

Chad: Kanem Rural Development Project

Item	Assessment Remarks	Rating
Country & Project Name	Chad: Kanem Rural Development Project	
Loan No.	607-TD	
Project Id.	1259	
Board Date	10 Apr 2003	
Effectiveness Date	15 May 2005	
Original Closing Date	31 Dec 2013	
Final Closing Date	30 Jun 2010	
Total Project Cost USD(M)	USD 14.31 million	
IFAD loan USD (M)	USD 13.00	
Cofinanciers (if any)	-	
Implementing Agency	Ministry of Agriculture	
Principal Components	The project aims to improve, in a sustainable way, the incomes and food security of poor rural households in the Kanem region. More specifically it aims to: (i) develop sustainable microfinance services accessible to the poorest; (ii) empower the target	
Project Performance		
Relevance	The project is in line with Government's strategy for rural and agricultural development which gives priority to improving food security, increasing productivity and enabling the populations to lead their own development. It is also in line with the IFAD COSOP of 1999 and follows-up on the Ouadis of Kanem Agricultural Development Project. Through its objectives and components, the project directly responds to the development constraints faced by the populations of the region: a high poverty incidence, chronic food insecurity, poor soils (desertification) and a high illiteracy rate. Nevertheless, it was found that project design - strongly focused on the development of Economic Interest Groups and on the creation of self-managed financial services schemes - was too complex and demanding in light of the high poverty incidence and hence the limited capacities of the populations in the region.	4
Effectiveness	The project was effectively operational for 3 years only. It was approved in April 2003, declared effective in May 2005 but activities started in 2007 only. The project's main objective was to improve the incomes and food security of poor households in the region. Its specific objectives were to: (i) develop sustainable microfinance services, (ii) empower the target populations and their organizations; (iii) increase agricultural productivity; and (iv) provide specific support to women and young people through IGAs. The microfinance component was not implemented and hence, this objective could not be reached. The 3 other objectives were reached to a very limited extent only as only few activities were carried out (PRAs, some training, few construction works) with no perspectives for sustainability. An overambitious and complex project design and an overall weak implementation capacity of the PMU seem to be responsible for the failure of the project.	2
Efficiency	The project was highly inefficient and was closed 3.5 years ahead of time (in Dec 2009 instead of Jun 2013). Effectiveness was delayed by more than 2 years (no reason provided in the PCR). Throughout its short implementation period of 3 years instead of 8, the project suffered from the country's cumbersome procurement procedures and a permanent shortage of funds (untimely and inadequate payment of counterpart funds, small size of the Special Account, inadequate handling of withdrawal applications/ WAs). Priority was given to operating expenses to the expense of investments. Operating expenses amounted to almost 50% of expenditures at completion. Field activities hardly started. The IFAD loan reached a disbursement rate of 30% only at completion.	2
Project Performance		3
Partner Performance		
IFAD	As designed by IFAD, the project was sound but too complex and demanding for this specific area of intervention. According to the PCR, IFAD follow-up was mostly limited to joining UNOPS supervision missions. Communication with IFAD was difficult and affected by the frequent changes in CPM responsibilities (5 CPMs since approval in 2003). It is not clear to what extent IFAD tried (or not) to address implementation problems of the project and help removing clearly identified obstacles. The project was closed through unilateral decision by IFAD, with no mid-term review/ MTR.	3
Cooperating Institution	UNOPS supervision missions were timely and provided appropriate advice and directions to the project. Altogether, services and support were found adequate except for its fiduciary management, in particular the long delays in processing WAs (up to 6 months). As in the case of IFAD, it is not clear to what extent the CI tried to understand and address the implementation problems faced by the project. There was no review of project staff capacities. The last SM performed in October 2008	4

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	came up with a road map of 16 key activities to be implemented within the following 6 months. The project was completed ahead of time as a consequence of having complied only partially with the road map.	
Government	Government did not follow-up closely on project implementation (no Government-led supervision missions). Payment of counterpart funds was untimely and inadequate. Government provided little support. Its sense of ownership and responsibility has been weak.	3
NGO/CBOs	The 2 NGOs hired for PRA exercises and selection of villages/ouadis and EIGs have performed adequately during the short time of their intervention (2007/2008). The few private services providers contracted for infrastructure works have performed adequately too.	5
Cofinancier(s)	n.a.	NR
Combined Partner Performance	Combined partner performance on this project is assessed as modest. While Government/PCU have shown little initiative in trying to solve the project's implementation problems, IFAD and the CI have been weak in trying to help the project out of the deadlock. The decision to draw a clear cut was probably right, given the very weak performance of the project. The PCR however gives the slight feeling that this was done at a moment when the project was finally starting to reach out to the beneficiaries.	
Rural Poverty Impact		
Household Income and Net Assets	Financial services: Given the complexity of the component as appraised, UNOPS recommended organizing a specialized mission to help implementing the component. This mission took place in 2009 but the component was not started, due to early project completion. Kanem Development Fund: The financing modalities were defined with the help of the CI, but the fund was not effectively implemented (less than 3% disbursed). Few activities were financed which allowed some individuals to earn better incomes: (i) local craftsmen were trained on drilling, well construction and repair of motor pumps; (ii) women groups received training in small livestock production (chicken, goats) and storage of onions; (iii) input providers were given interest free loans; and (iv) tests were carried out with local farmers on irrigation techniques and vegetable production.	2
Food Security	The project did not contribute to improving food security. Nutrition groups were formed and training topics were identified, but the project did not start the training process as such. Nevertheless, it was reported that villages that have benefited from the intervention of the former IFAD project have started implementing some of the advice received through the sensitization process. Isolated farmers (agriculture auxiliaries) have received training in agricultural production and irrigation techniques which has helped increasing and diversifying their production. The impact is however negligible.	2
Agricultural Productivity	Only few isolated training activities have taken place in this area, hence their impact on agricultural production and productivity in the region is negligible. Only the construction of 50 drillings and 31 wells and the repair of several motor pumps may have increased the area under irrigation and helped diversifying agricultural production.	2
Food Security and Agricultural Productivity		2
Natural Resources and Environment	The project has had no impact on natural resources & environment as activities carried out were limited to the fencing of plots.	1
Human and Social Capital and Empowerment	Village Development Plans were prepared in 147 out of 158 villages selected. This has helped beneficiaries to better understand the need to lead their own development. In addition, 63 Ouadis development plans and 21 inter-village development plans were done but not implemented. In 2008/2009, the project put in place the necessary conditions to start a vast literacy training programme (needs identification, training of trainers, preparation of training material, facilities refurbished) which however did not become effective due to the early completion of the project. Some local craftsmen received training in the construction of drillings, wells and the repair of motor pumps. They may keep and replicate their knowledge (50 drillings and 31 wells constructed).	3
Institutions and Policies	No impact. The self-managed financial service scheme (CLAs) were not created.	1
Markets	No intended impact on markets.	NR
Rural Poverty Impact	The project did not achieve enough results to allow any form of sustainable impact. Only isolated actions in the area of capacity strengthening are likely to leave some traces.	2

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Other Performance Criteria		
Innovation	The project vaguely introduced three innovations: (i) village-based PRA approaches, (ii) combined drilling and well construction techniques, and (iii) ouadis protection with living fences	3
Replicability and Scaling-up	Chances for replicability and scaling-up of activities are very low. Only local craftsmen are likely to continue applying the techniques they have learned for well construction, drilling and motor pump repair.	2
Innovation, Replicability and Scaling-up		2
Sustainability and Ownership	Chances for sustainability of the few activities initiated by the project are low given the short implementation period covered: (i) irrigation facilities are likely to be used but will need maintenance; (ii) local crafts men are likely to continue providing improved services; (iii) the fencing of plots is likely to continue but at a reduced scale; (iv) village/ouadis development plans and inter-village development plans will need to be implemented and financed by others; and (vi) the literacy training was successfully started but needs to be continued by others.	2
Targeting	Project staff received training in targeting methodologies.	3
Gender Equality and Women's Empowerment	Project staff received training in gender aspects of development.	3
Overall Performance		2
Estimated number of beneficiaries	n.a.	
PCR Quality		
Scope	The outline has been respected. 2 annexes could not be produced: (i) impact on the environment (no activities to be assessed) and stakeholder workshop findings (not held).	5
Quality	The project offered little substance to analyze and therefore, results presented in the PCR are thin. However, the project made a big effort in providing a detailed summary of the activities conducted and results achieved, though poor.	4
Lessons	Given the poor performance of the project, there are no lessons to be drawn.	1
Candour	The PCR is not self-critical.	3