

**PROGRESS REPORT TO THE  
INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE (IMFC)  
ON THE ACTIVITIES OF THE  
INDEPENDENT EVALUATION OFFICE OF THE IMF**

April 9, 2012

1. This report summarizes the activities of the Independent Evaluation Office (IEO) since the 2011 Annual Meetings.
2. **Ongoing evaluations.** In this period, the IEO has advanced work on three ongoing evaluations: *International Reserves: IMF Advice and Country Perspectives*, *The Role of the IMF as Trusted Advisor*, and *Learning from Experience at the IMF: An IEO Assessment of Self-Evaluation Systems*. The IEO expects to submit these evaluations to the Executive Board over the course of the year. The IEO has begun consultations on topics for future evaluations and will present a tentative work program to the Executive Board for review in due course.
3. **Reflecting on IEO experience.** The IEO is issuing a volume assessing various aspects of its experience over the past decade. It draws on studies focused on the evaluation process, the quality of evaluation reports, and their impact; it also compiles feedback received from Executive Directors, Management and external stakeholders in a conference held in December 2011 to mark the IEO's tenth anniversary. Conference participants highlighted the IEO's independence and the quality of its evaluation reports as key strengths. They also saw room for improvement, for instance, in the timeliness of evaluations, topic selection, dissemination, and follow-up on recommendations. Several Executive Directors, some country authorities, and many external stakeholders consider that the IEO should evaluate activities and performance with less of a lag, while still making sure that it does not interfere with IMF operations. Many stakeholders pointed to a need for greater IEO efforts to disseminate its work both within and outside the IMF. Many also reiterated weaknesses in the framework for implementation and monitoring of follow-up on Board-endorsed recommendations.
4. In addition to providing feedback and lessons for the IEO, the December 2011 conference offered an opportunity to consider recurring themes in IEO evaluations, including: the need to strengthen IMF governance and clarify respective roles and responsibilities; the centrality of greater evenhandedness across the membership in the application of policies and framing of advice; the importance of creating incentives to encourage alternative views and support staff in raising difficult issues with country authorities, even in the largest countries; and the imperative of better integrating analytical and operational work across departments.

5. **Follow-up on IEO evaluations.** The IEO evaluation of *IMF Performance in the Run-Up to the Financial and Economic Crisis—IMF Surveillance in 2004–07* (issued in December 2010) contributed to, and to some degree served as a departure point for, the Triennial Surveillance Review (TSR) undertaken by the IMF in 2011. Adoption of a Management Implementation Plan (MIP) for this evaluation was delayed until completion of the TSR. The Evaluation Committee discussed a proposed MIP in January 2012, at which time Directors emphasized the need for further steps to address the conclusions of the evaluation and also expressed a desire for more information about Management’s strategic vision on internal reforms. The Committee decided that the MIP should be considered by the full Executive Board; this discussion is expected to take place after the Spring Meetings.
6. An implementation plan has not yet been proposed for the IEO evaluation of *Research at the IMF: Relevance and Utilization*, which was issued in May 2011.
7. Executive Directors have called for improvements in the process for monitoring follow-up on IEO recommendations endorsed by the Board. IMF staff has agreed, as a first step, to include in future monitoring reports a comprehensive analysis of the status of all Board-endorsed IEO recommendations.
8. **External evaluation.** The Executive Board has launched the second external evaluation of the IEO.