, including the Office of Evaluation and the Office of Strategy, Planning and Resource Management report to the Director-General.

32. Below this level, the organisation is split between seven main departments. One, the Corporate Services, Human Resources and Finance Department, deals with administration. The other six focus on technical and substantive issues – Agriculture and Consumer Protection, Economic and Social Development, Fisheries and Aquaculture, Forestry, Natural Resources Management and Environment, and Technical Cooperation.

33. Implementation of a comprehensive programme of organisational reform and culture change, the Immediate Plan of Action for FAO's renewal (IPA), began in 2008. Headquarters restructuring and delegation of decision making has been introduced to create a flatter and hopefully more responsive structure and reduce costs. Modernizing and streamlining of administrative and operational processes are also under way. Improved internal teamwork and closer external partnerships coupled with upgrading of IT infrastructure and greater autonomy of FAO's decentralized offices is intended to allow FAO to respond quickly where needs are greatest. As FAO is primarily a knowledge based organisation, investing in human resources is a top priority. Capacity building, including a leadership programme, employee rotation and a new junior professional programme, has been introduced. The creation of the independent Office of Evaluation is also part of this on-going reform process.

34. Besides its headquarters in Rome, FAO is present in over 130 countries. The decentralised network includes five regional offices, 11 sub-regional offices, two multidisciplinary teams, 74 fully fledged country offices (excluding those hosted in regional and sub-regional offices), eight offices with technical officers/FAO Representatives, and 36 countries covered through multiple accreditation. In addition, the Organisation maintains five liaison offices and four information offices in developed countries. As of 1 April 2011, FAO employed 1,835 professional staff (including Associate Professional Officers and National Professional Officers) and 1,856 support staff. Figures only refer to staff holding fixed term and continuing appointments. Approximately 53 percent are based at headquarters in Rome, while the remainder work in offices worldwide.

### 3.4 Organisational Resources

35. FAO expenditure, by source, over the past three biennia, is shown below.

**Table 1: FAO expenditure, by source, over the past three biennia**

Source of Funding	Biennium		
	2006-2007	2008-2009	2010-2011
<b>Assessed contribution:</b>			
Regular programme budget	52%	48%	40%
<b>Voluntary contribution:</b>			
Trust Funds (excluding emergency projects)	26%	26%	33%
Special relief operations (emergency projects)	22%	26%	27%
Total Expenditure (USD million)	1,774.6	2,189.1	2,736.6

36. As indicated above, the regular programme budget, made up of the member countries' contributions and set at the biennial FAO Conference, represents a declining share of total expenditure over the past three biennia. This decline doesn't represent a decline in the absolute level of the regular programme budget, which has actually increased in modest terms in each of the last three biennia. Instead, the decline in the share of overall expenditure of regular programme funding reflects the rapid growth in extra-budgetary resources channelled through the various trust funds. As such, FAO's overall budgetary experience closely reflects that observed across the wider family of UN agencies and the on-going concerns over the implications of extra-budgetary funding's growing importance. This is first in terms of decreasing the predictability and dependability of funding, so making strategic planning more difficult. As important, as extra-budgetary funding does not fall under the direct purview of the Governing Bodies, it decreases the ability of both the Governing Bodies and senior management to ensure that FAO's work is better focused and strategic, which is a key need identified in both the 2007 Independent External Evaluation of FAO and multiple resolutions of the General Assembly.

### 3.5 Organisational Results

37. The current strategic results hierarchy consists of high-level goals of the Members, a set of Strategic Objectives and Organisational Results. Indicators have not been set at either the goal or strategic objective levels. At a corporate level, the focus is on measuring FAO's achievement against the 49 Organisational Results - providing evidence of how the goods and services that FAO produces have been taken up and used by its clients. Indicators have been developed at the organisational results level, although questions remain over their robustness. For each of these results areas, the programmes are supposed to develop supporting work plans showing how they will contribute to the Organisational Results. In turn, the performance of individual employees is supposed to be linked to results identified in the work plans; as is evaluation of employee performance. Work is currently underway to significantly revise the strategic results framework.

38. Evaluation is a centralized function in FAO. For monitoring, Field Programme Monitoring staff are found in the Regional and Sub-regional Offices/SROs, but these staff are neither managed nor supported by the Office of Evaluation.

## 4. The Evaluation Function of FAO

39. In comparison with many other agencies in the UN system, FAO has a mature evaluation function with considerable experience. Other specialised agencies (such as UNESCO, WHO and ILO) set up formal institution-wide evaluation offices only very recently (2003 in most cases and 2005 in that of ILO), whereas FAO has had an Evaluation Office since 1968.

40. For the peer review, there is no need to understand or describe this long history in detail. More relevant is an understanding of the changes that have occurred in the role and function of the OED over the past five years and the implications of FAO's new Evaluation Policy (called the Charter for the FAO Office of Evaluation) which was approved by FAO's Governing Council in April 2010. This change has been just one component of the overall change process launched in FAO with the Immediate Plan of Action approved by the 35<sup>th</sup> Session of the FAO Conference in November 2008.

#### **4.1 Role and function**

41. The Charter identifies the role and function of the Office of Evaluation as follows:

*Paragraph 33. The Office of Evaluation is responsible for ensuring the relevance, effectiveness, quality and independence of evaluation in FAO. It is located inside the FAO Secretariat structure, reporting to the Director-General and to the Council through the Programme Committee.*

*Paragraph 34. The Office receives guidance from the Council and its Programme Committee and consults with the Evaluation Committee (Internal). It is solely responsible for the conduct of all evaluations (with the exception of auto-evaluations), including the selection of evaluators and the terms of reference. It is thus operationally independent within the Organisation. In addition to its responsibilities for the conduct of evaluations, the Office also:*

- 1) facilitates feedback from evaluation through follow-up to individual evaluations and in communicating lessons for more general application;*
- 2) ensures timely reporting on the implementation of those evaluation recommendations accepted by the governing bodies, management and other concerned stakeholders;*
- 3) has an institutionalised advisory role on results-based management and programming and budgeting;*
- 4) contributes to the enhancement of evaluation within the UN through active participation in the United Nations Evaluation Group (UNEG);*
- 5) contributes to the evaluation of the effectiveness of the UN system and other partners as it relates to areas of FAO's mandate through joint evaluations;*
- 6) coordinates its work programme with the rest of the UN system, taking into account the work of the Joint Inspection Unit (JIU); and*
- 7) for staff training, provides comments on training requirements to the Human Resources Management Division.*

42. The Charter does not call for a significant change in the roles and responsibilities of the OED, except in one small area. OED's previous advisory role in auto-evaluations carried out by FAO programme management has been removed.

#### **4.2 Position in the organisation**

43. Since 2010, within the FAO organizational structure, OED is a discrete satellite office of the Office of the Director-General. The OED Director has two formalized reporting lines. First, the Director reports to the Council via the Programme Committee. Second, the OED Director reports directly to the Director-General, although what the Director should report upon to the FAO Director-General is not specified in either the Charter or the Terms of Reference for the position.

44. To strengthen independence of the OED, and in response to commitments made in the IPA (see Annex IV), the Charter introduced a number of conditions for employment of the Director of Evaluation, intended to strengthen his or her independence. These conditions reflect good practice,

but appear to draw more on guidance issued by the Evaluation Cooperation Group (ECG) of the multilateral banks than those of UNEG. This simply reflects the reality that the ECG has greater codified experience on how to assure the structural and functional independence of evaluation functions which have the degree of independence found for the OED. The Director of Evaluation now serves for a fixed term of four years with a possibility of reappointment only once for a further term of four years. The renewal of the appointment of the Director of Evaluation is subject to consultation with the Programme Committee. Likewise, the Director-General must consult with the Programme Committee before the termination of the appointment of the Director of Evaluation. The Director of Evaluation may not be reappointed within FAO to another post or recruited as a consultant during a period of one year following the expiry or termination of the appointment. Finally, the position of Director of Evaluation has been reclassified as a D2 position, so that the Director is at the same level as the Directors of comparable evaluation units in other UN agencies.

### **4.3 Budget and Staff**

#### The Budget

45. There has been an evolution of the OED budget and sources of funding over the past 5 years. Overall, the budget is currently mostly derived from three sources, although two more will come on-line in the current 2012-13 biennium:

- I. **The regular programme budget:** The Charter states that at least 0.8% of the total Regular Programme Budget should be allocated to the Office of Evaluation. This represents the lower end of the range suggested in the IPA. In line with the IPA, and to strengthen the independence of the Office, this budget is allocated in full to the Evaluation Office upon approval by the Council and Conference as part of FAO's overall Programme of Work and Budget. This therefore means that FAO senior management has no opportunity to influence either the level or access to this budget allocation. The current intention is that the 0.8% of the total Regular Programme Budget will be reached in the 2014-15 biennium. For the 2010-11 biennium the percentage was fixed by the Council and Conference at 0.6%, while in the 2012-13 biennium it has been fixed at 0.7%, although FAO management had argued that it be set at a lower level (an argument rejected by the Programme Committee).
- II. **Technical Cooperation Programme:** FAO's Technical Cooperation Programme (TCP) began in the late 1970s and is funded from FAO's Regular Budget. It is for projects requested by member countries that correspond to certain criteria, including a maximum duration of two years and maximum budget is USD 500,000. Evaluation of TCP projects, which began in 1997, became a part of broader thematic evaluations from 2000. For the last several years, approximately 0.5% of the TCP appropriation has been allocated to the OED to fund their evaluation.
- III. **Emergency Evaluation Trust Fund:** In line with the 2007 Council decision, the Office of Evaluation defined in 2006 a programme approach for evaluating emergency and rehabilitation work of the Organization mirroring the programmatic and multi-partner approach of FAO tackling emergencies and established a corresponding funding mechanism in 2007. In order to resource this systematic and comprehensive approach to the evaluation of FAO's work in emergencies, an evaluation line became standard for inclusion in the budgets of emergency response and rehabilitation projects. These are all projects labelled emergency or rehabilitation and funded by voluntary contributions. The amount to be budgeted for evaluation was based on a sliding scale, agreed between OED and management, ranging from USD1,200 for projects with an overall budget between USD75,000 and USD150,00 to USD120,000 for projects with an overall budget above USD10 million. These evaluation funds are transferred to the Emergency

Evaluation Trust Fund, which is managed by OED. When the total amount channelled through FAO for an emergency intervention (be it a “response” or a “programme”) is at least USD10 million, an evaluation must be carried out. Otherwise, only exceptionally will project evaluations be carried out, i.e. large projects with stand-alone activities and for which there is a special request by a resource partners at the time of the agreement signature. These funds can also be used for country and programmatic evaluations to the Governing Bodies<sup>6</sup>, where the majority of activities evaluated have been through emergency response and rehabilitation projects.<sup>7</sup>

- IV. **Trust Fund for the Evaluation of Technical Cooperation for Development:** In line with the 2007 Council decision,<sup>8</sup> the Technical Cooperation Department issued a Field Programme Circular (FP 2011/01) in March 2011 that an evaluation line be included in the budgets of all Technical Cooperation for Development projects. These are all projects funded using voluntary contributions. The amount to be budgeted was based on a sliding scale ranging from USD2,500 for projects between USD200,000 and USD300,000 to USD35,000 for projects between USD2 million and USD4 million. These evaluation funds are transferred to the Trust Fund for the Evaluation of Technical Cooperation for Development, which is managed by OED, to carry out evaluations of clusters of projects. These funds can also be used for country, programmatic and evaluations to the Governing Bodies, where the majority of activities evaluated have been through Technical Cooperation for Development projects. In addition, an evaluation will be carried out for each project/programme of Technical Cooperation for Development for which the total amount channelled through FAO is at least USD4 million.
- V. **FAO-Multi Donor Partnership Trust Fund:** The Evaluation of the FAO Multi-Partner Programme Support Mechanism was set up in September 2011 and is currently planned to be completed by July 2013; it hosts the funds for the evaluation of this large umbrella Trust Fund that was set up to facilitate the provision of Voluntary Contributions from signatory donors (Netherlands and Sweden) in support of the four-year Medium Term Plan, Plan of Work and Budget and the Core Functions of the Organisation. The Evaluation will assess the Mechanism per se as well as the results of the work funded through it. We note that this is not part of the core funding of OED, but include as a separate budget line because of its size and as an illustration of the fact that OED potentially receives significant funding from particular donors to fund specific evaluations.

46. Trends in the budget over the past three biennia are shown in the table below. Overall, the OED budget increased by 9% between the 2008-09 and 2010-11 biennia, and is expected to increase by a projected 26% between the 2010-11 and current 2012-13 biennia. However, whilst the OED budget has increased rapidly, the even more rapid rise in overall extra-budgetary budget of the

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<sup>6</sup> Programme Evaluation in response to acute emergencies- This will remain the bulk of E&R evaluations. These evaluations examine the totality of FAO’s response to a crisis, from prevention, preparedness and early warning to crisis impact and needs assessment, immediate response and recovery. The timing will be such that results can be assessed and lessons drawn for similar crises.

<sup>7</sup> Countries for which the portfolio of E&R intervention exceeds 50 % (volume of funding per year over a 5 year period) of the total portfolio and with an annual E&R funding over USD 10 million.

<sup>8</sup> At its 103<sup>rd</sup> session in April 2010, the Programme Committee expressed concern about the number of FAO projects that do not contain budgetary provisions for independent evaluation. In its report, the Committee stressed that the June 2007 decision of the Council should be respected by donors and brought to their attention where necessary by the FAO Secretariat. The Committee requested that FAO report to it on the implementation of the Council decision, and this will be done at the October 2011 session. In order to fully implement the June 2007 decision, the Technical Cooperation Department issued Field Programme Circular (FP 2011/01) in March 2011. FP 2011/01 formally established the Trust Fund for Evaluation of Technical Cooperation for Development called for by the Council decision, which will be used to carry out strategic and thematic evaluations in areas where there is a large field programme component.

organisation means that the budget for evaluation has actually declined as a percentage of FAO's overall budget. Whether this will have implications for future evaluation coverage of FAO's work remains unclear, although the Programme Committee has on several occasions expressed concern over whether coverage of activities supported using extra-budgetary resources is adequate.

**Table 2: OED budget by biennium and source**

Source of Funding	Percentage of Budget by Biennium		
	2008-2009	2010-2011	2012-2013 <sup>9</sup>
Regular programme budget	64%	69%	62%
Technical Cooperation Programme evaluation funds	6%	6%	4%
Emergency Evaluation Trust Fund	30%	25%	27%
Trust Fund for the Evaluation of Technical Cooperation for Development	0	0	4%
FAO-Multi Donor Partnership Trust Fund	0	0	3%
Overall (USD million)	8.58	9.33	11.8
Evaluation expenditure as % of total FAO expenditure	0.39%	0.34%	n/a

47. Looking at the sources driving the increase in the overall budget, the allocation from the regular programme budget has increased by around 15% in each of the last two biennia. In contrast, the absolute amount of Technical Cooperation Programme evaluation funds has remained effectively constant at around USD0.5 million. The budget allocation from the Emergency Evaluation Trust Fund first declined between the 2008-09 and 2010-11 biennia from USD 2.56 million to USD 2.37 million, before being projected to rise rapidly in the current biennium to USD 3.06 million. However, a significant proportion of the projected 26% rise in the OED budget in this biennium reflects the inclusion of new sources of income. While OED can to some extent predict what funds will be available through the trust funds by reviewing the budgets of projects, the risk remains that not all of the projected funding under this new trust fund will actually be available.

48. An important issue with the budget of the OED is that only the percentage of FAO's overall regular programme budget that should be transferred to OED is decided by the Governing Bodies. While the Programme Committee in 2007 endorsed the principle that an evaluation line be included in the budgets of all Technical Cooperation for Development projects, the level of funding to be included appears to have been agreed directly between OED and programme management, and not decided by the Governing Bodies. It is also important to bear in mind that the effectiveness of the present approach for both the trust funds relies upon programme staff consistently applying the principle of including a funded evaluation budget line within all voluntary funded projects. While experience to date suggests that they have not done so consistently, this is outside of the direct control of OED and the Programme Committee.

### Staffing

49. Rules and regulations for recruitment of both staff and consultants by OED were most recently clarified in the 2010 Charter, paragraphs 41 – 43:

*41. All appointments for evaluation, including that of the Director of the Office of Evaluation, staff and consultants follow transparent and professional procedures with the primary criteria being those of technical competence and behavioural independence but also with*

<sup>9</sup> Projected

*considerations of regional and gender balance. The Director of Evaluation will have the responsibility for the appointment of evaluation staff and the appointment of consultants, in conformity with FAO procedures.*

*42. A competitive procedure applies for appointment of the Director of Evaluation. A Panel, consisting of representatives of the Director-General and the Programme Committee, as well as evaluation specialists from other UN agencies will review the terms of reference and statement of qualifications for the post. Based on the review, a vacancy announcement will be prepared, issued widely and a list of qualified candidates for interview compiled. The Panel will then review these candidates and make a final recommendation regarding candidates appropriate for appointment by the Director-General.*

*43. The Director of Evaluation serves for a fixed term of four years with a possibility of reappointment only once for a further term of four years. The renewal of the appointment of the Director of Evaluation is subject to consultation with the Programme Committee. Likewise, the Director-General shall consult with the Programme Committee before the termination of the appointment of the Director of Evaluation. The Director of Evaluation may not be reappointed within FAO to another post or recruited as a consultant during a period of one year following the expiry or termination of the appointment.*

50. As mentioned before, current rules and regulations for recruitment of the Director reflect the recommendations of the 2007 IEE evaluation which were then incorporated into the IPA. To some extent, these rules and regulations draw more on the norms and standards used by the multi-lateral banks rather than those developed by the UN Evaluation Group: reflecting the greater experience within the multilateral banks on these issues. This therefore means that care needed to be taken by the panel in assessing independence, as the Charter does not state that evaluation in FAO should be aligned with the norms and standards used by the multi-lateral banks.

51. For other professional staff, the Charter codified previous practice. Vacancy announcements for professional evaluation posts have been required for a number of years (depending on the level of the post), with experience in evaluation and/or 'relevant experience in the analysis of agricultural and rural development issues at the international level' being included as the major technical criterion. Professionally, candidates are required to have a university degree in economics, agriculture or social sciences, but an advanced degree is seen as an advantage. Assessment of a candidate's practical evaluation experience and knowledge of evaluation methodology is core to the interview and testing processes which take place for each post, regardless of level. Besides interviews, candidates are given a written test which is scored blind by an evaluation staff member who is not part of the interview panel.

52. FAO introduced a new Performance Evaluation and Management System (PEMS) in 2009 which is now used for assessment of individual staff performance. As part of this assessment, areas in which staff need more training are identified.

53. The Office is presently staffed by the Director, six Professionals on regular posts, one Professional in a short-term post, three Professionals (of which one started in January 2012) funded by the Emergency and Rehabilitation Evaluation Trust Fund, and three General Service staff. As shown below, the number of staff has not changed significantly over the past few years. Nor is it expected to increase significantly in the future. However, OED has made increasing use of evaluation analysts who are employed on short-term contracts of up to 11 months duration and who work on specific evaluations.



**Table 3: OED staffing**

Type of staff	Funded from	Number of staff at start of biennium		
		2008-2009	2010-2011	2012-2013
Professional staff	Regular programme budget	8	6	8
	Emergency Evaluation Trust Fund	2	2	3
	Sub-total			
General service staff	Regular programme budget	3	3	3
	Emergency Evaluation Trust Fund	0	0	0
	Sub-total			
Overall		13	11	14

54. Within the context of an increasing overall budget but relatively stable staff numbers, staffing is therefore becoming a declining proportion of the overall OED budget, as shown below. The Charter also calls for gender and regional balance across the team. In terms of gender representation, OED's gender balance is better than that for the organisation as a whole, especially at senior professional level, and this requirement has been met. At present, the Director is male, while there are four female evaluation managers/professional grade staff and five male staff in this grade band. All evaluation analysts, who are contracted under short-term contracts to support specific evaluations, are currently female, as are all of the general administration staff. However, ensuring a regional balance across the team has not been achieved, with all of the more senior evaluators (P4 and P5 levels) coming from only two regions.

**Table 4: Staff and non-staff costs as proportion of OED budget**

Use of Funding	Biennium		
	2008-2009	2010-2011	2012-2013
Staff costs (% of total OED costs)	45%	46%	39%
Non-staff costs (% of total OED costs) <sup>10</sup>	55%	54%	61%
Overall (USD million)	8.58	9.33	12.6

55. OED operates a model of evaluation, in which professional staff generally act as the evaluation managers, while team leaders are contracted for most evaluations. The exception is the case for some project evaluations, where OED staff may act as team leaders. Whilst this approach has been in practice for at least ten years, they were only recently clarified in draft guidance issued by OED which states that:

The team leader is the champion of the evaluation and is responsible for its contents. His/her tasks include the following, specified in the individual Terms of Reference (ToR) in the case of corporate evaluations:

- i. analysis and elaboration of the substantive contents related to the subject matter of the evaluation;
- ii. leadership of the evaluation team, including advice and suggestions to team members on the evaluation content;
- iii. preparation of the evaluation report, including the consolidation and harmonization of the team members' contributions; and

<sup>10</sup> Note that research analysts contracted by OED and who are managed by the Evaluation Managers are funded under this budget line.

- iv. presentation of the evaluation's findings and recommendations to stakeholders.

The evaluation manager is responsible for running the evaluation process. His/her tasks include the following, specified in the individual ToR in the case of corporate evaluations:

- i. management of the evaluation process according to the ToR and the time-schedule, from the evaluability assessment or scoping phase of the evaluation to the quality assurance of the management response;
- ii. definition and application of the evaluation methodology;
- iii. analysis of issues in the evaluation related to FAO's mandate, structure, procedures and working mechanisms, also based on past evaluations' findings;
- iv. support and guidance to team members on evaluation methodology and on information about FAO;
- v. full participation in the evaluation work; and
- vi. preparation of agreed outputs on methodology and FAO's mandate, structure, procedures and working mechanisms, usually including a written report.

#### **4.4 The Evaluations produced**

##### Types of evaluations

56. Under FAO policy, all work of FAO financed from the regular budget of the Organisation (mandatory assessed contributions) as well as that financed from voluntarily contributed extra-budgetary resources, is subject to evaluation.

57. The OED either produces or is responsible for quality assurance for three types of evaluations:

**Evaluations for the Governing Bodies:** Strategic evaluations are where the primary audience is intended to be the Governing Bodies, via the Programme Committee. These are selected by or decided upon by the Council on the advice of the Programme Committee. Such evaluations focus on key elements of the results-based hierarchy, including strategic and functional objectives, impact focus areas, organisational results and core functions. Major evaluations include all aspects of the work in the area covered, regardless of funding source, and deal with work at headquarters, regional and country levels. The programme of evaluations is defined in a rolling three-year plan.

**Country evaluations:** Since 2005, FAO has been carrying out evaluations of the entirety of its work in individual countries. Country evaluations aim to improve the relevance and performance of FAO's interventions, providing accountability and deriving lessons for better formulation and implementation of country-level policies, strategies and activities in the future. Country evaluations look at FAO's work from the standpoint of its utility to the country. They provide FAO's stakeholders with a systematic and objective assessment of the relevance, efficiency, effectiveness, impacts and sustainability of the programmes and interventions undertaken by FAO in the country. In countries where there is a large portfolio of emergency and rehabilitation activities, evaluations consider the extent to which FAO's work links relief efforts to development, and FAO's operational capacity for timely delivery is a key element of the evaluation's scope. Country evaluations should serve as important inputs into the formulation and review of the Country Programming Framework and FAO contributions to the UN Development Assistance Framework. As such, they will consider FAO cooperation at country level with respect to how FAO interventions best promote the

Organisation's comparative advantages and are related to its global strategic objectives and core functions. The primary audience for country evaluations are the national government and FAO staff, whether posted in the country, or dealing with the country from sub-regional, regional or headquarters offices. Other target audiences are donors in the country, the UN country team and national civil society organisations.

**Project evaluations:** Results of such evaluations are directly used by stakeholders including managers, funders and others directly concerned, often at country level. According to FAO policy, OED is responsible for evaluation of all projects, although not all projects are evaluated. OED's role in project evaluations varies, although it is always responsible for quality assurance. In some cases, an OED evaluation professional takes the team leader role, but in most cases, the team leader is a consultant, while OED is responsible for drafting of the ToRs, team selection, quality assurance of the draft evaluation report and ensuring that the management response process is initiated.

58. The number of evaluations completed each year of the past five years, by type, is shown below.

**Table 5: Number of completed evaluations by type, 2007-2011**

Year	Number of evaluations by year of completion			
	Evaluations for the governing bodies	Country	Project (OED Team Leader)	Project (backstopped/managed by OED)
2007	5	2	2	22
2008	1	2	5	16
2009	3	2	6	14
2010	5	1	2	17
2011	4	3	1	26

59. OED also prepares a biennial Programme Evaluation Report that is presented at the Conference. Standard across the last three reports - 2007, 2009, and 2011 - have been the following sections:

- New developments in evaluation in FAO
- UN system collaboration in evaluation;
- The evaluation programme of the Organisation, which provides a listing of the evaluation outputs over the 2006-07 biennium and the work plan of major evaluations for the forthcoming biennium;
- Evaluation briefs on the major evaluations completed during the biennium and provided to the Governing Bodies. In the briefs, a summary of the management response and the reaction of the Programme Committee are provided in addition to the evaluation itself. Each brief is cross-referenced to the complete documentation on the evaluation website

60. In 2011 Programme Evaluation Report introduced new section drawing common lessons from evaluations undertaken during the biennium.

OED's approach to development of the programme of work

61. OED produces a three-year Indicative Rolling Workplan of Strategic and Programme Evaluations (evaluations to the Governing Bodies) that is discussed every 18-24 months with the Programme Committee. During this, the Programme Committee effectively selects which among the suggested evaluations are the priorities and therefore to be carried out in the coming years. It is

important however to understand that the Programme Committee is focused on two particular areas. In the main, the Committee indicates which strategic/programme level evaluations should be carried out, as a matter of priority, from the list of options provided by FAO. This list does not include the programme of project evaluations. The Committee also does not select the countries where country evaluations will be carried out, although it does influence this selection, as syntheses of country evaluations are discussed by the Committee and the Committee indicates what types of countries these syntheses should focus upon.

62. The approach to the identification of specific evaluations therefore depends upon the type of evaluation:

**Evaluations for the Governing Bodies:** Criteria for selecting evaluations include: specific requests from the Programme Committee; requirements for evaluation expressed by the Director-General; and the need to achieve a balanced coverage of the Organisation's strategies and priorities over the medium term. In practice, the OED presents a list of possible evaluations from which the Programme Committee then selects the most important. Inclusion in the Rolling Workplan for information and consideration by the Programme Committee of evaluations of FAO's major voluntary funded interventions in the area of emergencies started in 2010. Previously, this rolling workplan was included as an annex to main workplan presented to the Programme Committee.

**Country evaluations:** The Programme Committee endorses the types of countries to be reviewed in its periodic examinations of the rolling work plan of OED. Countries are then selected by OED for evaluation on the basis of a set of weighted criteria developed by OED. The criteria are largely based on the size of the FAO programme in the country and development indicators, particularly those related to the importance of agriculture in the overall economy. Other factors taken into consideration include the context (i.e. where significant changes in the country might signal a need for an external review), FAO planning processes (i.e. countries in which FAO is preparing a new cooperation framework), and other triggers such as the turn-over of an FAO Representative or a sudden increase in the country portfolio such as may occur following a large scale disaster. In addition, OED's current procedures for the Evaluation of FAO's Work on Emergency and Rehabilitation state that large country E&R portfolios (representing more than 50% of the total country portfolio and annual E&R funding over USD10 million) are subject to evaluation. Such evaluations are broadened to include all FAO's work, in order to give a full perspective. Six country evaluations carried out so far have been selected on that basis.

**Project evaluations:** Project evaluations are usually carried out when considered most useful by project managers and OED. Until 2009, OED waited for the relevant programme managers to alert it when a project evaluation was to be carried out. However, OED concluded that in a number of cases, this meant that evaluations required under the policy of FAO were not being carried out. It therefore moved to a more pro-active approach to identification of project evaluations for the coming year. From 2009, it has used FAO's Field Programme Management Information System (FPMIS) to identify all projects in which an evaluation is scheduled and then approached the programme managers to verify this. This then produces the listing of probable project evaluations for the coming calendar year.

63. Assessing the degree to which Evaluations for the Governing Bodies have achieved balanced coverage of the Organisation's strategies and priorities over the medium term is complex. To some degree one can assess against the degree to which the eleven current FAO Strategic Objectives have been covered by the evaluations over the past few years. This is complicated by two factors. First, the objectives identified in the FAO medium term strategic framework 2006-2010 don't easily map across onto the strategic objectives found in the current strategic framework. Second, OED have

found it challenging in several cases to easily scope all of the work that needs to be assessed under particular strategic objectives. What can be said is that OED evaluations have covered to a varying extent evaluated activities under ten of the eleven strategic objectives. The major exception is under Strategic Objective A (sustainable intensification of crop production), which has not been evaluated to any extent since 2003, although it is found in the current indicative programme of work.

#### OED approach to consultation

64. All OED-managed evaluations, regardless of type, include consultation with key internal and external stakeholders at defined points during the evaluation cycle. The number of stakeholders and extent of consultation with each varies depending upon the type of evaluation (thematic and country evaluation teams consult with more stakeholders than do project evaluation teams). For evaluations presented to the Governing Bodies, initial consultations on the evaluation and its timing take place before including the evaluation proposal in the OED programme of evaluations discussed with the Programme Committee. Subsequent consultation will then take place during the conceptualization period for the evaluation (typically on the terms of reference and concept note, if any) and finally there is an opportunity to comment when the draft report is completed. For major evaluations (thematic/strategic and country) and all project evaluations, there is also a debriefing with stakeholders after the field visits and before starting the drafting of the report. For country evaluations, a first debriefing takes place with FAO country staff and non FAO stakeholders, in particular with government representatives and resource partners. Depending on the operational and technical backstopping arrangements, the Evaluation team will also debrief with the FAO staff from the Regional or Sub-regional office before a debriefing for FAO Headquarters staff.

65. Consultative Groups have been used in some, but not all evaluations. For evaluations to the Governing Bodies, consultative groups were used for two evaluations where much of the subject matter work was donor-financed and the involved resource partners were the major audience for these evaluations. Consultative Groups have also been used for the country evaluations. The Consultative Group is intended to act as a forum to inform interested parties in the evaluation and seek their views on issues. Membership is drawn from the national representatives of Rome-based donors and participating countries in the programme, with the Groups meeting two to three times during the course of the evaluation - usually when preparing the terms of reference, at the end of the inception phase, and when the draft report was ready for discussion.

#### Quality assurance

66. Expert panels are often used for evaluations to the Governing Bodies that cover technical topics. These meet either once or twice during the course of the evaluations. If once, the purpose is to review the draft report for technical soundness and particularly assess the soundness of the proposed recommendations. Some expert panels have met twice, the first time before the evaluation starts, to review draft terms of reference and suggest topics/areas of inquiry that should be added to the evaluation. Panels typically consist of 5-8 persons and members are normally expected to work for three days in total. Members of expert panels are often drawn from bilateral or multilateral agencies, academics working in the same field or other eminent persons.

67. OED, in the past, has also experimented with using professional evaluators to review the evaluation ToRs and draft report. This approach was judged to be too expensive compared with the value gained and therefore ceased several years ago.

68. Internally, responsibility for development of the scope of an evaluation and initial drafting of the ToRs lies with the Evaluation Manager. The Evaluation Manager is also supposed to always be

responsible for definition and application of the evaluation methodology, often expanded upon in either a concept or approach paper. These papers are shared with management for comment, which therefore has an opportunity to comment on the methodology, as part of the quality assurance process. The extent to which the Team Leader, who is always a consultant in the cases of evaluations to the Governing Bodies and country evaluations, is responsible for drafting of the final ToRs and evaluation approach varies; dependent upon how far into the design process the Team Leader is employed and to some extent, practice of the individual Evaluation Managers. Team Leaders are then responsible for drafting of the evaluation document. Experience suggests that at least in some cases maintaining the implied balance between the roles of the Team Leader and Evaluation Manager for ensuring a quality first draft evaluation report has been challenging.

69. OED has started to formalize its internal quality assurance process in the past year, with an internal peer review system being introduced in mid 2011. There is insufficient experience to judge its effectiveness. Guidance for assessing the quality of ToRs for both project and higher level evaluation were finalised in late 2011, although it is too early yet to assess the effectiveness of this guidance.

70. Internal OED guidance also states that the Director of the Office of Evaluation has the ultimate institutional responsibility for the quality and independence of the evaluation process and report and for ensuring that the Terms of Reference are met in a timely, efficient and effective manner. Essentially, this approach sees OED's main role as being to quality assure the process and product, rather than assume direct ownership of the process and product. However, how quality assurance is ensured is not straightforward or transparent, as the Director cannot directly change evaluation findings and recommendations. The only lever available is that he/she may require improvements in the evidence base and in the presentation of findings and recommendations in the draft evaluation report.

#### Follow-up of evaluations

71. OED produces Evaluation Briefs for evaluations to the FAO Conference, although no evidence was collected on how these are used.

72. Since 2006, there has been a requirement that all evaluations must have a management response (MR). In these, FAO management gives its overall assessment of the evaluation report and for each recommendation states whether it is accepted, partially accepted or rejected. Management responses then use a standard tabular format, with six columns: (i) Recommendation; (ii) Whether accepted/partially accepted/rejected (can also comment on the recommendation here); (iii) Action to be taken; (iv) Responsible unit; (v) Timeframe; and (vi) Whether further funding required to implement.

73. The Charter also mandates the preparation of a follow-up report, so codifying previous practice. This is prepared one year after completion of the management response for project and country evaluations, and two years later for evaluations to the Governing Bodies. While follow-up reports for evaluations to the Governing Bodies are submitted to the Programme Committee, there is no forum in place in which follow-up reports for either country or project evaluations are discussed.

74. Responsibility for preparation of both management responses and follow-up reports for evaluations to the Governing Bodies lies with management, with the process in both cases being coordinated through the Evaluation Committee. OED's role is to formally request to management that these documents be prepared and check that the contents meet required standards of

comprehensiveness and clarity. For country evaluations, responsibility for producing both management responses and follow-up reports lies with the FAO Representative in-country. Again, OED's role is to check that the contents meet required standards of comprehensiveness and clarity. In all cases, once the management responses and follow-up reports are agreed, OED loads them onto its website and into FAO's Field Programme Management Information System.

75. In preparing management responses and follow-up reports, management is expected to seek inputs, as necessary, from parties within and outside FAO to whom the evaluation recommendations are addressed. Operational responsibilities are as follows:

- Evaluation reports for the Programme Committee: The Evaluation Committee will designate the senior officer who will have overall responsibility for coordinating the preparation of the management response and follow-up report. The management response and follow-up report should be completed within four weeks of the request and be sent to OED (see Annex I). The follow-up report will be submitted to the Programme Committee two years after the Evaluation report and its management response have been discussed by the Committee itself.
- Country Evaluations: The FAO Representative will normally be responsible for coordinating the preparation of the management response and the follow-up report to the evaluation. The management response and follow-up report should be completed within four weeks of the request and sent to OED. The follow-up report will be prepared one year after the management response. Governments should be encouraged to provide their own response to the evaluation.
- Project Evaluations: The project Budget Holder (person within FAO operations responsible for the budget) will normally be responsible for coordinating the preparation of the management response and the follow-up report to the evaluation. The management response and follow-up report should be completed within four weeks of the request and be sent to OED. The follow-up report will be prepared one year after the management response.
- Evaluations of Emergency and Rehabilitation Programmes and Projects: The Emergency Operations and Rehabilitation Division will normally be responsible for coordinating the preparation of the Management response and follow-up report. The management response and follow-up report should be completed within four weeks of the request and sent to OED. The follow-up report will be prepared one year after the Management response.

76. Experience so far has shown that there is room for improving the way follow-up reports are prepared, both in terms of improving transparency and the accuracy of information presented. In 2010, the Programme Committee therefore requested that follow-up reports to evaluations include "the programme and policy impact stemming from the implementation of the recommendations of evaluation". This additional information is intended to make a stronger feedback loop between policy/programme implementation and evaluation. The Committee subsequently requested OED to propose a methodology for validating follow-up reports for evaluations to the Governing Bodies. In response, OED has managed validation of the follow-up report to the management response for the evaluation of FAO's role and work related to water, which was submitted to the Programme Committee in May 2012.

#### **4.5 Evaluation Guidelines**

77. OED has been working on the development of internal guidelines for the past three years, and this process is on-going, with various guidelines produced recently or still under preparation. Guidelines laying out roles and responsibilities have been produced:

- Roles and responsibilities in FAO evaluations (May, 2010)
- Responsibilities and procedures for management responses and follow-up reports on evaluations, June 2011

78. Guidelines setting out the evaluation process for the various types of evaluations are either under preparation or drafted:

- Guidance Note for the Conduct of Evaluations for the Governing Bodies, (under preparation)
- Guidance Note for the Conduct of Country Evaluations, November 2011
- Step-by-step procedures for the separate evaluation of voluntary-funded initiatives, November 2011
- Proposal for testing a validation mechanism of follow-up reports to Evaluations' management responses (draft)

79. Guidelines for quality assurance:

- Tools for Quality Assurance of OED evaluation terms of reference and reports, November 2011
- Template Terms of Reference for the separate evaluation of projects and programmes funded through voluntary contributions by resource partners, October 2011

80. Looking across the guidelines produced to date, the focus has been on development of guidance on the process, rather than on the substantive issues related to evaluation, in particular, methodology.

## 5. The Utility of the FAO Evaluation Function and evaluations

81. Reference points for the assessment are the following UNEG Norms for Evaluation:

**UNEG Norm 1.3:** *Evaluation feeds into management and decision making processes, and makes an essential contribution to managing for results. Evaluation informs the planning, programme, budgeting, implementation and reporting cycle. It aims at improving the institutional relevance and the achievement of results, optimizing the use of resources, providing client satisfaction and maximizing the impact of the contribution of the UN system.*

**UNEG Norm 2.6:** *The Governing Bodies and/or Heads of organisations and of the evaluation functions are responsible for ensuring that evaluation contributes to decision making and management. They should ensure that a system is in place for explicit planning for evaluation and for systematic consideration of the findings, conclusions and recommendations contained in evaluations. They should ensure appropriate follow-up measures including an action plan, or equivalent appropriate tools, with clear accountability for the implementation of the approved recommendations.*

**UNEG Norm 2.7:** *The Governing Bodies and/or Heads of organisations and of the evaluation functions are responsible for ensuring that there is a repository of evaluations and a mechanism for distilling and disseminating lessons to improve organisational learning and systemic improvement. They should also make evaluation findings available to stakeholders and other organisations of the UN system as well as to the public.*

**UNEG Norm 4.1:** *Proper application of the evaluation function implies that there is a clear intent to use evaluation findings. In the context of limited resources, the planning and*



*selection of evaluation work has to be carefully done. Evaluations must be chosen and undertaken in a timely manner so that they can and do inform decision-making with relevant and timely information. Planning for evaluation must be an explicit part of planning and budgeting of the evaluation function and/or the organisation as a whole. Annual or multi-year evaluation work programmes should be made public.*

**UNEG Norm 4.2:** *The evaluation plan can be the result of a cyclical or purposive selection of evaluation topics. The purpose, nature and scope of evaluation must be clear to evaluators and stakeholders. The plan for conducting each evaluation must ensure due process to ascertain the timely completion of the mandate, and consideration of the most cost-effective way to obtain and analyze the necessary information.*

**UNEG Norm 10.1:** *Transparency and consultation with the major stakeholders are essential features in all stages of the evaluation process. This improves the credibility and quality of the evaluation. It can facilitate consensus building and ownership of the findings, conclusions and recommendations.*

**UNEG Norm 10.2:** *Evaluation Terms of Reference and reports should be available to major stakeholders and be public documents. Documentation on evaluations in easily consultable and readable form should also contribute to both transparency and legitimacy.*

**UNEG Norm 12.1:** *Evaluation requires an explicit response by the governing authorities and management addressed by its recommendations. This may take the form of a management response, action plan and/or agreement clearly stating responsibilities and accountabilities.*

**UNEG Norm 12.2:** *There should be a systematic follow-up on the implementation of the evaluation recommendations that have been accepted by management and/or the Governing Bodies.*

**UNEG Norm 12.3:** *There should be a periodic report on the status of the implementation of the evaluation recommendations. This report should be presented to the Governing Bodies and/or the Head of the organisation.*

**UNEG Norm 13.1:** *Evaluation contributes to knowledge building and organisational improvement. Evaluations should be conducted and evaluation findings and recommendations presented in a manner that is easily understood by target audiences.*

**UNEG Norm 13.2:** *Evaluation findings and lessons drawn from evaluations should be accessible to target audiences in a user-friendly way. A repository of evaluation could be used to distil lessons that contribute to peer learning and the development of structured briefing material for the training of staff. This should be done in a way that facilitates the sharing of learning among stakeholders, including the organisations of the UN system, through a clear dissemination policy and contribution to knowledge networks*

### **5.1 Are the relevant systems identified in the UNEG norms and standards in place?**

82. Overall, discussion with senior management represented on the Evaluation Committee and representatives of the Programme Committee indicate that evaluations to the Governing Bodies are perceived to be useful, even though some are seen as better than others. As discussed in Section 8.2 below, the views of other key stakeholders, in particular FAO operational managers and in-country stakeholders, on the usefulness of the evaluations were not sought. Interviews with OED staff would however suggest that for evaluations to the Governing Bodies, FAO operational managers have

mixed views on the value of the evaluations, and this would be expected. In terms of the country evaluations, as discussed below, the utility of the evaluations in many cases can be questioned. This probably to a significant extent reflects factors beyond the control of OED concerned with the lack until recently within FAO of a country based programming approach, and supporting systems.

83. Most of the systems that would be expected for an evaluation function responding to the UNEG Norms and Standards on usefulness are in place. It is however important to bear in mind that our findings and conclusions focus on the systems and approaches used for evaluations to the Governing Bodies and country evaluations and that the situation may be different for the project evaluations. Systems in place include:

- I. A system for planning the programme of evaluations and for systematic consideration of the findings, conclusions and recommendations contained in evaluations.
- II. Evaluation topics are chosen and undertaken in a timely manner with the intention that they inform decision-making with relevant and timely information. Broad criteria used in the identification of evaluations have also been drafted and are available for external parties to see.
- III. The programme of evaluations is discussed with both the Programme Committee and FAO senior management and the final programme of evaluations is publically available.
- IV. Practice has been for findings and recommendations to be discussed with stakeholders before being issued in the final report – in the case of the major evaluations; this is usually done in a dedicated meeting, at which the team leader also participates. The compilation of 'Findings, Conclusions and Recommendations of selected cross-cutting Evaluations (2008-2012)' prepared by FAO management and the recent appointment of a knowledge management specialist within OED are indicators of a move towards more systematically disseminating lessons from the evaluations to the Governing Bodies to improve organisational learning.
- V. Management responses are required for all evaluations and include whether management accept the evaluation recommendations, what actions will be taken to implement accepted recommendations, who is responsible for implementation of the response and the envisaged timescale and budgetary implications.
- VI. Depending upon the type of evaluation, follow-up reports on whether the agreed actions have been undertaken are produced either one or two years after acceptance of the management response.
- VII. The revitalized Evaluation Committee provides a forum through which evaluation feeds into management and decision making processes within the organisation. The Evaluation Committee reviews all management responses and follow-up reports for major evaluations before their submission to the Programme Committee. The Evaluation Committee has also decided recently that it needs to engage with programme managers on the implementation of recommendations for key major evaluations, even before follow-up reports for the Programme Committee are due.
- VIII. All evaluations are now available on the OED website, as are the management responses and follow-up reports. In addition, in most cases, the evaluation annexes are also available.

84. Two further areas for action related to usefulness identified in the IPA that have not yet been implemented are:

- The evaluation office should have an institutionalised advisory role to management on results based management and programming and budgeting, reinforcing the feed-back and learning loop. This was included in the Charter, but neither OED nor senior management

have made any efforts to operationalize this role, despite the issue of how the RBM system should be revised and strengthened being a significant area of work within FAO over the past eighteen months.

- The IPA also states that follow-up processes for evaluation should be fully institutionalised, including an independent monitoring system for follow-up. OED is the only independent body in position to assume this role. This request would seem to respond to the UNEG Norm 12.3 that suggests production of a periodic report on the status of the implementation of the evaluation recommendations. OED is not explicitly assigned such a role under the Charter and has no plans to assume this role in future. Instead, in the Charter, it is assigned the normal role found in other independent evaluation functions of coordinating the timely reporting on the implementation of those evaluation recommendations. In response to requests from the Programme Committee, OED has just produced a validation report to the Programme Committee on the follow-up to the evaluation of FAO's work on Water and the Programme Committee has asked OED to introduce validation systems in a cost-effective manner for other major evaluations in future. As such, this approach could be seen as less comprehensive, as it does not cover all follow-up reports, but more detailed on the level of individual follow-up reports produced, approach to addressing the issue raised in both the IPA request and UNEG Norm 12.3.

## **5.2 *Issues associated with operationalization of the current systems and approaches***

85. Discussion with stakeholders and review of a selection of evaluations produced in the past three years reveals that OED, the Programme Committee and senior management, are encountering a number of challenges to the usefulness of the evaluations and in the effectiveness of the systems/approaches currently in place. Many of these are issues the peer reviewers are familiar with as they have also been challenges within their own organisations and in other organisations with which they are familiar.

### *What is a strategic evaluation?*

86. As the name suggests, the main audience for evaluations to the Governing Bodies, is the Programme Committee and then the Director-General and senior management. The 2007 IEE review of the FAO evaluation function found that every member of the Programme Committee and the Chair of the Finance Committee affirmed in interviews that neither of the Governing Bodies used the findings of evaluations in making decisions on the overall strategic direction of the Organisation and resource allocation – and that, in principle, they thought that they should. The IEE review also found only limited use of evaluation for strategic decision making by senior FAO management. Our overall conclusion is that the situation today remains much the same. Programme and Evaluation Committee members interviewed as part of this review commented upon the fact that recommendations are often not strategic; a judgment acknowledged as correct by OED.

87. The Peer Reviewers believe that this needs to change as evaluation is not cost free and needs to respond to the facts that:

- FAO operates in a rapidly changing world, where explicitly meeting country level demands and demonstrating results and contribution will become increasingly important;
- FAO does not have access to the resources that would be required to meet every demand and therefore is under pressure to show increased focus on areas in which it can demonstrate significant added value based on its comparative advantage, and
- The UN needs to get greater value from evaluation.

88. Moving towards more strategic evaluation and strategic use of evaluations requires both change in what the Programme Committee and the Director-General and Evaluation Committee see as the purpose of strategic evaluations and then how they are used. For example, as discussed below, it requires ensuring that evaluation is firmly embedded in the RBM system. It also implies a greater role for evidence from evaluations to the Governing Bodies in informing strategic resource allocation decision making within the organisation. Finally, as discussed elsewhere, it implies a lesser focus in the evaluation recommendations on telling operational management in detail what it should do, and how.

89. This requires a number of changes in the approach to evaluation currently used by OED. First, strategic recommendations depend upon asking strategic questions. Within this context, the four strategic questions that would be common across most evaluations for the Governing Bodies would be: (i) what have FAO's results been; (ii) does this show that FAO has a comparative advantage; (iii) if FAO has a clear comparative advantage, what does the organisation have to do to enhance significantly its contribution and strengthen its comparative advantage; (iv) does the evidence suggest that the organisation has no clear comparative advantage and should withdraw from a particular area of support.

90. Second, a strategic approach implies more use of synthesis of lessons and experience across separate evaluations. This approach has already started in FAO, with presentation of syntheses of the country evaluations to the Programme Committee rather than the individual country reports. The greater use of syntheses is under active consideration by UNDP's Evaluation Office, the UN evaluation function most similar in role to OED, for similar reasons and is already well established practice in both the GEF and the Policy and Operations Evaluation Department of the Dutch Ministry of Foreign Affairs. It is also seen in a number of multilateral agencies where the Governing Body is a major client for evaluations and in IFAD, which produces an 'Annual report on results and impact of IFAD operations'. Such approaches have the dual advantage of both managing demands upon the time of the Governing Body while also addressing the fact that many strategic issues are systemic by nature. The issue here is that many evaluations will identify the same problem or challenge with the organisation's approach or systems, and then propose different recommendations on how to address what is actually the same systemic problem or challenge. This is not an effective approach in that it raises the risk that management, in agreeing the recommendations from separate evaluations, may end up agreeing to implement a series of recommendations addressing the same problem or challenge rather than one strategic approach to addressing the underlying systemic cause of the problem.

*Is there evidence that evaluation is having the desired effect?*

91. The Programme Committee has expressed concerns that the current evaluation follow-up reports only report on the extent to which the agreed actions have been implemented. As such, they provide no evidence on whether implementation of the actions agreed in the management response has had the intended outcomes on the effectiveness of the organisation. This is of course difficult as it almost requires carrying out further evaluative work.

92. As mentioned above, the OED has, at the request of the Programme Committee, recently produced a validation report to the Programme Committee on the follow-up to the evaluation of FAO's work on Water. The expectation is that OED will assume a greater role in assessing the impact of recommendations for other major evaluations in the future. While understanding why the Programme Committee has had such concerns, it should be noted that it is not normal practice in other organisations for the independent evaluation function to assume this role and the panel would suggest caution before it becomes general practice for OED to assume such a role. The view of the

panel is that, as in other organisations, it is management's responsibility to provide credible evidence on the effect of implementation of an accepted recommendation. The panel therefore suggest that the Programme Committee, OED and senior management consider the approach adopted in organisations such as the World Bank and GEF, in which Management Action Records (where management rates its level of adoption of a recommendation) have been used and management's rating/judgment on actual implementation is subsequently verified by the independent evaluation function. In such approaches, responsibility for providing credible evidence of change remains with management rather than the evaluation function.

*The implications of meeting demand for how coverage is addressed in evaluation programming.*

93. The current approach to coverage and how this links to demand for both the evaluations to the Governing Bodies and for country evaluations are described above in paragraphs 62-63. For the evaluations to the Governing Bodies, ensuring coverage of all of the strategic objectives identified in the FAO Strategic Framework 2010-19, and its predecessor, has been a major factor in identification of evaluations.<sup>11</sup> Whilst not straightforward to map across the strategic objectives in the 2010-19 and predecessor framework, we find that the OED work plan has covered all of the significant substantive areas of FAO work across the two frameworks. In some cases, evaluations have covered an entire strategic objective. In most cases, evaluations have been scoped to evaluate specific large coherent programmes of work where expenditure has been significant, but not all work, under a specific objective. This has been because OED has frequently found it difficult to clearly delineate the scope of an evaluation, if the strategic objective is used. Looking forward, the current intention of the Director-General is that the new FAO strategic framework under development include fewer, but by implication, broader strategic objectives that focus on outcomes to which FAO contributes. Based on past experience, scoping individual evaluations within these broad outcomes will continue to be an issue for OED.

94. In some agencies, ensuring systematic coverage is not an issue, as the evaluation function evaluates the entire portfolio of projects. This is not possible in FAO's case, where the approach currently used is very similar to that observed for most other independent UN evaluation functions, such as UNDP's EO, where strategic evaluations presented to the Executive Board are identified through consultations with the Executive Board, senior management, the associated funds and programmes and other stakeholders, and in response to emerging issues that the Evaluation Office may identify. Ensuring systematic coverage against the organisation's strategic objectives is difficult in such approaches, especially if the organization's strategic objectives are broad in nature, as the evaluation resources – time, money and management/administrative capacity - available mean it is difficult to evaluate the whole objective. This issue that will become more more pertinent in FAO if the current proposal to have five overall strategic objectives is implemented. However, we still believe that FAO's evaluation programming can be made more systematic and criteria based than the current process in FAO.

95. In terms of country evaluations, coverage of the whole portfolio has not been a significant intent to date. Instead, within the three broad country situations identified by the Programme Committee, OED has selected particular countries; primarily based on the existence of a significant FAO programme by expenditure. Looking forward, as the country programme framework approach becomes more established, coverage to allow generalization of findings from individual country evaluations to FAO's performance across the overall population of countries in which it operates may become worthwhile; dependent upon demand from the Programme Committee and senior management.

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<sup>11</sup> Evaluation of areas identified as problem areas in the IEE and evaluations of thematic areas usually identified by management have been the other two sources for identification of evaluations to the Governing Bodies.

### *The Governing Bodies' and senior management's capacity to make good use of the evaluations*

96. Translation of the full reports and management responses into all official languages is a significant investment, although probably needed given that practice is for the Programme Committee to consider the full evaluation report and management response and in some cases understanding the recommendations and management's response requires familiarity with the report. Divergent opinions were expressed by Programme Committee members and FAO senior managers over whether the volume of evaluations, being presented was straining capacity to both prepare them to meet the Programme Committee's schedule and then effectively consider them. All stakeholders believe that the large number of recommendations in each evaluation has further increased demands upon time and that these need to be reduced in number. However, while all parties want a reduction in the number of recommendations to be considered, the consensus also appears to be that the number of evaluations should not increase further. To some extent, if the suggested move to greater use of syntheses of evaluations by senior management and the Programme Committee is implemented, this should help to manage the volume of work implied. But any further increase in the volume of evaluations needs to be also considered in relation to the anticipated increase in OED funding outlined in Table 2 above and whether any future increase in the budget of OED could be put to better use. For example:

- As discussed below under credibility, our view is that OED should increasingly take a stronger evaluation manager, or even team leader, role in evaluations to the Governing Bodies and country evaluations. This will inevitably require more time from the OED staff in a situation in which most of the more experienced evaluation staff are already fully occupied and possibly a reduction in the overall number of evaluations.
- We also, under our discussion of credibility, suggest that the application of evaluation methods needs to be strengthened in OED evaluations. If these approaches are to be implemented in line with good practice, it will inevitably increase the cost of individual evaluations.
- A strategic advisory role in development and implementation of FAO's RBM system will also require time from OED senior staff. We also suspect that once engaged, following experience from other independent evaluation functions, OED will need to consider what it can do to improve the overall evaluability of FAO's support.
- Experience with other organisations, such as UNDP and the GEF, is that once the country evaluation approach is well established, the demand for such evaluations grows. Given the introduction of the country programme framework by FAO and the intention to increasingly programme at the country programme level, this experience is likely to be replicated in FAO.

### *How many recommendations should there be and what type of recommendation should be drafted?*

97. A number of challenges with both the number and type of recommendations found in evaluations were identified by all stakeholders. These are all issues that are well known within the evaluation community and where there is now significant experience on how they may be managed.

98. The view of many of those interviewed that recommendations are often too detailed and prescriptive is one that we share. Whilst the Programme and Evaluation Committee members have identified the problem as being that the evaluation recommendations are often not strategic, there is a further danger with the present approach. It subverts the role of management, which is ultimately responsible for working out how things should be done, and leads to a scenario in which evaluations increasingly evaluate recommendations from previous evaluations since the recommendations have detailed what should be done rather than what needs to change. OED are

aware of the problem with recommendations being not strategic and instead being too detailed and prescriptive and assert that they have tried to both reduce the number of evaluation recommendations and worked to ensure that they are more strategic. Our review of recent evaluations presented to the Programme Committee suggests that progress has been made but more remains to be done.

99. The Peer Reviewers' believe that the problems with the type of recommendations currently found in evaluations to the Governing Bodies partly reflects issues with who leads on evaluations carried out by OED. As discussed below under credibility, current OED practice is to use external team leaders, who are often technical specialists in the area under evaluation. It is these team leaders who are responsible for the formulation of recommendations. Perhaps unsurprisingly, technical specialists are often as interested in telling FAO how it should do things as in telling FAO what it needs to do differently. As formal and transparent systems for managing this risk (such as guidance on how the formulation of recommendations should be approached) are not in place the observed behaviour is therefore perhaps not surprising. Review of the ToRs for team leaders and OED's 2010 paper laying out the roles and responsibilities of the team leaders relative to the OED evaluation managers and Director also indicate that OED has no formal role in the development of, or assessment of feasibility of, evaluation recommendations. In practice, evaluation managers to varying degrees play, informally, a role in the formulation of recommendations. But individual OED Evaluation Managers take differing approaches to this challenge and with hindsight it is probable that there has not been sufficient investment in developing a common approach across the office on how development of recommendations should be addressed. To some extent, these issues will be resolved if the peer review's suggestions on enhancing the credibility of evaluations are accepted and implemented.

100. In terms of wider experience in how to approach development of strategic recommendations, the experience of the Policy and Operations Evaluation Department of the Dutch Ministry of Foreign Affairs has been that synthesis reports or even systematic reviews can be a useful tool, as they normally produce more generic findings which then lead to more strategic recommendations. The Policy and Operations Evaluation Department's experience has been that this approach raises questions over whether evaluations should make recommendations on strategic level and instead focus on clearly identifying the issues or challenges that have to be tackled, while leaving it to management to decide how they are to be tackled.

101. The experience of strategic evaluations rapidly leading to a situation in which the sheer number of recommendations strains management's capacity to both implement and track implementation of them and the Board's capacity to maintain adequate over-sight of their implementation and effects has been seen elsewhere. This was clearly seen in the experience of the World Bank's Independent Evaluation Group, for example, when the introduction of "management action records" at the turn of the millennium. These were intended to track the level of adoption of recommendations, but their introduction quickly led to the realization that too many recommendations lead to such a bulky annual report on the level of adoption of recommendations that it becomes unreadable. The Bank's Independent Evaluation Group as a result decided to reduce the number of recommendations per evaluation to just a few strategic ones, so that their level of adoption could be verified in a meaningful way. These considerations were linked to a preference to become more strategic in these recommendations in any case.

#### *What is the purpose of the Country Evaluations?*

102. Country evaluations were introduced in 2006 at the request of the Programme Committee. The guidance issued in November 2011 on the purpose of country evaluations states that 'Country

*evaluations aim to improve the relevance and performance of FAO's interventions, providing accountability and deriving lessons for better formulation and implementation of country-level policies, strategies and activities in the future. Country evaluations look at FAO's work from the standpoint of its utility to the country. They provide FAO's stakeholders with a systematic and objective assessment of the relevance, efficiency, effectiveness, impacts and sustainability of the programmes and interventions undertaken by FAO in the country. In countries where there is a large portfolio of emergency and rehabilitation activities, evaluations consider the extent to which FAO's work links relief efforts to development, and FAO's operational capacity for timely delivery is a key element of the evaluation's scope. Country evaluations should serve as important inputs into the formulation and review of the Country Programming Framework and FAO contributions to the UNDAF'. The purpose as outlined follows that found in most other organisations that use country evaluations.*

103. OED's view is that value added from country evaluations has been that they enable: (i) an in-depth review of the value of FAO to a country (which ties in well with view of the new Director-General on what organisation needs to focus on); (ii) OED to look at FAO capacity and how the normative role is delivered at country level; and (iii) the role between HQ and FAO Representatives. However, in practice, the usefulness of country evaluations to in-country stakeholders and FAO managers has been limited according to evidence presented by involved evaluation managers. This has been because of ambiguity over the role of country level programming in FAO more broadly. Until recently, FAO's systems and management approaches have not focused at the level of the country programme, instead being focused at the level of the individual projects. In consequence, there has not been a clearly defined country programming process into which the country evaluations could be integrated and clearly add value. It has also meant that in-country stakeholders have looked at the relationship and role of FAO in terms of the projects delivered, making it more difficult to engage in a discourse centred around the intended purposes of the country evaluation. Hence, although a management response is produced, who is accountable for implementation of the accepted recommendations is not entirely clear and systems for oversight of implementation of the recommendations are not in place.

104. Discussions with senior management clearly indicate that under the new Director-General this will change; the organisation is currently rolling out the country programme framework approach across the programme countries and clarifying roles and responsibilities. Experience elsewhere would therefore suggest that this is an opportune moment for OED to engage with FAO management on how the country evaluations can be integrated to maximise their value into the developing system. Under such a scenario, the focus of country evaluations would be to (i) identify what are the major challenges in the concerned country in the sectors falling under FAO's mandate, (ii) how and with what results did FAO support the country in addressing these challenges, making use of its comparative advantages; and (iii) in which areas does this demonstrate that FAO has a comparative advantage as a source of support from the perspective of the government and other in-country stakeholders.

#### *The advisory role of an independent evaluation office in an organisation's RBM system*

105. The panel has found that FAO shares the difficulties faced by most development cooperation agencies (and others) in putting in place effective systems to manage for results. The IPA called for an institutionalised advisory role for OED to management on results based management and programming and budgeting be included in the Charter. While we see that this role is indeed included in the Charter, as yet neither OED nor senior management have made any efforts to actually operationalize this role. This is despite the fact that review of how the RBM system should be modified and strengthened being a significant area of work within FAO in the past eighteen



months. The panel strongly endorses current efforts to develop a more robust RBM system which has the potential to contribute more to the business process cycle, with increased management “take-up” and urges that the OED’s advisory role be institutionalised as soon as possible.

106. Experience more widely suggests that the independent evaluation function must engage, for a number of reasons. As stated in the UN Development Group’s recent guidance on RBM, evaluation is an essential step in the RBM life cycle<sup>12</sup>. In the context of an organisation such as FAO, where the Charter explicitly states that the OED is responsible for all evaluation within the organisation, the effectiveness of the whole approach is compromised if OED is not engaged. As important, for OED, experience elsewhere suggests that engagement with development and operationalization of the organisation’s RBM system is the main way that an independent evaluation function can work to strengthen the evaluability of the organisation’s work and interviews with OED evaluation managers clearly indicate that as in most organisations, evaluability is an issue in FAO.

107. We acknowledge that how an independent evaluation function engages in the development and operationalization of an organisation’s RBM system presents challenges due to the need to maintain independence but also believe that there is sufficient experience from other organisations on how this may be approached. For example:

- In UNEP, immediately following the preparation of the Draft Strategic Framework and the Programme of Work (PoW) for 2010-2011, the Evaluation Office undertook a rapid assessment of the evaluability of the results framework. This examined whether a common vision statement and coherent programme logic with results orientation were clearly evident as fundamental principles in the programming documents. It also assessed whether the strategic intent of the reform process was clearly articulated and whether the basic management structures including the relevant policies and strategies for implementing the RBM system were in place. This assessment was circulated to all programme planners, managers and programme coordinators. When it became clear that the findings of the assessment were not adequately reflected in the design of the PoW, the Evaluation Office launched a Formative Evaluation of the design of the PoW in the first year of its implementation. The findings were presented to senior managers and the Committee of the Governing Council responsible for programmes. The management response accepted most of the recommendations and the UNEP programme manual was redrafted with the support of the Evaluation Office to reflect the recommendations. In addition, an RBM training programme was launched to reflect, among other things, the theory-based approaches recommended by the Evaluation Office. The Evaluation Office developed and presents the module for planning and evaluation UNEP programmes and projects using the theory of change approach.
- In the GEF, monitoring and evaluation are guided by one policy, to ensure that indicators and data gathering during the implementation of projects are in line with and feed into evaluations that are taking place at the conclusion of projects, as well as thematic and portfolio level evaluations. Gradually the monitoring has become a basis for results based management as well, which is now included in a systematic way in strategies and policies of the GEF. The Evaluation Office of the GEF has continued to provide oversight over monitoring and evaluation at the project level, including the linkages to results based management, and has continued to interact with the Results Based Management team in the Secretariat on the role of M&E in RBM.

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<sup>12</sup> UNDG (2011) Results-Based Management Handbook – Harmonizing RBM concepts and approaches for improved development results at country level. UN Development Group, October 2011

### Linking evaluation into organisational knowledge management

108. Knowledge management can be understood to comprise a range of practices used in an organisation to identify, create, represent, distribute and enable adoption of new insights and experiences. Such insights and experiences comprise knowledge either embodied in individuals or internalised through organisational processes. In order for OED to contribute to knowledge management, the information generated by evaluations needs to be credible, digested, usable and accessible as and when needed.

109. The panel finds that linkages between evaluation knowledge and the wider knowledge management systems of FAO are not in place. The focus of OED's knowledge management activities to date has been with those staff most closely associated with the subject under evaluation and no investment in cross organisational learning for other programme managers. As FAO decentralizes, how to communicate findings/conclusions from evaluations to FAO staff at the regional and country level and other key stakeholders will become a greater challenge.

110. OED's appointment of a knowledge management specialist to strengthen this, until recently neglected, linkage into FAO's wider knowledge management systems is correct and supported by the panel.

## **6. The Credibility of the FAO Evaluation Function and evaluations**

111. The panel assessed credibility of the evaluation function by reviewing the processes through which evaluations are transparently planned, managed and conducted and by assessing the quality of evaluation reports and the ways they are disclosed. Reference points for the assessment are the following UNEG Norms for Evaluation in the UN System:

**UNEG Norm 3.1:** *Each organisation should develop an explicit policy statement on evaluation. The policy should provide a clear explanation of the concept, role and use of evaluation within the organisation, including the institutional framework and definition of roles and responsibilities; an explanation of how the evaluation function and evaluations are planned, managed and budgeted; and a clear statement on disclosure and dissemination*

**UNEG Norm 2.5:** *The Governing Bodies and/or Heads of organisations are responsible for appointing a professionally competent Head of the evaluation, who in turn is responsible for ensuring that the function is staffed by professionals competent in the conduct of evaluation.*

**UNEG Norm 4.2:** *The evaluation plan can be the result of a cyclical or purposive selection of evaluation topics. The purpose, nature and scope of evaluation must be clear to evaluators and stakeholders. The plan for conducting each evaluation must ensure due process to ascertain the timely completion of the mandate, and consideration of the most cost-effective way to obtain and analyze the necessary information*

**UNEG Norm 5.2:** *Impartiality increases the credibility of evaluation and reduces the bias in the data gathering, analysis, findings, conclusions and recommendations. Impartiality provides legitimacy to evaluation and reduces the potential for conflict of interest.*

**UNEG Norm 8.1:** *Each evaluation should employ design, planning and implementation processes that are inherently quality oriented, covering appropriate methodologies for data-collection, analysis and interpretation.*

**UNEG Norm 8.2:** Evaluation reports must present in a complete and balanced way the evidence, findings, conclusions and recommendations. They must be brief and to the point and easy to understand. They must explain the methodology followed, highlight the methodological limitations of the evaluation, key concerns and evidenced-based findings, dissident views and consequent conclusions, recommendations and lessons. They must have an executive summary that encapsulates the essence of the information contained in the report, and facilitate dissemination and distillation of lessons.

**UNEG Norm 9.1:** Each organisation of the UN system should have formal job descriptions and selection criteria that state the basic professional requirements necessary for an evaluator and evaluation manager.

**UNEG Norm 9.2:** The Head of the evaluation function must have proven competencies in the management of an evaluation function and in the conduct of evaluation studies.

**UNEG Norm 9.3:** Evaluators must have the basic skill set for conducting evaluation studies and managing externally hired evaluators.

**UNEG Norm 10.1:** Transparency and consultation with the major stakeholders are essential features in all stages of the evaluation process. This improves the credibility and quality of the evaluation. It can facilitate consensus building and ownership of the findings, conclusions and recommendations.

**UNEG Norm 10.2:** Evaluation Terms of Reference and reports should be available to major stakeholders and be public documents. Documentation on evaluations in easily consultable and readable forms should also contribute to both transparency and legitimacy.

### **6.1 Are the relevant systems identified in the UNEG norms and standards in place?**

112. In the past, credibility in the individual evaluations has been primarily reliant on evaluation practice as interpreted by the individual evaluation managers. Over the past eighteen months, this has started to change. OED has started to introduce guidance to strengthen common practice by the evaluation managers and the systems identified under the relevant UNEG Norms are now being put in place. The review further found that the Charter covers the most significant issues involved in ensuring the credibility of the evaluations and the evaluation system.

113. Systems put in place to strengthen the credibility of the evaluation process, and the evaluations, include:

- I. The Charter, endorsed in 2010, provides a clear explanation of the concept, role and use of evaluation within the organisation, including the institutional framework and definition of roles and responsibilities; an explanation of how the evaluation function and evaluations are planned, managed and budgeted; and a clear statement on disclosure and dissemination
- II. The Charter (paragraph 41) calls for the appointment of a professionally competent Director of OED, who in turn is responsible for the appointment of evaluation staff and the appointment of consultants, in conformity with FAO procedures, that are technical competent and behaviourally independent.
- III. Consultants are required to sign the UNEG Code of Conduct for evaluation.

- IV. Guidelines have been developed for the management and conduct of country evaluations (issued November 2011) and are under preparation for evaluations to the Governing Bodies).
- V. Draft guidelines laying out the roles and responsibilities of OED Evaluation Managers, the OED Director, and contracted evaluators have been prepared.
- VI. Tools for Quality Assurance of OED evaluation terms of reference and reports, November 2011.
- VII. Template Terms of Reference for the separate evaluation of projects and programmes funded through voluntary contributions by resource partners were completed in June 2011 and are continuously updated.

114. Interviews suggest that OED generally consists of a professionally competent team and the appropriate systems for their recruitment and management are in place. The posts of the current Head and of other evaluation professionals were externally advertised. The formal qualifications for the OED Director and other professional evaluation staff include criteria for appropriate technical and managerial competencies and experience. These criteria are applied during the selection process, which follows FAO standard recruitment procedures. Further development of the evaluation skills of OED staff relies mainly on the individual initiative of the staff. Job descriptions exist for all OED staff members. Competence and performance are assessed during the annual performance review process, introduced three years ago. Against the relevant UNEG norms, we would identify one probable over-sight with regard to staff recruitment and management, which is that all OED evaluation managers should sign UNEG's Code of Ethics and OED should put in place an oversight mechanism to ensure that it is adhered to, so bolstering the perception of the impartiality of evaluation managers.

115. Although only recently codified, the evaluation process used within OED is the same as found in other agencies, although there are some variations in practice dependent upon the preference of the individual managers.

116. Members of both the Programme and Evaluation Committees interviewed stated that they believe that on the whole evaluations produced by OED are credible. As discussed below, the peer panel believes that this is because the major factor presently determining the credibility of OED evaluations is the credibility of the Team Leader (determined by technical competence, process skills, political weight and broad acceptability, and visible independence from management). As such, the present situation is similar to that found when the FAO evaluation function was assessed as part of the IEE back in 2007.

117. Credibility of the team leader is always important, but the peer panel concludes that OED's heavy reliance on the credibility of the team leader, rather than the overall systems and approaches to ensuring credibility, makes the current evaluation approach unusual. This is both when considered against the approaches suggested in the UNEG Norms but also when compared with other evaluation functions with comparable levels of independence and is discussed in detail in paragraphs 119-122 below.

118. The common theme running through the below discussion of strengthening credibility is the extent to which OED continues to move towards an approach to credibility based on the transparent application of systems and methodologies and away from one based mainly on the credibility of the contracted team leader. As revealed by several of the evaluations reviewed by the panel, this will necessitate a focus on delivery of evaluations in which the conclusions and recommendations were clearly more based on the transparent application of evaluation methods rather than the expert-opinion of the team leaders/team members.

## **6.2 Issues associated with operationalization of the current systems and approaches**

### Whose report?

119. Use of contracted team leaders is the norm for evaluation functions across the UN; although it should be noted that in the multilateral banks and some bilateral donor organisations, an internal member of the evaluation function will often be the team leader. As such, the roles and responsibilities outlined above do not diverge significantly from the norm across the UN. However, the panel would observe that OED's practice does diverge from the norm in a number of key areas, which affect the approach to credibility of the evaluations.

120. Possibly the most important is that in other organisations where the evaluation function is independent, responsibility for the contents of the evaluation report explicitly lies with the evaluation function and not with the contracted team leader. This is not the case for OED, where in the Charter it states that the evaluation team, rather than OED, is responsible for the findings, conclusions and recommendations found in evaluation reports, subject to quality assurance by the Office of Evaluation. The Office's role is to assure adherence to the terms of reference and recognised quality standards<sup>13</sup>, timeliness, and to provide information and methodological support to the evaluation team. Our understanding is that OED's present approach reflects past experience, when there was a general belief that staff within the evaluation function were not independent and therefore to ensure independence, responsibility for the contents of the evaluations was assigned to the contracted team leaders, who were expected to be independent.

121. Given the subsequent investment in ensuring the independence of the OED, this assumption on why independent team leaders were necessary no longer applies and our belief is that OED should move to the situation found in other independent evaluation offices and be fully accountable for the contents of its reports. This is the ultimate guarantor of quality and credibility. It would also support a move away from current practice, where roles and responsibilities of the evaluation manager, team leader and Director are rarely clear-cut and too dependent upon the personality and good-will of those involved.

### The use of subject matter specialists as team leaders

122. A significant number of evaluations to the Governing Bodies evaluate the technical work of the organisation. In these cases, the major criteria used by OED in selection of team leaders have been their technical credibility and lack of previous involvement in the work of FAO. Use of subject matter specialists to lead evaluations to produce expert-opinion based evaluation has a long history in evaluation and is still appropriate in certain circumstances, such as when carrying out a formative evaluation or project level evaluation. However, as observed by OED evaluation managers, finding people with the technical background and also a grounding in strategic evaluation is near impossible. One can also question whether technical expertise in the technical area is the most important prerequisite for developing strategic recommendations, as review of the recommendations in evaluations quickly shows that the strategic recommendations often deal with managerial, rather than technical, issues. The consequence of present practice has been that in most cases, ensuring that the evaluation methodology and its implementation depend upon the evaluation manager having a constructive relationship with the team leader and convincing them on what they need to do. Evidence from the evaluations suggests mixed success from the evaluation managers in doing this. By contrast, practice in comparable evaluation functions has been to move away from using

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<sup>13</sup> Following the logic of this approach, OED has introduced (November 2011) quality tools for the evaluation Terms of Reference and Evaluation report. Introduction of these tools is welcomed by the Panel, although we discuss the challenges of these approaches below.

technical experts as team leaders for evaluations at the strategic/organisational level and towards team leaders experienced in team management/complex evaluation, supported by technical experts. We therefore suggest OED move away from selecting team leaders based on their technical competence.

*Strengthening consistency in application of evaluation methodology in evaluations*

123. The panel found that most evaluation managers for the evaluations to the Governing Bodies and country evaluations have a strong evaluation background and awareness of evaluation methodology. This is a significant asset.

124. On the other hand, review of evaluation reports and interviews identified a number of recent evaluations to the governing bodies that were credible and excellent expert-opinion based evaluations. In the evaluations to the Governing Bodies reviewed, it was usually difficult to ascertain whether the evaluation methodology outlined in the terms of reference and inception report had actually been applied in implementation. While we readily acknowledge that there may be other evaluations that we did not examine where this finding is not the case, the simple fact that it was in the five that we did review strongly suggests that at a minimum OED needs to ensure more attention to presenting evidence across all of its major evaluations showing how the proposed methodology was applied and any limitations to the conclusions made due to issues with how the methodology was actually applied. Bearing in mind the evaluability challenges for country evaluations, the panel also concluded that several of the country evaluations applied a rigorous evaluation approach not primarily based on the expert opinion of the team leaders.

125. Overall, the panel had concerns about the quality of the evidence presented, especially sources, in a number of cases and the difficulty encountered in judging whether the conclusions and recommendations were based on the evidence presented. Across the five evaluations to the Governing Bodies and all of the completed country evaluations, none systematically followed good practice in terms of discussing either the limitations of the evaluation findings and conclusions arising from methodological issues or data availability.

126. Looking forward, the panel would argue that in a context where OED evaluations will increasingly need to judge whether FAO is delivering results and its contribution, consistent application of methodologies that do not rely mainly on expert opinion will become more important. Consistency in application of evaluation methodology will also become necessary, if OED moves to increased use of synthesis. Methodology also becomes more important for evaluations making judgments of FAO performance at the regional or global level in a context where performance evidence from management systems is poor and evaluations therefore need to generalize from evidence drawn from only a limited number of countries or programmes.

127. As implied above, moving to an evaluation approach based on the more consistent application of evaluation methodology would be easier if OED were to assume explicit responsibility for the contents and conduct of its evaluations and this were then reflected in the roles and responsibilities of the team leaders and evaluation managers.

128. However, based on experience elsewhere there are other things that OED can consider, such as:

- Building on the nascent internal peer review processes as a means to identify where a common understanding of evaluation practice across the evaluation managers and minimum standards is most needed.

- Using the OED Knowledge Management Specialist's experience in designing and facilitating approaches to learning within diverse teams to forge a common understanding of evaluation practice across the evaluation managers and minimum standards that should apply in all evaluations.
- Investing in meta-analysis to provide better information on what programme characteristics, outcome domains, and research methods are most likely to be important for particular types of evaluation.

#### Approaches to quality assurance

129. In the case of evaluations to the Governing Bodies, OED has consistently used panels of subject matter specialists to review evaluation reports and in some cases the approach/concept paper. We agree with this approach.

130. OED has also, in the past, experimented with both internal and external peer review approaches to ensure the quality of the evaluation processes adopted. However, these were discontinued and beyond the quality assurance role of the evaluation manager, responsibility has mostly lain with the Director to ensure the quality of the evaluations.

131. OED introduced a set of Tools for Quality Assurance of OED evaluation terms of reference and reports in November 2011, which the panel thinks clearly set out the issues that need to be assessed in an internal peer review process. It is too early to judge how well this approach will work, but the panel would observe that these approaches work most effectively when there has been sufficient investment in ensuring a common understanding across the internal peer reviewers of how the various standards should be judged. For instance, OED might consider the approach used in the Policy and Operations Evaluation Department of the Dutch Ministry of Foreign Affairs, where two colleagues are appointed to co-read evaluation drafts and also play a collegiate, rather than judgmental, role through the whole evaluation process. OED should also consider whether its current approach to feedback meetings with stakeholders during execution of the evaluation could be used better as an opportunity to enhance quality; as has been found in a number of other organisations. An additional advantage of re-examining how to use consultation processes during evaluation implementation would be for identifying opportunities to enhance learning as part of evaluation process, so lessening reliance on learning from the final documents.

#### Evaluability and what to evaluate against

132. The impression of the panel is that evaluability<sup>14</sup> is severely and consistently constrained at a number of levels. At the strategic organisational level, it has been constrained by deficiencies in the strategic results frameworks in place and failure to operationalize the RBM system. At country and project levels it has often been constrained by a lack of clarity on what was supposed to be contributed (relevance and design of the expected outcome statements and results matrices), poor or absent indicators of performance and non-existent monitoring systems.

133. As stated before, none of these problems is unique to FAO, but we would observe that comparable evaluation functions are increasingly looking to engage with management on how to address them.

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<sup>14</sup> Evaluability deals with the ex-ante analysis of whether the conditions are in place to allow a successful evaluation. In most cases evaluability includes judging: a) the clarity of intent of the subject to be evaluated (relevance and design of the expected outcome statements and results matrices); b) the existence of sufficient measurable indicators (collection of reliable data for analysis); c) the quality of monitoring systems; and d) external factors (positive or negative) that have influenced the process and the realization of expected outcomes.

### Transparency and consultation

134. Overall, the OED approach to both consultation and transparency of the evaluation process is in line with that of other UN evaluation functions and the UNEG Norms. However, we would note that practice within the office to consultation has varied across the evaluations and needs to become both more systematic and consistently applied within evaluations. This applies particularly to the country evaluations, if the country level stakeholders are to become major users of the evaluations. In such cases, engagement by country level stakeholders often extends beyond consultation to fostering their active participation in the scoping and focus of the evaluations.

## **7. The Independence of the FAO Evaluation Function and evaluations**

135. The Peer Review panel assessed the independence of FAO's evaluations and evaluation systems against the following UNEG Norms. However, as a result of the differing contexts of the evaluation functions that belong to UNEG, the Norms related to independence are by necessity very broad. Therefore the panel has, to a significant extent, benchmarked OED's independence and the systems put in place against those found in the most independent UN evaluation functions, such as UNDP and IFAD, and experience from the independent evaluation functions of the multilateral banks:

**UNEG Norm 2.1:** *The Governing Bodies and/ or Heads of organisations in the UN system are responsible for fostering an enabling environment for evaluation and ensuring that the role and function of evaluation are clearly stated, reflecting the principles of the UNEG Norms for Evaluation, taking into account the specificities of each organisation's requirements.*

**UNEG Norm 2.2:** *The governance structures of evaluation vary. In some cases, it rests with the Governing Bodies in others with the Head of the organisation. Responsibility for evaluation should be specified in an evaluation policy.*

**UNEG Norm 2.3:** *The Governing Bodies and/or the Heads of organisations are also responsible for ensuring that adequate resources are allocated to enable the evaluation function to operate effectively and with due independence.*

**UNEG Norm 2.4:** *The Governing Bodies and/or Heads of organisations and of the evaluation functions are responsible for ensuring that evaluations are conducted in an impartial and independent fashion. They are also responsible for ensuring that evaluators have the freedom to conduct their work without repercussions for career development.*

**UNEG Norm 5.1:** *Impartiality is the absence of bias in due process, methodological rigor, consideration and presentation of achievements and challenges. It also implies that the views of all stakeholders are taken into account. In the event that interested parties have different views, these are to be reflected in the evaluation analysis and reporting*

**UNEG Norm 5.3:** *The requirement for impartiality exists at all stages of the evaluation process, including the planning of evaluation, the formulation of mandate and scope, the selection of evaluation teams, the conduct of the evaluation and the formulation of findings and recommendations.*

**UNEG Norm 6.1:** *The evaluation function has to be located independently from the other management functions so that it is free from undue influence and that unbiased and*



*transparent reporting is ensured. It needs to have full discretion in submitting directly its reports for consideration at the appropriate level of decision-making pertaining to the subject of evaluation.*

**UNEG Norm 6.2:** *The Head of evaluation must have the independence to supervise and report on evaluations as well as to track follow-up of management's response resulting from evaluation.*

**UNEG Norm 6.3:** *To avoid conflict of interest and undue pressure, evaluators need to be independent, implying that members of an evaluation team must not have been directly responsible for the policy-setting, design, or overall management of the subject of evaluation, nor expect to be in the near future.*

**UNEG Norm 6.4:** *Evaluators must have no vested interest and have the full freedom to conduct impartially their evaluative work, without potential negative effects on their career development. They must be able to express their opinion in a free manner.*

**UNEG Norm 6.5:** *The independence of the evaluation function should not impinge the access that evaluators have to information on the subject of evaluation.*

136. Main findings of the Peer Review Panel are summarized below.

### **7.1 Are the relevant systems and approaches in place?**

137. Listed below are the actions included in the IPA that directly relate to establishing the independence of the OED. In all cases, these have been implemented, although not always exactly as envisaged in the IPA (see Annex IV):

- Establishment of evaluation as a separate and operationally independent office inside the Secretariat structure, reporting to the Director-General and the Council through the Programme Committee
- Evaluation budget: The evaluation Regular Programme budget will be increased to 0.8-1.0% of the total Regular Programme budget (over two biennia) and once decided upon by the Governing Bodies, as part of the Programme of Work and Budget approval process, allocated in full to the evaluation office.
- All contributors of extra-budgetary funds will respect the Council decision that at least 1% of all extra-budgetary funds should be allocated for evaluation.
- Recruitment of Evaluation Director at D2 level. A panel consisting of representatives of the Director-General and Governing Bodies, as well as evaluation specialists from other UN agencies will review the terms of reference and statement of qualifications for the post, and then participate in a panel to screen and select the appropriate candidate.
- The Director of Evaluation will serve for a fixed of four years with the possibility of renewal for a maximum of one further term, with no possibility for reappointment within FAO to another post or consultancy for at least one year.
- Approval by the Council of a comprehensive evaluation policy incorporated in a "Charter", including that all evaluation reports, management responses and follow-up reports will continue to be public documents, fully available to all FAO Members. Efforts to discuss and bring the reports to the attention of all concerned Governing Body members will also be further strengthened through consultative groups and workshops on individual evaluations;
- The provisions for evaluation as approved in the Charter reflected in the Basic Texts

138. In broad terms, the Charter establishes FAO's OED, along with UNDP's Evaluation Office (EO) and IFAD's Independent Office of Evaluation (IOE), as amongst the most independent evaluation functions within the UN family. Provisions within the Charter that have established independence include:

- I. That OED is now located independently from the other management functions, so making it free from undue influence and outside the line management that it is mandated to evaluate.
- II. OED has two separate but direct lines of reporting. One to the Council through the Programme Committee. A second, straight to the Director-General.
- III. The evaluation teams are solely responsible for the findings and recommendations presented in the evaluation reports, subject to quality assurance by the Office of Evaluation. The Office assures adherence to the terms of reference and recognised quality standards, timeliness, and to provide information and methodological support to the evaluation.
- IV. OED is solely responsible for the conduct of all evaluations (with the exception of auto-evaluations), including the selection of evaluators and the terms of reference.
- V. The Charter provides for the disclosure of evaluation products. All evaluation reports, management responses and follow-up reports are to be made available to all members of the Programme Committee and are posted on the FAO evaluation website. Consultative groups and workshops are used to bring key evaluation reports to the attention of member countries.
- VI. The Charter identifies that the Council is the decision-making body on evaluation policy and work programme. It exercises oversight over evaluation and ensures that there is transparent, professional and independent evaluation of the Organisation's performance in contributing to its planned outcomes and impacts, including feedback of evaluation into planning and programming. Oversight of whether the OED is transparent, professional and independent is exercised through this peer review process and the future mandated evaluation of evaluation in FAO, which are presented to the Programme Committee.
- VII. The Director of Evaluation has the responsibility for the appointment of evaluation staff and the appointment of consultants, in conformity with FAO procedures.
- VIII. The Director of Evaluation serves for a fixed term of four years with a possibility of reappointment only once for a further term of four years. The renewal of the appointment of the Director of Evaluation is subject to consultation with the Programme Committee. Likewise, the Director-General shall consult with the Programme Committee before the termination of the appointment of the Director of Evaluation. The Director of Evaluation may not be reappointed within FAO to another post or recruited as a consultant during a period of one year following the expiry or termination of the appointment.
- IX. The Regular Programme budget for evaluation will attain the level of at least 0.8% of the total Regular Programme Budget. In consideration of the fact that the Evaluation Office also reports to the governing bodies of the Organisation, the evaluation budget will be allocated in full to the Evaluation Office upon approval by the Council and Conference as part of the Programme of Work and Budget.
- X. An allocation for evaluation is included in all extra-budgetary supported activities. Two Trust Fund pool accounts have been established to receive the evaluation funds: one for emergency and rehabilitation projects and another for technical cooperation for development projects, including programme support to normative work. The Trust Funds will be utilised to finance thematic, programme and country evaluations.

139. The panel concludes that the functional independence of the Office is, in general, well established. The Office has an independent budget under the control of the Director of Evaluation. It has the freedom to design and conduct evaluations according to professional quality standards. The Council has oversight responsibility for evaluations to ensure that the processes for evaluating the performance of the organisation are transparent, professional and independent. Reporting lines are clearly established to the Director-General and to the Governing Council through the Programme Committee; with an internal Evaluation Committee which advises on evaluation issues. OED has full independence to submit its evaluations directly for consideration at the appropriate level of decision-making within the organisation. As stated in the Charter, the Programme Committee is the direct recipient of evaluation reports for the governing bodies. The Programme Committee advises the Council on overall policies and procedures for evaluation. It approves the rolling work plan for major evaluations, reviews key evaluation reports and the management responses to the evaluations and presents its conclusions and recommendations for follow-up action on both the evaluation and the management response to the Council in its report.

140. However, while significant progress has been made in establishing OED's functional independence, experience suggests that there are still areas where it would be wise to further clarify issues. The panel observes that while OED is structurally independent of operational and technical line management functions, the existence of a reporting line to the Director-General and being subject to the normal FAO administrative rules and procedures (which implies accountability to the Director-General) means that the Office is not entirely structurally independent. Notwithstanding that there may be solid reasons and legal grounds for not granting full structural independence, and no other UN evaluation function has greater structural independence, this undoubtedly increases the challenges of maintaining functional independence for the evaluation function.

141. The panel believes that the stakeholders can learn from the example of other independent evaluation functions on how to manage these challenges and identifies a number of amendments that should be considered at the next revision of the Charter.

## **7.2 Issues associated with operationalization of the current systems and approaches**

### Responsibility for maintaining independence

142. Currently the Director-General bears no responsibility for maintaining the functional independence of the Office. While accepting the need for a reporting line to the Director-General, we note that the UNDP equivalent of the Charter includes responsibility for maintaining the independence of the UNDP Evaluation Office among the responsibilities of the Administrator. As discussed below, the Charter should be amended to include the Director-General's responsibility for maintaining independence for a number of reasons.

### Appointing and reappointing the Director of OED

143. International best practice is that Heads of evaluation units are appointed by the Governing Body of the organisation concerned, or, if this is not possible according to HR rules and regulations of the organisation, the appointment will take place on recommendation of the Governing Body, and the recommendation is followed unless there are non-substantive issues (security clearance, job history, etc.) that would prohibit such an appointment. On firing, international best practice is that this cannot be done by management, unless there are non-substantive issues that call for immediate dismissal (fraud and theft and other fiduciary issues that may arise). This approach can be seen in UNDP's Evaluation Policy of 2011 where "reviewing and advising on the appointment, renewal and dismissal of the Director of the Evaluation Office" (Article 18, b, ii) is included as a responsibility of the Executive Board of UNDP/UNFPA.

144. The present FAO Charter takes a slightly different approach. The appointment itself is done by the Director-General upon recommendation of a panel which includes members of the Governing Body and representatives of other evaluation units in the UN. However, the Director-General is allowed to choose from several candidates. And on firing the Director of the Office of Evaluation, the Director-General is required to “consult” the Governing Body, but it is not clear what the consultation would mean. The Charter also states that the Director may not be reappointed within FAO to another post or recruited as a consultant during a period of one year following the end of his or her appointment. These provisions are in line with those found within the multilateral banks and the more structurally independent evaluation functions within the UN.

145. In general the panel sees the following possibilities that could be explored in amending the Charter:

- The Charter recognizes the right of the Programme Committee/Council to recommend its preferred candidate for appointment to the position of Director;
- The Charter states that the Director’s re-appointment for a second term can only be refused by the Director-General if the Programme Committee/Council requests this; and
- The Charter states that the Director’s appointment can only be terminated before its end date if the Programme Committee/Council requests this or there are fiduciary reasons for termination.

#### Managing the Director of OED

146. The UNEG Norms and Standards have been written from the perspective that reporting either takes place to the Governing Body or to the Head of the Organisation (as for example clearly stated in Standard 1.1, article 2, bullet 4: “The Head of evaluation should report directly to the Governing Body of the organisation or the Head of the organisation.” The Norms and Standards contain many provisions on the responsibilities of Governing Bodies and Heads of Organisations vis-à-vis the evaluation function of the organisation, but do not provide a clear perspective when these responsibilities are shared. Discussion with the current OED Director reveals that what the provision for reporting to the Director-General means in practice is still unclear.

147. While the Charter is explicit on the independence of the head of evaluation on undertaking performance assessment of evaluation staff, the performance assessment of the Director is not directly addressed in the Charter. The panel understands that the Performance Assessment of the Director of Evaluation is currently undertaken by the Director-General. While this is the *norm* rather than the *exception* in UN agencies, the concept of independence promoted in the multilateral financial institutions, for instance, would view the reporting relationship to the Director-General as a constraint on independence. Furthermore, as noted above, the Director-General is not required by the Charter to ensure the independence of the Office and thus may feel entirely justified in assessing the performance of the Director from the management perspective rather than from the perspective of the Governing Body.

148. This review notes that this reporting relationship has, so far, not presented any major problems for the independence of the evaluation function. However, as noted above, it is not in line with international best practice and the potential for influence exists. It also potentially raises practical consequences for the Director, for example in allowing salary raises.

149. The panel suggests that the possibility of the Director's performance assessment either being done by the Programme Committee/Council or that they have a substantive input in the assessment be included in any future amendment of the Charter.

Ensuring independence within agreed administrative rules and procedures

150. In many UN and other international organisations, the issue of application of administrative rules and procedures is unproblematic. The evaluation function reports to either the Governing Body or the Head of the Organisation, and whoever is reported to is also responsible for maintaining or ensuring the independence of the evaluation unit. However, in the case of FAO the Director-General is responsible for ensuring that the Evaluation Office functions within its approved budget and work programme and the agreed rules and procedures, but not for ensuring independence.<sup>15</sup> The Council, on the other hand, is responsible for ensuring OED's independence, but has no role in monitoring OED conformance with administrative rules and procedures. This creates a tension, in terms of maintaining independence. On the one hand, administrative rules and procedures exist for good reason and independence for an evaluation office cannot mean that the office is free from all oversight of how administrative rules and procedures are enforced. On the other hand, if this oversight is exercised by the Director-General, at the least, it can be seen as potentially circumscribing the independence of the office.

151. In the case of FAO, practice over the past two years, since the Charter came into force, has been for issues where the Director of OED has thought his independence to manage evaluation processes circumscribed by an administrative decision of the Director-General, to resolve the issue on an *ad hoc* basis with the Director-General. Mostly, this approach has been successful, but in at least one case, from an independence perspective, the Director-General's decision stood and the quality of an evaluation impacted.

152. From the panel's perspective there are several problems with this *ad hoc* approach. First, it is not entirely transparent. Second, in the absence of a clear agreement, it is difficult for either a new Director-General or Director of OED to easily find out what has been agreed in the past. Experience from other organisations, and to some extent in FAO itself, has been that changes in leadership of an organisation or independent evaluation function often leads to a period in which the understanding of what the relationship between the head of the organisation and head of the independent evaluation office needs to be re-established and expectations on both sides clarified.

153. In other organisations that have faced this challenge, amongst them IFAD, the GEF and UNDP, this issue has led to specific agreements between management and the evaluation unit concerned on how administrative rules will be applied to ensure both accountability and independence. These arrangements, incorporated in the evaluation policy in the case of UNDP and in separate agreements in the case of IFAD and GEF, tend to be in line with the regular procedures of the organisation, but to provide an interpretation or application of these procedures that maintains or ensures the functional independence of the evaluation unit.

154. Scope to adopt a similar approach exists within the Charter, which provides a role for the Director-General in ensuring that OED functions within "... the agreed rules and procedures". The logic would be to clarify what is meant by 'agreed' in a supporting document issued by the Director-General.

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<sup>15</sup> This contrasts to UNDP where the Evaluation Policy holds the Administrator accountable for safeguarding the functional independence of the Evaluation Office – see Evaluation Policy, 2011, Article 20 and specifically 20d. (<http://web.undp.org/evaluation/policy.htm>)

155. Specific administrative agreements between organisations and their Heads of evaluation units may focus on the application of:

- Procurement rules. The agreement may detail how waivers are granted and may ensure sufficient oversight on application of procurement ethics and general rules while ensuring that the evaluation unit can hire the experts that are deemed necessary for the evaluation at hand.
- Human resources rules. The agreement may detail how staff (including the Director) is hired and how their performance is assessed. Currently, performance assessment is the responsibility of the Director, as it should be, but according to the Human Resources system in place the supervisor of the Director is the final authority on the performance assessments of staff of the Office. The supervisor in the system is the Director-General. So far the Director-General has not exercised his right to interfere in the assessments. However, in other organisations the system has been adapted slightly to prevent any conflict of interest at the supervisor level. Options range from allowing the Director also to be the final supervisor for the assessment, to involving objective and neutral staff from Human Resources.
- Budget management rules. The agreement may lead to safeguards that the funding of an evaluation unit is separate from that of other units and will be available at the discretion of the Office.
- Travel rules. The agreement safeguards the functional independence of the Office on decisions on when and where to travel, within the rules and regulations of the Organisation regarding operational travel.

#### Ensuring full budgetary independence

156. An important issue with the budget of the OED is that only the percentage of FAO's overall regular programme budget that should be transferred to OED is decided by the Governing Bodies. In the cases of the other major sources, while the Programme Committee in 2007 endorsed the principle that an evaluation line be included in the budgets of all Technical Cooperation for Development projects, what the level of funding to be included appears to be agreed directly between OED and programme management, and not decided by the Governing Bodies. It is also important to bear in mind that the effectiveness of the present approach for both the trust funds relies upon programme staff consistently applying the principle of including a funded evaluation budget line within all voluntary funded projects. While experience to date suggests that they have done so, this is outside of the direct control of OED and the Programme Committee.

#### Independence in access to information and informants

157. Interviews suggest that there have been no systemic restrictions on access to information or informants which might obstruct the independence of the FAO evaluation function in conducting evaluations. However, at the individual level, instances have been encountered. This was most obviously seen in a recent evaluation in which the OED delayed implementation of the evaluation until the key interlocutor in programme management had retired, as the relationship was so problematic. However, while this was a pragmatic approach, it affected the quality of the subsequent evaluation, as many of the key programmatic decisions were not well documented and the institutional memory lay with the person that retired.

### Independence of evaluation managers and contracted evaluators

158. We have found no evidence that evaluations are not conducted in an impartial and independent fashion or that evaluators have amended what they presented based on a fear of future repercussions or due to untoward pressures from the evaluation managers.

159. Regarding the independence and impartiality of the external evaluators, the TORs have standard provisions to prevent Conflicts of Interest. Consultants are selected on a competitive basis, on the basis of competencies detailed in the TORs for the evaluation. A well-developed database of over 500 entries of evaluation consultants exists. Where an appropriate consultant is not available, calls for an expression of interest are circulated through evaluation networks and requests are made to Programme Managers for suggestions. All consultants are interviewed and required sign the “Declaration of Interest Relevant to Undertaking Evaluation Work for FAO”. As such, OED’s approach to the recruitment of consultants and ensuring their independence is in line with best practice in other evaluation units.

160. However, we are also aware that OED’s present approach to evaluation partly reflects a belief that in the past the evaluation managers were not independent and we have not specifically looked to gather evidence on whether or not this is still a widely held opinion and based on what evidence. We have therefore flagged this as one of the issues in Section 8.2 that should be examined in more depth in the evaluation of the evaluation function in FAO.

## **8. The Peer Review Panel’s Overall Assessment and Recommendations**

### **8.1 Strategic Conclusions and recommendations**

161. With regard to the role for evaluation underpinning the relevant IEE and IPA recommendations, the panel concludes that significant progress has been made over the past two years, but as in any organisation there are areas in which more needs to be done. Suggestions on how OED might approach some of the issues outlined in both these conclusions and the recommendations have been discussed in the process of the review with members of OED and are also included throughout the discussion and analysis above.

#### Usefulness

162. The panel found that the systems and approaches commonly identified under the UNEG norms for enhancing and facilitating the use of strategic evaluations are in place. We also conclude that issues related to the use of evaluation are adequately covered within the Charter. While there are areas in which application of these systems could be tweaked, we believe that these adjustments will have only a modest affect upon enhancing the overall future use of evaluations.

163. The Programme and Evaluation Committee members, who as outlined in the Charter are the major audiences for evaluations to the Governing Bodies, perceive these evaluations to be useful. We have found no significant evidence that contradicts this perception. On the other hand, the 2007 IEE review of the FAO evaluation function found that Programme Committee members and senior managers agreed that the Governing Bodies did not use the findings of evaluations in making decisions on the overall strategic direction of the Organisation and resource allocation – and that, in principle, they thought that they should. Our overall conclusion is that the situation today remains much the same and making more strategic use of evaluation in the future is where the greatest opportunity lies for enhancing the usefulness of evaluations to the Governing Bodies.

### **Recommendation 1: To the Programme Committee, Director-General and OED**

***FAO should move to more strategic use of evaluations to the Governing Bodies, requiring evaluations to address strategic issues, focusing recommendations on strategic decisions and broadening the evaluative base through a more consistent evaluation practice***

164. Moving towards more strategic evaluation and strategic use of evaluations requires both change in what the Programme Committee and the Director-General and Evaluation Committee see as the purpose of strategic evaluations and then how they are used (See paragraphs 86-90, 96-101).

165. On the part of OED, it requires a number of changes in the approach to evaluation currently used, with consideration on what strategic questions are and whether or not meeting strategic information demands would be best met through more use of synthesis of lessons and experience across evaluations. Finally, as discussed elsewhere, it implies a lesser focus in the evaluation recommendations on telling operational management in detail how things should change.

166. The overall utility of country evaluations to date, with some exceptions, can however be questioned. This probably is because these evaluations were introduced in 2006 in a context where FAO did not programme at the country level, but rather at the level of the project/programme, and so there weren't country level systems and frameworks within which the country evaluations could easily fit. FAO's recent rapid introduction of country programming approaches, as signified by the rollout of the country programme frameworks, suggests that this former constraint will disappear and therefore there is now an opportunity to look again at how to significantly enhance their utility (see paragraphs 102-104).

### **Recommendation 2: To the Director-General and OED**

***OED and management should agree how country evaluations can best be used within FAO's evolving country programming approach and clarify roles and responsibilities for the management responses and follow-up reports***

167. As in many other organizations the link between RBM and evaluation is non-existent and this is one of the few areas in which something clearly stated in the Charter – namely an advisory role for OED to management on results based management – has not been acted upon. We fully agree with the rationale given for why this role was included in the IPA and then the Charter and also think that the fact that management is actively considering how the RBM approach/systems should change in future makes this an opportune moment for OED to engage (see paragraphs 105-107).

### **Recommendation 3: To the Director-General and OED**

***The advisory role of the OED to management in the RBM system should be established as soon as possible***

#### Credibility

168. Credibility in the individual evaluations has been primarily reliant on evaluation practice as interpreted by the individual evaluation managers and the credibility of the contracted team leaders. This is the same as in most evaluation functions. Our conclusion is that the systems and approaches used to recruit evaluation managers accord with good practice elsewhere. Evaluations are conducted transparently, are assessed as impartial and are conducted independently without interference from management. Stakeholder consultation takes place at various parts of the process



but does not always engage all stakeholders.

169. OED's approach does diverge from comparable evaluation functions in two key aspects related to ensuring credibility. First, unlike in all other comparable evaluations, final responsibility for the contents of the OED evaluations lies with the evaluation team – in practice contracted team leader – rather than with the evaluation office. Second, to date, OED has not prioritised ensuring a common and consistent understanding and application across the team of evaluation managers of evaluation practice and standards.

170. Over the past eighteen months, this has started to change. OED has started to introduce guidance to strengthen common practice by the evaluation managers and the systems identified under the relevant UNEG Norms are now being put in place. The review further found that the Charter covers the most significant issues involved in ensuring the credibility of the evaluations and the evaluation system. However, much remains to be done. Our view is that demands upon evaluation will continue to evolve over the next few years and that the changes in demands will necessitate acceleration in the changes to how credibility and quality are ensured in OED evaluations.

171. We conclude that OED should align with practice almost everywhere else and assume explicit responsibility for the contents and quality/credibility of its evaluation reports (see paragraphs 119-122).

#### **Recommendation 4: To OED**

##### ***OED should become explicitly responsible for the contents of all evaluations that it delivers***

172. This will necessitate some redefinition of the roles of the Director, evaluation managers and team leaders. It will also require implementation of quality assurance approaches and also, at a minimum, ensuring that the evidence is presented to: (i) show that a credible evaluation methodology has been selected; and as importantly (ii) that it has been applied. This only needs to be covered briefly in the executive summaries and other dissemination products, but full disclosure is required in the full reports.

173. As important, OED needs to be transparent in detailing the limitations in the methodology and data for addressing the evaluation questions posed.

#### **Recommendation 5: To OED**

##### ***Evaluation reports should adopt a uniform approach on presenting the methods used, the data collected and analyzed and on the scope and limitations of the evaluation, in order to provide transparency on how the evaluation gathered findings and reached conclusions.***

174. This in turn emphasises the need for OED, and particularly the Director, to rapidly move to complete the moves to systematise practice and understanding across the team. Common and consistent understanding and practice is required if OED is to assume real responsibility for the contents of its evaluations, especially if evaluations in future are to be more strategic. It is also important to help forestall fears that the evaluation managers may not be totally independent, as rigorous and transparent application of evaluation methodology is partly designed to make instances of bias easier to spot.

## **Recommendation 6: To OED**

### ***OED should rapidly move to systematise common and consistent evaluation practice and understanding across the team of evaluation managers***

175. Plans to do so may be in place, but successful implementation will be contingent on changing the internal culture within the team as a whole and managing tensions. OED also faces the familiar challenge of where to strike the balance between delivery in the short-term and investment in developing internal team capacity to enhance medium term efficiency and effectiveness. We see signs that OED acknowledge that this is a challenge and the balance may have been in the wrong place in the past, but we re-iterate that internal capacity development and team building is a necessity (see paragraph 123-133).

### **Independence**

176. The differing contexts of the evaluation functions that belong to UNEG means that the Norms related to independence are by necessity very broad. Therefore the panel has, to a significant extent, benchmarked OED's independence and the systems put in place against those found in the most independent UN evaluation functions, such as UNDP and IFAD, and experience from the independent evaluation functions of the multilateral banks. Our overall conclusion is that along with UNDP's Evaluation Office and IFAD's Office of Evaluation, OED is probably the most functionally and structurally independent evaluation function across the UN family. However, while significant progress has been made in establishing OED's functional independence, experience suggests that there are still areas where it would be wise to further formally clarify issues.

## **Recommendation 7: To the Programme Committee**

### ***The Charter should be amended to clarify a number of issues required to ensure functional independence of the OED***

177. We would suggest that this be done expediently and certainly before recruitment of the next OED Director. The following possibilities that could be explored in amending the Charter:

- Responsibility for maintenance of the OED's functional independence should be included in the roles and responsibilities of the FAO Director-General (see paragraph 142).
- The role of the Programme Committee in the recruitment, re-appointment and possible dismissal of the OED Director should be clarified. Possibilities that should be considered would include (see paragraphs 143-145):
  - The Charter recognizes the right of the Programme Committee/Council to recommend its preferred candidate for appointment to the position of Director;
  - The Charter states that the Director's re-appointment for a second term can only be refused by the Director-General if the Programme Committee/Council requests this; and
  - The Charter states that the Director's appointment can only be terminated before its end date if the Programme Committee/Council requests this or there are fiduciary reasons for termination.
- The panel suggests that the possibility of the Director's performance assessment either being done by the Programme Committee/Council or that they have a substantive input in the assessment be included in any future amendment of the Charter (see paragraphs 146-149).
- The present schedule of a review every two years and a full evaluation in the sixth year is

probably not a cost-effective schedule, mainly because things change relatively slowly. We would suggest that an evaluation be scheduled for late 2015 or early 2016, which would allow time for changes suggested here to bear results and also fit with development of the next strategic plan in 2017. The next review should then take place three years later.

#### **Recommendation 8: To the Programme Committee**

***The Charter should be amended to allow an evaluation of evaluation in FAO in late 2015 or early 2016, to allow time for changes suggested here to bear results and also fit with development of the next strategic plan in 2017. Alternate peer reviews and evaluations should then be scheduled every three years.***

178. The panel observes that while OED is structurally independent of operational and technical line management functions, the existence of a reporting line to the Director-General and being subject to the normal FAO administrative rules and procedures (which implies accountability to the Director-General) means that the Office is not entirely structurally independent. Notwithstanding that there may be solid reasons and legal grounds for not granting full structural independence, and no other UN evaluation function has greater structural independence, this undoubtedly increases the challenges of maintaining the functional independence for the evaluation function.

179. From the panel's perspective the present *ad hoc* approach to resolving issues where the Director of OED has thought his independence to manage evaluation processes circumscribed by an administrative decision of the Director-General is problematic. In other organisations this issue has led to specific agreements between management and the evaluation unit concerned on how administrative rules will be applied to ensure both accountability and independence. Scope to adopt a similar approach exists within the Charter, which provides a role for the Director-General in ensuring that OED functions within "... the agreed rules and procedures".

#### **Recommendation 9: To the Director-General and OED**

***The Director-General and OED should draft an agreement between management and OED identifying how administrative rules on procurement, human resources, budget management and travel will be applied to ensure both the accountability and independence of OED.***

180. The logic would be to clarify what is meant by 'agreed' in a supporting document issued by the Director-General. Specific administrative agreements between organisations and their Heads of evaluation units may focus on the application of (see paragraphs 150-154):

- Procurement rules. The agreement may detail how waivers are granted and may ensure sufficient oversight on application of procurement ethics and general rules while ensuring that the evaluation unit can hire the experts that are deemed necessary for the evaluation at hand.
- Human resources rules. The agreement may detail how staff (including the Director) is hired and how their performance is assessed. Currently, performance assessment is the responsibility of the Director, as it should be, but according to the Human Resources system in place the supervisor of the Director is the final authority on the performance assessments of staff of the Office. The supervisor in the system is the Director-General. So far the Director-General has not exercised his right to interfere in the assessments. However, in other organisations the system has been adapted slightly to prevent any conflict of interest at the supervisor level. Options range from allowing the Director also to be the final supervisor for the assessment, to involving objective and neutral staff from Human

Resources.

- Budget management rules. The agreement may lead to safeguards that the funding of an evaluation unit is separate from that of other units and will be available at the discretion of the Office.
- Travel rules. The agreement safeguards the functional independence of the Office on decisions on when and where to travel, within the rules and regulations of the Organisation regarding operational travel.

181. Impartiality is closely related to independence and we find no evidence that the evaluations are not, in the main, impartial. We conclude that the evaluations are impartial mainly due to the efforts of OED to ensure that it recruits team leaders who are independent and have not been involved with the work under evaluation. However, we would note that scope still remains to ensure that evidence of impartiality is more clearly presented in the evaluation reports, by ensuring that the linkage between evidence and findings and the conclusions is more clearly made and, where appropriate, ensuring that alternative views on the conclusions to be drawn from the evidence presented are included in the evaluation reports.

## **8.2 Additional issues that might be covered in the future evaluation of evaluation in FAO**

182. For the full evaluation of the evaluation function in FAO there are a number of questions that would need to be examined in more depth than in this review.

### *Roles and responsibilities*

183. In this review, the panel have primarily focused on the functioning of OED. How the other parties identified in the Charter – The Council, Programme Committee, Director-General, and Evaluation Committee - have fulfilled their roles or what they might do differently to enhance the value of evaluation to meeting the needs of both the Council and FAO management has not been examined in any depth. An evaluation looking at the added value of evaluation to the organisation should therefore examine the roles of all key parties in ensuring that evaluation adds value.

### *Evaluation as a component of RBM*

184. Evaluation at organisational level is one component of the overall results-based management (RBM) system. As with any system, to fully understand the functioning and effectiveness of any one component, it is necessary to examine operation of the system as a whole and how the various components interact. The evaluation should therefore examine how evaluation fits into the overall RBM system and the degree to which the effectiveness of both evaluation and the whole RBM system might be enhanced through changes in the approach to evaluation in FAO.

### *The implications of decentralisation*

185. Given the rapid decentralization happening within FAO, the evaluation should assess how this has impacted, and will impact on evaluation responsibilities as currently identified in the Charter.

### *Evaluation for learning*

186. A major purpose of evaluation in FAO is learning. The degree to which evaluation can fulfil this role is ultimately dependent upon whether there is a culture of learning within the overall organisation and whether there are incentives for staff and managers to learn from evaluation. The

IEE concluded that knowledge management is a challenge within FAO, and therefore any evaluation of evaluation's utility should include examination of how it has been integrated into the wider processes aimed at enhancing knowledge management in the organisation as a whole. In particular, the usefulness of the evaluations to middle managers and subject matter specialists within the organisation and to the other key stakeholders at country level should be examined, which would include a detailed examination of the consultation processes used within the evaluations and whether they are adequate.

#### *Evaluation for accountability*

187. The extent to which evaluation recommendations are actually implemented and whether what was implemented addressed the challenges identified by the findings and conclusions of the evaluations has already been identified as an issue by the Programme Committee.

188. The adequacy of coverage of evaluations for the Governing Bodies and country evaluations should be examined in more detail and linked with a greater examination of how to meet demands from both the Programme Committee and senior management.

#### *Quality and credibility*

189. The credibility and usefulness of project evaluations, which still comprise a significant strand of work, should be reviewed in depth.

190. OED's internal quality assurance approaches are only now being put in place and therefore whether they have developed to enhance the credibility and utility of evaluations would need to be examined. This would need to be linked with a more structured assessment of the quality of a significant proportion of the three types of evaluation – to the Governing Bodies, country level and project level. It is also possible that this should be extended to any future syntheses, if these become more used.

#### *Behavioural and functional independence of OED*

191. OED's present approach to evaluation partly reflects a belief that in the past the evaluation managers were not independent. We have not specifically looked to gather evidence on whether or not this is still a widely held opinion and whether it is based on convincing evidence. However, given the recommendations of this review, examination of the independence of the evaluation managers is necessary.

192. The future role of the evaluation trust funds as growing sources of OED funding should be reassessed.