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منظمة  
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للأمم المتحدة

## PROGRAMME COMMITTEE

**Hundred and Twenty-fifth Session**

**Rome, 12-16 November 2018**

**Follow-up report to the Evaluation of FAO's Evaluation function  
(PC 120/5; PC 120/5 Sup. 1)**

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PC 125

### **Executive Summary**

- This document explains the progress made in the implementation of the actions proposed in the Management Observations (PC 120/5 Sup.1) on the independent Evaluation of the Evaluation Function (PC 120/5) conducted in 2016.
- The actions taken correspond to each of the six recommendations made by the evaluation, relating to: enhancing the learning and accountability; strengthening the independence; developing a decentralized evaluation system; briefing the Programme Committee on evaluation plans; developing evaluation capacity; and developing an FAO Evaluation Policy.
- Developing a decentralized evaluation system and an evaluation policy imply a major shift in the accountability system of the Organization, particularly at the decentralized level, and require a change in the funding arrangements of project evaluations from extra-budgetary sources. The structure of the Office of Evaluation may need to be adjusted to provide effective support to decentralized evaluations, national evaluation capacity development and system-wide initiatives. Therefore, further actions on these aspects would require consent from the Members, and the views of the Programme Committee on the merits of further actions on these aspects would be critical.

### **Guidance sought from the Programme Committee**

- The Committee is invited to review the progress made and provide guidance on the further actions, especially with respect to the decentralized evaluation system and the corresponding change in the policy, as well as the changes required in the Office of Evaluation to support decentralized evaluations, national evaluation capacity development and system-wide initiatives.

1. Management and the Office of Evaluation (OED) welcome the opportunity to provide information on the progress made in implementing the actions agreed in the Management Response to the independent Evaluation of FAO's Evaluation Function (PC 120/5), which was considered at the 120th session of the Committee.

2. Overall, there has been significant progress in the implementation of accepted recommendations. Further actions to fully implement the recommendations include: building up a decentralized evaluation system, subject to resource availability; making further clarifications on the dual reporting line to ensure operational independence of evaluations; expanding support to development of national evaluation capacity in view of the SDG-based national evaluations; developing an organization-wide evaluation policy to cover the above points; and adjustment of the evaluation post structure to enable effective support to the decentralized evaluations and national capacity development.

### *Enhancing the learning and accountability (recommendation 1)*

3. To enhance learning and accountability, OED is implementing the Action Plan submitted to the 121st session of the Committee, and will submit a progress report to the 126th session (the management response 1.f).

4. On human resources issues (management response 1. a), all vacancies in OED were filled by mid-2017, although some staff are leaving the Organization in 2018, initiating new recruitment processes. As the report pointed out, some imbalance remains in the post structure itself. In this regard, possibilities for adjusting the evaluation post structure will be explored in preparation for the next programme of work and budget proposal with a view to ensuring accountability for evaluations and contributing to UN-wide support to SDG-based and UNDAF evaluations (see box 1).

#### **Box 1. OED post structure**

Currently, OED posts are concentrated at mid-level (five P-4 posts) and weak on the management level (one D-2 post) and the junior level (one P-3 post), while adequate at the senior level (two P-5 posts).

Given the independent nature of evaluation, there is a high demand for management-level representation and accountability for the evaluation terms of reference, clearance of evaluation reports, and the presentation of reports to governments and funding agencies at an appropriate level. For this reason, evaluation offices of comparable size or slightly smaller (WFP, UNDP, UNICEF, IFAD) have a deputy director position. The feasibility to create a deputy director post will be examined in preparing the next programme budget proposal. Such a post would also facilitate FAO participation in the UN system-wide effort to support SDG-based and UNDAF evaluations, as it would allow substantive engagement of the Director of Evaluation in the requisite inter-agency work. Also at the junior level, only one P-3 post is available, which limits opportunities for the recruitment of talented and young evaluation professionals. The feasibility of adjusting the post structure of the Office of Evaluation to address these needs will be considered in preparing the PWB 2020-21, within the mandated cost of the evaluation function (0.8% of the net appropriation).

5. On the synthetic presentation of evaluation findings (management response 1.b and c), the structure and contents of the biennial programme evaluation reports are revamped from the 2017 version. The new format presents a synthesis of findings across evaluations on themes such as: strategic relevance, strategic focus and coherence, partnerships and coordination, comparative advantages, key achievements, capacity development, gender dimension and nutrition. Revised guidelines for project evaluations and country programme evaluations now provide the basis for the comparability across evaluations on the above themes.
6. On the rating system, as indicated in the management response, it is applied in a limited scope for projects where ratings are comparable and the risk of misrepresentation is considered minimal. Concretely, a rating system is applied for projects funded by the Global Environment Facility, where the projects follow common technical guidelines and formats, and are to a certain extent comparable.
7. To strengthen the quality assurance system (management response 1.d), a supervisory mechanism for evaluations was introduced by OED, where designated senior evaluation managers assume responsibility to guide the design and conduct of all evaluations, throughout the process. These evaluation supervisors provide guidance and clear the terms of references and the draft reports. In addition, peer reviewers conduct the ex-post quality check of the drafts. The final draft is subject to clearance by the Director of Evaluation before its release.
8. This quality assurance mechanism is supported by continued capacity development of evaluation staff (management response 1.e). For the past biennium, emphasis was placed on developing quantitative methodologies. Evaluation staff and consultants benefited from training workshops on: effective sampling and survey design; quantitative data analysis, including statistical descriptions, hypothesis testing and regression analysis; quantitative impact analysis; and geo-spatial data analysis on the land use from satellite data. The evaluation of the MALIS project in Cambodia represents an example of the use of quantitative methodology, as it applied a quasi-experimental approach with difference-in-differences analysis based on structured household survey data. Also, several training workshops were organized to improve writing and presentation skills for different purposes and readerships.
9. Guidelines for the assessment of gender mainstreaming were developed and issued in 2017. These guidelines are now followed by all evaluations conducted. The methodology was further refined through its application to the successive Strategic Objective evaluations in their gender assessment annexes.

### *Strengthening the independence (recommendation 2)*

10. With regard to strengthening the operational independence of evaluations, all evaluation staff and consultants have adhered to the UNEG Code of Conduct, and were informed of the procedures in case of difficulty in compliance, such as when being subjected to undue influence (management response 2.a). The guideline on hiring evaluation consultants issued by OED explains the conflict of interest, and evaluation staff are regularly provided with guidance in the weekly staff meetings.
11. While the dual reporting line remains, a few points are clarified to ensure operational independence of evaluations. First, the Director of Evaluation will have direct access to counterpart government officials in programme countries and funding partners at an appropriate level to agree on the terms of evaluations and present the final reports. Missions proposed for these purposes will be undertaken within the travel rules of the Organization. The selection of external experts for the evaluation team will also be made by the Director, while subject to geographic and gender balance considerations. Finally, the evaluation reports will be finalized and issued at the authority of the Director, as has been the practice (management response 2.b).
12. In line with the recommendations, the responsibility of the Secretary of the internal Evaluation Committee has been transferred from the Director of Evaluation to a designated officer from Management (management response 2.c).

13. At the project formulation stage, a procedure was introduced for OED to review evaluation requirements of FAO project proposals. This helps to ensure adequate evaluation provisions, as well as to develop appropriate project evaluation plans. As for the recommendation for OED not to manage mid-term evaluations, in the above review, OED identifies the need for respective Budget Holders to conduct the mid-term evaluations. The exception to the above is the projects for which the resource partners request mid-term evaluations to be conducted under OED responsibility,<sup>1</sup> (the Management Response 2.d).

*Developing a decentralized evaluation system (recommendation 3)*

14. FAO has made some progress in developing a decentralized evaluation system for country programmes and projects. The introduction of evaluation planning in Country Programming Frameworks (CPF) was committed in the Management Response, and further confirmed by the Programme Committee in its review of the synthesis of lessons learnt in the application of the CPF.<sup>2</sup> The next planning guidelines will reflect this instruction (Management Response 3.a).

15. With regards to project evaluations, OED piloted decentralized evaluations in different countries and regions to gather lessons for the potential development of a decentralized evaluation system, as per the Management Response.<sup>3</sup> During this phase, OED developed manuals, guidelines and templates, and provided advisory and quality assurance services to facilitate the conduct of evaluations by decentralized offices (Management Response 3.b).

16. Under the current policy, OED evaluates: (i) development projects over USD 4 million (78-80 percent of such projects were evaluated in 2016-2017); (ii) emergency and rehabilitation programmes according to a plan agreed with the Emergency and Rehabilitation Division (e.g. by crises rather than by projects); and (iii) development projects under USD 4 million when there is a specific donor request for OED evaluation, through clustering of similar projects in one evaluation, or within the context of Country Programme Evaluations. If a decentralized evaluation system is introduced, it is expected that the coverage and the number of evaluations will significantly increase in the third category above.

17. In the last biennium, OED supported 23 decentralized evaluations. The pilots showed that decentralized offices have limited knowledge of evaluation principles (transparency, independence, confidentiality, etc.), as well as limited internal capacity to manage the evaluation process.

18. The pilot outcomes and the lessons learned from other UN agencies indicate that a fully-functional decentralized evaluation system needs the following support: (i) a requirement to have a costed evaluation plan in decentralized offices; (ii) placement of evaluation capacities in regional offices to provide regular support and guidance for programme or project managers in decentralized offices; (iii) tailored evaluation training for relevant staff in decentralized offices; (iv) adequate capacities to coordinate and provide advice and primary oversight from central evaluation office; and (v) commitment from the resource partners of extra-budgetary projects to adequately finance operational costs of evaluations, but also to contribute to the maintenance of the evaluation service infrastructure described above.<sup>4</sup>

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<sup>1</sup> Such exceptions include projects funded by the Green Climate Fund, which stipulates that both the mid-term and final evaluations to be conducted by an independent evaluation office.

<sup>2</sup> PC 124/4; PC 124/4 Sup.1

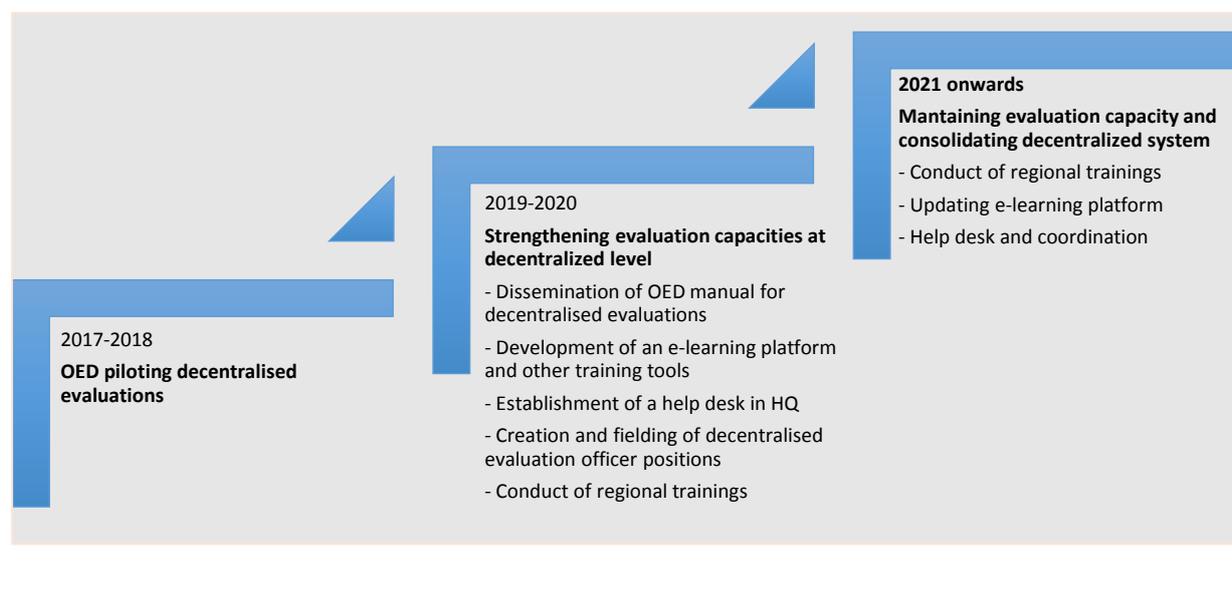
<sup>3</sup> Currently, as per the Charter of the Office of Evaluation, OED plans, manages or conducts, and controls the contents of all FAO project evaluations. OED is fully accountable for their quality and contents. Introducing a decentralized evaluation system means the programme or project managers will be responsible for planning, commissioning and managing decentralized evaluations. Evaluations will be commissioned to external evaluation teams, which conduct them. The programme or project manager will be accountable for ensuring a proper conduct and management of evaluations, while the evaluation team will be accountable for the report's contents. OED's role in decentralized evaluations will be to provide technical and quality assurance support.

<sup>4</sup> Following the Council decision in 2007, procedures for financing the evaluation of initiatives funded by voluntary contributions were established to address the financing of the support structure for project evaluations. However, some resource partners have not complied with this guidance.

19. If it is decided to follow the recommendation in full and build a decentralized evaluation system, the financial costs and operational implications for providing and extending necessary support will be reviewed, and a related proposal will be made. At present, this decentralization programme is estimated to cost between USD 0.8 to 1 million per annum, covering out-posted evaluation officers to the regions and the conduct of capacity development/coordination activities.<sup>5</sup> This could be funded by raising the percentage of contributions from extra-budgetary sources to the evaluation trust fund from 0.8 to 1.0 percent.<sup>6</sup> For more details, see box 2.

### Box 2. Roadmap for the decentralized evaluation system and resource requirements

The decentralized evaluation system will cover non-emergency projects implemented by country offices, especially those with budgets under USD 4 million. OED will continue to evaluate multi-country projects, projects that due to their size and complexity may require international evaluation expertise, as well as projects related to emergency and rehabilitation programmes. The roadmap below presents a proposal for progressive evaluation capacity development in decentralized offices.



### *Briefing the Programme Committee on evaluation plans (recommendation 4)*

20. A briefing session of the Programme Committee was organized prior to its 124th session. At the briefing before the 125th session, the evaluation plan was included as an agenda item for the session (Management Response 4).

<sup>5</sup> This does not include the cost of the evaluations per se, which would need to come out of the individual project budgets, but of the infrastructure to service decentralized evaluations.

<sup>6</sup> As a benchmark, evaluation policies of comparable UN agencies such as UNESCO, WHO and OCHA set the target of overall evaluation spending to be 1 to 3 percent of total project spending, while the operational funds and programmes such as WFP, UNICEF and IFAD spends around 1 percent. For bilateral agencies, USAID devotes 3 percent to evaluations and AUSAID targets 3 to 5 percent.

### ***Developing evaluation capacity (recommendation 5)***

21. Given the increasing emphasis on evaluating national-level activities in support of Sustainable Development Goals, support to the development of national evaluation capacities is imperative. The United Nations General Assembly called for such capacity development in a resolution (A/RES/69/237). OED launched an evaluation capacity development initiative, establishing a global community of practice Eval-ForWARD (evaluation for food security, agriculture and rural development) involving evaluation offices of the other Rome-Based Agencies and professional evaluation associations.<sup>7</sup> The initiative aims to provide a platform for learning and support for national government officials in relevant ministries charged with the evaluation of policies and programmes, as they do not yet have a proper support mechanism to do so effectively. It also aims to facilitate participation of national evaluation professionals to the evaluations of the progress towards achievement of Sustainable Development Goals (Management Response 5).

22. In parallel, OED sponsored and organized an agriculture stand at the African Evaluation Conference, together with the Tegemeo University of Kenya and AGRA - the organization established by Koffi Anan to support transformational change in African agriculture. In the future, the community of practice Eval-ForWARD will be the platform to organize such regional evaluation capacity development events.

### ***Developing an FAO Evaluation Policy (recommendation 6)***

23. As the Management Response noted, decentralized evaluations are being piloted to examine the feasibility of creating a decentralized evaluation system. As detailed in the section on decentralized evaluations above, it would require commitment from the funding partners to support the developing of evaluation capacities and related support structure.

24. Once it is decided to introduce a decentralized evaluation system, an evaluation policy to cover decentralized evaluations on aspects such as obligations, roles and responsibilities, and financial requirements, will be drafted, as well as refining the current Charter of the Office of Evaluations to address the changes required (Management Response 6).

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<sup>7</sup> Currently, Réseau Francophone d'Évaluation and African Evaluation Association are active collaborators to the initiative. The platform was launched at Eval-Colombo conference organized by the Sri Lanka Evaluation Association.