

Ghana: Upper East Region Land Conservation and Smallholder Rehabilitation Project (LACOSREP II)

Item	Assessment Remarks	Rating
Country & Project Name	Ghana: Upper East Region Land Conservation and Smallholder Rehabilitation Project (LACOSREP II)	
Loan No.:	503-GH	
Project Id.:	1124	
Board Date	28 Apr 1999	
Effectiveness Date	14 Jan 2000	
Original Closing Date	30 Sep 2005	
Final Closing Date	31 Dec 2006	
Total Project Cost USD(M)	USD 11.28 million	
IFAD loan USD (M)	USD 10.35 million	
Cofinanciers (if any)	USD 0.23 million (NGOs)	
Implementing Agency	Ministry of Food and Agriculture (MoFA)	
Principal Components	The goal of the project was to empower rural populations living in poverty to use the opportunities provided by the project to access improved technologies, services and credit in order to improve their food security and incomes. Components included: (i) capacity building and gender mainstreaming; (ii) water resource development; (iii) agricultural development; (iv) promotion of income generating activities; (v) rural infrastructure; and (vi) project management.	
Project Performance		
Design	The information provided in the PCR is not sufficient to assess design quality and process. It only mentions two shortcomings ((i) physical constructions were planned for year 3 which delayed overall project implementation; (ii) project design did not give enough attention to the harmonization/duplication with other partners intervening in the same areas with the result that activities were concentrated on some areas, leaving others without support).	NA
Implementation	Project implementation arrangements whereby the Regional Director of Agriculture is also the Project Coordinator were found adequate as it ensured full integration of project activities into the Ministry. Performance of the project coordination unit (PCU) was however affected by the difficulty of dealing with non-performing staff from MoFA. M&E was not effectively implemented.	4
Relevance	The PCR concluded that the goal and objectives of the project were relevant to the specific poverty context of the Upper East Region of Ghana which is the country's second poorest region. High population density, environmental degradation and poor living conditions (limited access to health, education, agricultural inputs, markets, etc.) are the main causes for the very high poverty incidence prevailing in the region. The components of the project were designed to add value to rural production and entrepreneurship. Where implemented successfully, they have made a clear contribution to improving the livelihoods of the rural population and to reducing labour outmigration. The PCR makes only vague references to the project's (ex-post) alignment with the country's poverty reduction strategy of 2005 and agricultural development policy documents. The project was found to fully respond to IFAD's mandate, but the PCR makes no reference to the forthcoming IFAD COSOP.	5
Effectiveness	Even though several physical targets could only partially be reached, the PCR concluded that the project has made positive strides towards poverty alleviation in the Upper Eastern Region of Ghana and that it has therefore been effective in reaching its development goal and objectives. Project interventions have led to the adoption of improved production and processing techniques (122% adoption, i.e. adoption by both participants and by non-participants from neighbouring communities). This is true in particular for agricultural production and the development of fishing activities in dam areas. It has also successfully introduced irrigated maize as a third crop in the year. The latter is expected to substantially contribute to poverty alleviation within communities along rivers. In contrast, the micro-credit component has been less effective (only 52% of groups reached with credit) and has not allowed income generating activities to develop as strongly as expected. With regard to water resources management, targets were partially reached (70% dams rehabilitated). With regard to rural infrastructure, the target was partially reached (60% of latrines equipped with pumps and roofed)	4
Efficiency	The PCR concluded that the costs of rehabilitating dams were within the range of rehabilitating small scale irrigation infrastructure in Ghana. Regarding the rural finance component, the PCR mentions significant variations across the five participating banks, but concludes that at a regional level, these banks showed high efficiency.	4

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	Also, the rural finance component with a recovery rate of 85% in a poverty stricken area can be considered highly efficient. Finally, farmer training and demonstrations provided under the project were efficient, with a high adoption rate within and outside the project communities. The PCR however also mentions that a disproportionate amount of time and resources were used by Government field staff in sensitizing communities on the importance of irrigated production. The project reached a disbursement rate of around 90% at closing. No re-estimated ERR was available. The project also witnessed cost overruns for operating costs (124%) and consultancy services/training (109%).	
Partner Performance		
IFAD	The PCR provides little information about IFAD's performance. However, it appears that project design did not give enough attention to harmonization/duplication with other partners intervening in the same areas, concentrating its focus on some communities while leaving others without support. This being a second phase project, IFAD should have had all the information to ensure better coordination and harmonization of interventions. However, IFAD has been providing follow-up support and has been seriously following up on arising issues. Therefore support has been regular and sincere (but could be strengthened with presence on the field). The relationship between IFAD and other implementation partners was not specifically assessed. IFAD's performance during MTR, project extension etc. were not assessed either.	4
Cooperating Institution	UNOPS was criticised for not having always provided the right expertise during its supervision missions. The PCR also mentioned problems relating to the lack of appropriate follow-up to the supervision missions and the untimely processing of WAs. However, supervision reports were always submitted on time and correctly reflected the issues discussed. The overall level of support provided is considered moderately satisfactory.	4
Government	According to the PCR, Government's implementation support performance was modest. The Government did not participate systematically in UNOPS supervision missions, nor did it establish its own supervision mechanism. This seriously undermined Government's ownership of the project. In addition, the Government did not always adhere to the procurement standards established and it did not comply with providing adequate and timely counterpart funds.	3
NGO/Other	The performance of the NGOs in charge of community sensitization and provision of business development services was satisfactory. In contrast, the performance of the contractors selected for the rehabilitation and construction of dams was inadequate and negatively affected implementation of the infrastructure component as a whole.	4
Cofinancier(s)	See section on NGOs. Financial performance of the co-financing NGO was not assessed.	NA
Combined Partner Performance	The PCR did not analyse how the different partners worked together.	4
Rural Poverty Impact		
Physical Assets	The PCR has concluded that households which have benefited from the project have experienced greater growth in their asset base compared to non-beneficiary households (such as tin roofs, bicycles, radios, etc.). Physical assets have been enhanced in particular through the promotion of agricultural production and soil conservation techniques which have led to increased outputs, the introduction of improved livestock raising techniques and increased livestock production in general.	5
Financial Assets	Despite the reported limited outreach of the project in terms of micro-credit, beneficiaries reported increased access to credit as one of the most positive impacts of the project which allowed them to engage in income generating activities, to access credit to buy inputs for the cropping period or to purchase food during the hunger period.	4
Food Security	Beneficiaries have reported that project interventions have substantially contributed to improving their food security through access to credit, cash earnings during the dry period, better marketing skills and reduced post-harvest/storage losses. While non-beneficiaries reported increased hunger, project beneficiaries could reduce food scarcity during the dry period, earn higher incomes, make savings to buy food during the dry season, and use loans to stock food.	5
Environment	Farmer Training and Demonstrations have had a positive effect on the adoption of soil conservation techniques not only on the plots of participating farmers but also on those belonging to farmers on adjacent communities. Important physical achievements could be reached in terms of catchment area protection. The project however failed to highlight this issue amidst farmers' primary concerns. Farmers still gave priority to the protection of irrigated plots against livestock intrusion. The	4

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	fisheries component was weakly managed and monitored, leading to no visible result. The project failed to undertake an environmental assessment of the various interventions during implementation.	
Human Assets	The project has achieved a noticeable impact in terms of farmers' uptake of improved farming and livestock raising techniques. Adoption has taken place among participating farmers and non-participating farmers. The project has however failed to properly address the issue of water-borne diseases through adequate sensitization and training. This is reinforced by the fact that most hand-dug wells and latrines are not yet in use and that sanitation could therefore not yet be improved. Planned improvements in health and sanitation could therefore not be achieved.	3
Social Capital and Empowerment	The promotion of Functional Literacy Groups (FLGs), not foreseen in the original design document, has had a positive impact on the social capital in the project area. Voluntary associations were formed to learn to read, count and develop projects which they jointly carried out. Beneficiaries gave the same high value to all aspects of the FLG. Social cohesion has also been reinforced by the creation of water user associations (WUAs) and through the micro-credit component. Groups' loans without collateral have played a major role in strengthening group solidarity since group pressure and control is essential to ensure repayment of the loans. Finally, the project has had altogether a very positive effect on reducing rural-urban migration and therefore on households and social cohesion in the project area.	5
Ag. Productivity	While in general, agricultural conditions in the Upper East Region have deteriorated and led to lower yields during the past few years, the project was able to reverse this effect in certain communities by inducing changes in cropping patterns, increasing the number of growing seasons and the types of crops being grown. The adoption of improved production technologies by participating farmers and farmers in adjacent areas seems to indicate that the project has had some impact on agricultural productivity. Farmers have confirmed an increased productivity in the range of 30-45%.	5
Institutions and Services	The project's main achievement has been the creation of viable and sustainable WUAs, capable of handling their affairs themselves. The project provided capacity strengthening of all institutions involved in the implementation of the micro-credit component of the project, based on training needs assessment carried out at district level. However, local level services providers were not adequately strengthened to respond to the needs of the communities. As a result, priorities of the public administration did not always correspond to those expressed by the communities. Also, the impact of the project on NGOs was limited. They were mainly used as technical services providers and not systematically involved in the testing of technologies.	4
Markets	Limited access to markets continues to be a constraint in the Upper East Region and could not be addressed by the project (only 75.1 km of roads constructed under the project). This is a particularly severe constraint for vegetable producers.	2
Rural Poverty Impact		4
Overarching Factors		
Innovation	The project was not designed to lead to innovations. However, its key innovation has been the creation and institutionalization of WUAs to enhance community participation and management of water resources. The promotion of Functional Literacy Groups was the project's most successful and unplanned innovation. Another innovation has been the introduction of irrigated maize as a third crop, to reduce the hunger period from 5 to 3 months. Finally, several of the new technologies implemented under the project, adopted and up-scaled by the farmers within and outside the project area can be seen as innovations successfully introduced by the project.	4
Replicability and Scaling-up	The PCR states several times that the positive features of the project should be replicated at regional level or throughout the country, possibly through a follow-up project. However, it does not provide any more detailed discussion about the possibilities and constraints of replicating some of the features. It appears however that the areas offering the highest potential for replication include: new agricultural production technologies (Guinea-fowl production, composting, the use of neem extract for crop protection) and the Functional Literacy Groups.	4
Innovation, Replicability and Scaling-up		4

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Sustainability and Ownership	The achievements of the project under the agricultural development component offer the highest chances for sustainability. This concerns in particular the successful introduction of improved technologies adopted not only by project communities but also by farmers outside the participating communities. This, however, implies close monitoring of environmental effects to ensure that the agricultural surface already negatively affected by decreasing and irregular rainfalls, is not put at further risk due to higher cropping rates and increased irrigation. Concerns were also raised regarding maintenance of the road and water supply infrastructure provided under the project. Steps have been taken to facilitate the transfer of ownership of newly constructed dams to the District Assemblies. No provision has been made, however, for their maintenance. The same applies to the maintenance of the newly constructed roads. As a result, maintenance problems already affect the functioning of some dams. Unless this question is resolved, sustainability of the infrastructure works provided under the project cannot be guaranteed. No details have been provided on the operational sustainability of those banks facing loan recovery problems.	4
Targeting	Project design provided a specific targeting approach that was found appropriate and effective. Key elements of the targeting approach included the selection of communities based on community demand, participatory wealth ranking and technical feasibility studies. Sub-proposals were financed on the basis of specific criteria ensuring inclusiveness, i.e. adequate representation of women and the poorest among the beneficiaries. As such, the targeting approach used by the project allowed it to meet the priority needs of the poor. The PCR however criticised the fact that the targeting approach was strongly focused on gender (women in particular), with inadequate attention to other socially excluded sections of the community (disabled, widows, single mothers, etc.). The project did not develop specific strategies to meet the needs of the different groups of poor identified, including the poorest with no dams, discriminated by the project's strategy of rehabilitating dams rather than constructing new ones.	5
Gender	The project was designed to specifically target the needs of women. All 5 components were gender-focused. The PCU employed a gender specialist who played a crucial role in the implementation of project activities. As a result, women, who are not traditionally land owners in the project area, were given access to irrigated land. They also played a much higher role in WUAs. Women have gained access to markets through improved access to capital and means of transportation. Access to micro-credit has also helped women to invest in small livestock and other income generating activities. Output and impact data not gender disaggregated.	5
Overall Performance		4
Estimated number of beneficiaries	Not available in the PCR	
PCR Quality		
Scope	The outline was respected. Required annexes included, except environmental impact.	5
Quality	The PCR was well structured. Some conclusions are, however, difficult for the outside reader to understand since they require background knowledge. Altogether, however the PCR lacks detailed explanations and the conclusions drawn are not always convincing. The assessment gives the impression of being superficial and sometimes subjective. The report is, in general, overly positive and emphasises the need for a follow-up phase. The messages for the reader are contradictory and not always coherent.	4
Lessons	The PCR has produced a series of lessons learnt/recommendations relevant for the post project implementation phase. There are no recommendations of strategic nature relevant for future project implementation. Others are too obvious to be considered as relevant for future operations.	4