

Senegal

Agricultural Services and Producer Organizations Project - Phase II

Project Completion Report Digest

Senegal - Agricultural Services and Producer Organizations Project - Phase II

Item	Assessment Remarks	Rating
Country & Project Name	Senegal - Agricultural Services and Producer Organizations Project - Phase II	
Loan No.:	700-SN	
Project Id.	1287	
Board Date	14 September 2006	
Effectiveness Date	06 February 2007	
Original Closing Date	31 July 2011	
Final Closing Date	31 July 2011	
Total Project Cost USD(M)	47 million	
IFAD loan US\$(M)	6 million	
Cofinanciers (if any)	World Bank: US\$20 million	
Implementing Agency	Ministry of Agriculture, Rural Water Resources and Food Security	
Principal Components	The three-phase programme was financed through the adaptable programme lending instrument to keeping with the Government's policies and recent reforms. The project design, which substantially reflects that of Phase 1, envisages four main clusters of activities: (i) support for agricultural research; (ii) support for agricultural advisory services; (iii) support for farmers' organizations (<i>organisations paysannes</i> – OPs); and (iv) sectoral coordination and M&E.	
Project Performance		
Relevance	The project (PSAOP-2) was fully aligned with the country's Strategy for Accelerated Growth (Stratégie de Croissance Accélérée - SCA), which recognizes rural and agricultural development as the main engines of growth, poverty reduction and food security. It was also in line with the country's sector strategies, which the first phase of the PSAOP helped to define, in particular the new Agricultural Framework Law of 2004 (Loi d'Orientation Agrosylvopastorale – LOASP). The project therefore directly contributed to the national goals of poverty reduction through rural economic growth by improving production, productivity, incomes and food security of smallholder, in particular through improved access to demand-driven advisory services, technologies and knowledge. The PSAOP-2 also integrated the most recent developments within the rural society at that time, in particular the emergence of producer organizations (OPs) as new development partners at local level. Project design was also in line with the objectives and thrusts of the IFAD COSOP 2004-08 and the ECOWAS common agricultural policy of 2005, which emphasizes the role of smallholder agriculture and producer organizations in reaching regional and national food security. The project can be considered highly relevant since it was designed to meet the needs of smallholders and producer organizations while responding directly to the objectives of national and sector policies and strategies.	6
Effectiveness	The project was found globally effective. Its main quantitative targets could be reached: (i) 80% of the farmers were satisfied with the services provided which corresponds to an achievement rate of 100%; (ii) 62% of beneficiary farmers reached better food security (achievement rate of 103%); and (iii) 45% of producers who have participated in the first phase have adopted at least one new technology and have mainstreamed it into their production system (achievement rate of 90%). Regarding its objective to strengthen ag. research, results are considered satisfactory. The project contributed to developing and strengthening a competitive demand-driven research system, which is financed from different sources and capable to effectively transfer innovations and new technologies to the various stakeholders. The scientific capacities of the Food Technology Institute (ITA) and the Senegalese Ag. Research Institute (ISRA), however, need further strengthening and GoS needs to boost its financial support to the National Agricultural and Agro-processing Research Fund (FNRAA) to make it independent from external financing. The objective to expand the services of the National Advisory Services Agency - ANCAR (created under PSAOP-1) at national level could not be met, due to lack of financial resources, institutional instability and the failure to stick to its original task. ANCAR's coverage of the rural communities reached 64% only. However, the quality of its services were adequate and allowed production and productivity to be improved and income sources to be diversified. ANCAR has become a privileged partner of the CLCOP. It helps them develop and implement new initiatives. - The project was highly effective in reaching its objectives in terms of support to OPs. All planned new CLCOPs were created and 6 federations of OPs out of 5 were created. Also, two seed producer networks were implemented (rice and groundnuts) and 2 decentralized RFS networks covering 3 regions were created too. Factors that have contributed to project effectiveness include: (i) a well-defined implementation framework and a well-performing technical and financial coordination unit, though not always able to follow up the technical implementation by the different partners; (ii) a well-functioning M&E system; and (iii) adequate external project supervision.	5

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Efficiency	With an IFAD disbursement rate of 99% at completion and an IDA disbursement rate of 81%, the project was considered efficient. The PCR provides an efficiency analysis by component, by putting the felt quality of results (rating) in relation to their relative share in total costs. The component "Support to OPs" was found the most efficient, followed by the component "Support to agricultural research". Efficiency of the two other components, "Support to Ag Services" and "Support to Sector Coordination and M&E" was found only moderately satisfactory. The PCR does not discuss efficiency losses. The project did not experience any substantial effectiveness lag (4.8 months only), it was completed on time and there were no cost overruns.	5
Project Performance		5
Partner Performance		
IFAD	This project was initiated by the World Bank. IFAD has systematically participated in all supervision missions organized by the World Bank and has followed up closely on project implementation.	5
Cooperating Institution	The World Bank through IDA acted as CI of the project. The supervision missions represented key moments in the life of the project as they allowed important issues to be discussed and solutions to be identified jointly with all stakeholders. However, some problems could never be solved such as how to make ANCAR an independent and autonomous organization and how to address conflicting interests between ANCAR and the Senegalese Association for Grassroots Development (Asprodeb) who started offering services similar to ANCAR.	4
Government	Government's ownership of the project was moderately satisfactory. Counterpart funds were adequate and provided on time. Nevertheless, GoS was criticized for its weak participation in supervision missions, for the lack of guidance provided through the steering committee and for not having tried to secure full financing of ANCAR in order to extend its services to all 320 rural communities and to ensure long-term sustainability. The implementation period of PSAOP-2 was marked by high institutional instability within the ministry, which has negatively affected its implementation and prevented important issues to be addressed (see CI). Implementation support and guidance was mainly given by the external supervision missions (WB & IFAD). Government did not take over the expected leadership and failed to use PSAOP as an instrument to forge its agricultural policy as intended. Nevertheless, despite a passive attitude, GoS has always had a positive inclination towards the programme as also confirmed by the CPM. GoS performance is therefore rated moderately satisfactory.	4
NGO/Other	For ag. research, main project implementation partners were FNRAA (National Ag. and Ag. Processing Research Fund), ISRA (Senegalese Ag. Research Institute) and ITA (Food Technology Institute). Their performance was satisfactory, despite the departure of key staff from ISRA and ITA. Performance of ANCAR was only moderately satisfactory since it did not reach national coverage of its services. The performance of Asprodeb was satisfactory. It has greatly contributed to capacity strengthening in rural areas by providing the needed organizational support to producers and their organizations through the creation of the Local Consultation Fora for OPs. Conflicting interests however emerged between ANCAR and Asprodeb, with Asprodeb developing advisory services similar to those offered by ANCAR.	5
Cofinancier(s)	World Bank/IDA was, together with Government, the main financier of the project (WB: US\$20 million, IFAD: US\$6.3 million; GoS: US\$20.2 million). Performance of the World Bank as lead agency was satisfactory. However, the Bank can be criticized for not having correctly assessed ANCAR financing at appraisal, in particular how to cover the incremental costs of doubling the staff to reach national coverage of its services. A feasibility study based on realistic assumptions was missing. Had it done so, a discussion how to expand ANCAR services and ensure its financial sustainability could have been initiated much earlier.	4
Combined Partner Performance	Cooperation between IFAD and IDA was good. Communication with GoS, Ministry of Agriculture was difficult at times, given the high fluctuation among its staff, including the position of Minister.	
Rural Poverty Impact		
Household Income and Net Assets	The main objective of PSAOP-2 was to improve access to demand-driven, efficient agricultural services and innovations, relevant to the needs of the different categories of producers with a view to increasing, diversifying and stabilizing agricultural production and hence, increasing their incomes. Household incomes could be improved by 41% on the average, which is considered satisfactory. According to the PCR, this increase mainly results from higher off-farm incomes. It appears that rich households have experienced a 322% increase of their incomes while the incomes of poor households have increased by 16% only. It can be concluded that improvement of ag. services was effective but rich households have benefited more than poor households. - POs have gained better access to financial services through the implementation of two	5

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	decentralized RFS networks and the introduction of a leverage fund, giving them access to credits for their economic activities. A total of 263 CLCOPs (=83%) have benefited from a leverage fund which gave 15800 POs access to financial services.	
Food Security	Improved access to demand-driven innovations and agricultural services has increased production, productivity and improved household food security and nutrition. According to a beneficiary survey carried out at project completion, 62% of the beneficiaries have mentioned that their food security has improved (achievement rate of 103%). Net calorie intake has increased for both poor and rich households, which means that more and more people secure a daily intake of 2400 kcal defined as normal. Between 2008 and 2009, the percentage of households at risk (with less than 80% of the normal calorie intake of 2400) has decreased from 54% to 48%.	5
Ag. Productivity	Through its four components the project aimed at increasing, diversifying and stabilizing agricultural production. This was to be reached by strengthening the capacity and focus of ag. research, developing relevant innovations and technical solutions, developing a demand-driven advisory services system, expanding its coverage nationwide and further strengthening the capacities of OPs. Altogether, 37 technical innovations (out of 24 planned) were developed and successfully transferred to the advisory services (ANCAR). Also, 45% of producers who have participated in the first phase have adopted at least one new technology and have mainstreamed it into their production system. This corresponds to an achievement rate of 90%. 80% of producers are satisfied with the services provided, which corresponds to an achievement rate of 100%. The quality of ANCAR's services was adequate and allowed production and productivity to be improved. Few figures are available in the PCR. The last SR states that between 2008-09, the average household production has increased from 1.61 t/ to 2.53 t. and average yields have passed from 0.43 t/ha to 0.49 t/ha. These positive results were however lessened by the fact that ANCAR's activities could not be expanded to all 320 rural councils and were not aligned with the development of CLCOPs. ANCAR's services are available in 205 out of 320 rural councils only and only 20% of OPs as opposed to an expected 50% have signed a contract with an advisory services provider. ANCAR is however known by 85% of the OPs (2011) compared to 27% in 2008.	4
Agricultural Productivity and Food Security		5
Natural Resources and Environment	The project had no impact on natural resource management and the environment, neither planned nor unplanned.	n.a
Human, Social Capital and Empowerment	The project has been particularly successful in creating sustainable institutions representative of the beneficiaries. One of its main objectives was to empower POs, enhance their social accountability & inclusiveness, and ultimately help them better access inputs, services, markets, etc. Many of these institutions are now sustainable. About 55% of the POs could improve their internal organization, 33% have better access to inputs, 29% have better access to financial resources, 29% have adopted at least one innovation among the technical solutions proposed and 92% are satisfied with the solution proposed. The Local Consultation Fora for OPs (CLCOP) created in all 320 rural councils, have become an important interface between producers and local government entities. The CLCOPs are recognized institutions, which assist POs in the planning and coordination of their activities and in their exchanges with decentralized government entities (rural communities). As such, the project has greatly contributed to the empowerment of OPs. They are now able to identify, request and negotiate the services they receive (research needs & advisory service). They are also able to assess independently the quality of the services provided. CLCOP at national level have become true partners of the Government and other national and international partners. They have gained a voice in policy-making processes affecting OPs directly.	6
Inst. & Policies	The project's impact on institutions and policies was substantial though not fully satisfactory. The scientific capacities of ITA and ISRA have been strengthened but still need further support. Also, GoS needs to boost its financial support to the National Agricultural and Agro-processing Research Fund (FNRAA) to make it independent from external support. The objective to expand ANCARs services at national level could not be met. Institutional instability marked by lack of financial resources, high staff turnover, improper staff selection procedures and the failure to stick to its original tasks have reduced its efficiency and effectiveness. Advisory services through ANCAR were extended to 64% of the rural councils only. Also, since GoS has remained the main source of financing, ANCAR board consists of Government officials only, preventing it from becoming an autonomous and independent agency. On the positive side, the PCR emphasizes that the quality of ANCAR services was adequate and allowed production and productivity to be improved and income sources to be diversified. ANCAR has become a privileged partner of the	4

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	Local Consultation Forum for POs (CLCOP) and is currently helping them develop and implement new initiatives. Its relationship with ASPRODEB was conflictual. ASPRODEB has implemented the CLCOPs and has played an important role in strengthening the capacities of the OPs. It has been highly instrumental in fostering the independence of the rural populations. However, by doing so, it started developing services in competition with ANCAR. This conflict of interests could not be resolved during the life of the project. The project was highly efficient in reaching its objectives in terms of support to OPs. All planned new CLCOPs were created. In addition, 6 federations of POs out of 5 were created. Also, two seed producer networks were implemented (rice and groundnuts) and two decentralized RFS networks covering 3 regions were created too. Regarding its impact on policies, the project did not develop into a strategic policy tool as expected. The steering committee was weak and failed to support the internalization of the project's objectives at national level. At regional level, the harmonization committees did not help integration of the PSAOP into the regional rural development process, because of incomplete institutional reforms and hence, inadequate human resources.	
Markets	The project's impact on markets is not explicitly assessed in the PCR, which only states that rural populations are better organized and more marketing oriented. This seems to be demonstrated by the fact that the amount of marketed products has increased by 75% in those communities that have benefited directly from the support of the project. Also, the project contributed to developing entire value-chains since input suppliers, transporters and traders all benefit from increased production. It was however pointed out that richer households experienced a much higher income increase (+322%) than poor households (+17%), which might be due to better access to markets (location, access to information, availability of means of transportation etc.). Given the absence of tangible information, the project's impact on market access is rated moderate.	4
Project Impact		5
Overarching Factors		
Innovation	The PSAOP-2 was innovative through the changes it has introduced to the way farmers are organized and the relationship between POs and services providers. Furthermore, it has introduced a leverage fund (guarantee fund) whereby POs have access to small credits, through the CLCOPs, which can be used either as a revolving fund to finance an economic activity or to access larger credits through a local MFI.	4
Replicability and Scaling-up	This is the second phase of a 3 phase programme, implemented within the framework of the WB's Adaptable Programme Lending. The PCR highlights the need to adjust and consolidate the achievements before replicating them and bringing them up to scale. A possible third phase of the project, which IFAD and the World Bank are ready to support, would aim to consolidate and build on these achievements. Prospects for replicability and scaling-up are satisfactory	5
Innovation, Replicability and Scaling-up		5
Sustainability and Ownership	According to the PCR, sustainability of the project's achievements depends on the following factors: (i) implementation and adherence to the Agricultural Framework Law; (ii) Government's effort to make decentralization efforts effective and sustainable; (iii) continued financing of agricultural services (research (ITA & ISRA) and extension (ANCAR)) through the National Fund for Agricultural Development (Fonds National de Développement Agro-sylvo-pastoral –FNDASP); and (iv) clarification of the role of ANCAR which needs to be either fully Government financed or else, it has to become a private entity, financed by the private sector and the beneficiaries (payable services). Prospects based on the possibility of the financing of a third phase are good.	4
Targeting	This is a national project targeted at medium-scale farmers but especially smallholders, with special attention to women and the youth. Its specific targeting mechanism is not discussed in the PCR, but given the scope (national) and nature of the programme (building up of institutions and empowerment of POs), its targeting is probably rather broad than specific.	4
Gender	Project design emphasizes the need to give special attention to the most disadvantaged like women and the youth. It appears, however, that gender aspects were integrated into project implementation in 2008 only with the training organized by the Federation of Senegalese NGOs. Altogether, women and the youth have greatly benefited from the project: (i) organizational capacity strengthening of women who have developed a very strong sense of leadership and actively participate in some rural councils; (ii) improved food technology knowledge with 75% of training participants being women; (iii) advisory services extended to 1050 POs of which 58% were led by women; (iv) promotion of local consultation fora for POs of which 15% were led by women and 65% had a female treasurer; (v) training of female accountants; (vi) management and technical capacities of PO members of which 36% are women; and training of 50 PO leaders	5

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	of which 15 are women and facilitate the participation of POs in ag. and rural policy dialogue. Besides, many young men who have benefited from the project have become rural leaders and about 21% of those below 35 now have leading positions in local consultation for a for OPs. With a participation rate of 64%, women have benefited more than men from the leverage fund implemented by the project.	
Overall Performance		5
Estimated number of beneficiaries		
PCR Quality		
Scope	The PCR did not fully adhere to the outline. The impact section is rather weak, innovation/replication/scaling-up are not analysed and most annexes are missing.	4
Quality	Very analytical, but figures from the two impact studies carried out at MTR and at completion are missing. Important statements are often not substantiated with the necessary figures. Figures provided in the PCR are not aligned with those presented in the last SR. The latter are higher (examples: no. of seed producing associations, no. of MFI networks)	4
Lessons	The lessons learned are relevant and of strategic importance for the preparation of a possible third phase (WB APL).	5
Candour	The PCR is self-critical and very objective.	6