

Ecuador: Indigenous and Afro-Ecuadorian Development Project

Item	Assessment Remarks	Rating
Country & Project Name	Ecuador: Indigenous and Afro-Ecuadorian Development Project (PRODEPINE)	
Loan No.:	464-EC	
Project Id.:	1043	
Board Date	04 December 1997	
Effectiveness date	Nov. 2 1998	
Closing date	Jun. 30 2004	
Total Project Cost USD(M)	USD 50 million	
IFAD loan USD (M)	USD 15 million (SDR 10.85 million)	
Cofinanciers if any	IBRD (World Bank) \$25 million; GoE \$5.9 million; \$0.48 million from private financiers; beneficiaries	
Implementing Agency	CODENPE (Consejo de Desarrollo de las Nacionalidades y Pueblos del Ecuador/ Council for the development of the Nationalities and Towns of Ecuador)	
Principal Components	i) institutional strengthening of local membership orgs and communities; ii) support to the regularization of land and water rights; iii) rural investments; iv) institutional strengthening of the National Council of Indigenous and Afro-Ecuadorian Development.	
Project Performance		
Design	Executive summary mentioned IFAD mission identified some problems with design and implementation that has led IFAD not to participate in version II of the project to be funded entirely by the World Bank (not very clear on why); no gender component at design phase but later revised; top down approach proved to be costly and left questions about sustainability	3
Implementation	No baseline survey carried out. Financial crisis had negative impact on IFAD's component of rural financial services that led to a 2 year delay in this part of implementation. Cost overruns. IFAD mission identified problems because of lack of training on project supervision and control; No land surveys--not clear who's getting what. PCR states it was satisfactory. GoE only contributed 35% of the original amount; financial crisis delayed implementation; cost overruns from "excessive payment of staff"; delays contracting fund administrators.	3
Relevance	No mention of the Poverty Reduction Strategy Paper (PRSP), IFAD country strategy, or any other strategy-- but tied into the demand of ethnic groups in Ecuador, who are among the poorest. Very demand driven and was a response to an increasing social and political movement by indigenous groups.	5
Effectiveness	The objective was to 'create institutional, legal and technical capacity for the indigenous and afro-Ecuadorian communities to identify, design and implement their own community development projects to reduce rural poverty in their areas.' The project had significant qualitative improvements in the quality of life for target groups or in some cases, lessened the negative impacts of the national crisis. Also, the representative organisations at all levels of government were successful in identification and implementation of priority demands, having positive social and economic impacts. No baseline survey done so difficult to measure. Institutional changes and GoEs lower than agreed financial contribution during the project seemed to limit effectiveness. Nonetheless, stated objectives seem to have been met in most cases, funds for women's groups were extremely successful.	5
Efficiency	Financial crisis delayed implementation; cost overruns from "excessive payment of staff"; delays contracting fund administrators. Most targets were met or surpassed with a few falling below plan.	4
Partner Performance		
Partner Perf. & Quality	IFAD was responsible for all field activities under the credit component. The World Bank (WB), as Cooperating institution was responsible for disbursement and acquisitions of the component. They carried out their agreement but no WB documents mentions financing problems related to the crisis. The WB supervised the Project with yearly missions during the timeframe of their loan (June 2002) following that, they drastically reduced their functions although they were still	IFAD-5; WB-4; GoE-3

Item	Assessment Remarks	Rating
Country & Project Name	Ecuador: Indigenous and Afro-Ecuadorian Development Project (PRODEPINE)	
	financing several project components with IFAD funds. The IFAD evaluation mission rated WB as satisfactory. GoE only contributed 1/3 of the funds they had originally contributed to. Institutional changes affected implementation	
Rural Poverty Impact	Note: no baseline data available	
Physical Assets	Land titles (only 30% of target for titles reached--but more people than expected); office, technical equipment, classrooms, shelters, dining areas, drinking water systems, irrigation systems, agro-industry systems, stone paved roads and greenhouses were provided by the project.	4
Food Security	Not directly applicable	NA
Environment	Has environmental component but no indicators. Laws passed for conservation and people trained in protection. However, titles were given out for protected areas and there were some protests from environmental groups--no reason given.	3
Human Assets	Education-large numbers of trained professionals financed by the project-beyond planned targets, 43% women; patrimony and heritage component; recognition of ethnic groups were promoted.	5
Soc. Cap. & Emp.	Gender component strong but indigenous groups requested more assistance for political and social group formation (see gender)	4
Ag. Productivity	Not relevant	NA
Inst. & Serv.	CONDENEPE was successfully strengthened and its activities and coverage grew. Decentralized (2nd and 3rd degree) inst. need more efforts directed towards them. The 'top down' approach proved to be a problem during reorganization	3
Financial Assets	The <i>cajas solidarias</i> for women had a strong impact, surpassing targets and creating additional demand (small domestic revolving funds for organized women)	5
Markets	Some contradictory evidence--makes reference to one study that discusses how rural financial services, redesigned as crisis response--are no longer adequate and that challenges facing rural fin markets not overcome. ST-effective, not sust.	3
Rural Poverty	Financial and land indicators seemed very positive; objectives of improving the livelihoods for ethnic groups seems to have been met	5
Overarching factors		
Targeting	Socioeconomic focus on indigenous groups and afro-Ecuadorians. Geographic focus 19/22 provinces, 108/215 cantons and 434/788 rural parishes. Approx 815 000 ethnic minorities. Executive summary discussed deficiencies in targeting groups based on ethnicity when non-ethnic groups in neighbouring areas were in similar poverty conditions.	5
Gender	Positive impact on women, especially in empowerment and financial services.	5
Sustainability	Political sustainability was unknown because of institutional changes. Social sustainability is strong because of indigenous recognition, empowerment and strengthened social capital. Ownership is high since it was demand-driven, but participation was partial. Economic and financial sustainability: cajas solidarias seem to be long-term and plans for inclusion into formal financial system have been developed. Land conflicts mentioned but not addressed. Environmental impact is not clear. But high vulnerability in the region, and poor capacity, partial participation, abandoned works, unmet land demand imply sustainability may not be strong.	3
Innov, Rep & Scaling	The decentralized participative approach is replicable. Innovation was not highlighted, scaling up possible.	3
Overall Performance	Overall positive impact on target groups. Important progress in education, capacity, and gender empowerment--specifically ethnic women. First real project to address the needs of these ethnic groups.	4
Contribution to IFAD Strategic Objectives	Designed for all 3 strategic objectives and has a positive (in short-term) impact on all.	4
Contribution to MDG's	1) likely contribution but no specific indicators; 2) Education component designed for higher level training but likely to have indirect impact; 3) Strong impact on indig and afro-Ecuadorian women in terms of empowerment, access to fin services, education; 4-6 N/A; 7) difficult to evaluate; 8) partnership with the WB	4
PCR Quality		

Item	Assessment Remarks	Rating
Country & Project Name	Ecuador: Indigenous and Afro-Ecuadorian Development Project (PRODEPINE)	
Scope	No economic rate of return. No Logframe but a table of planned components and measured indicators. Most all other sections complete	5
Quality	Convincing report but data is questionable given the impact of financial crisis and lack of baseline data for the project. However, with these limitations the PCR is very thorough.	5
Lessons	Very thorough. Bring out detailed issues--specific to the project and country situation but applicable to other interventions in similar areas or sectors. Has both positive and negative lessons that are valuable.	5