

Ethiopia: Special Country Programme Phase II

Item	Assessment Remarks	Rating
Country& Project Name	Ethiopia: Special Country Programme Phase II	
Loan No.:	S-3-ET	
Project Id.:	437	
Board Date	03/12/1986	
Effectiveness Date	February 1999	
Original Closing Date	December 2003	
Final Closing Date	December 2007	
Total Project Cost USD(M)	USD 33.24 million	
IFAD loan USD (M)	USD 22.6 million	
Cofinanciers (if any)	Government of Ethiopia (GoE) USD 6.2; Irish grant USD 1.34; beneficiaries 3.1 million.	
Implementing Agency	National: Overall coordination and oversight for the programme was vested in the Ministry of Water Resources (MOWR) that was responsible for the establishment of the Project Steering Committee under the chair of the Minister. Ministry of Agriculture and Rural Development and Federal Cooperatives Commission; Regional: Bureaux of Water, Minerals and Energy, Bureaux of Agriculture; Cooperatives Promotion Offices were included after the mid-term review (MTR).	
Principal Components	Project objective was to improve the magnitude and reliability of incomes and food security among families in the programme regions by institutional capacity building, irrigation development and improved agricultural services. These outputs were to be coupled with improving the abilities of local communities to mobilise social and economic resources of their own. The project also sought to improve income distribution within and between families by recognising women's actual and potential role in food production under both rain-fed and irrigated conditions. A specific objective of the irrigation and agricultural support components was to transform these activities into fully farmer-managed and controlled schemes operated by the WUA's. Project components are: i) irrigation; ii) soil conservation; iii) rural women. The project had the objective of developing 58 irrigation schemes encompassing 5,300 ha of command area.	
Project Performance		
Design	The SCP II was a logical evolution of the IFAD funded SCP I and its design incorporated the three key positives outcomes of that programme – small scale irrigation, soil conservation and women's vegetable gardens. The SCP II was expected to be used as a prototype model for replication and scaling-up of the rolling IFAD programme approach that has developed over the past 15 years under the partnership between the GoE and IFAD. The project was designed to impact significantly upon several aspects of rural poverty, and manifested a high degree of originality and effectiveness in its specific combination of components and target farmers. This versatility and flexibility in design and implementation has been a great asset. The design process made unrealistic assumptions about the response of the Bureaux involved and, to some extent, the farmers up-dating to new technology. The Appraisal also did not address seriously enough the institutional capacity building initiatives aimed at reducing the risks associated with ineffective implementation of the strategy and approach.	4
Implementation	The MTR in 2002 made the main formal changes to the project design. The MTR reduced the target of irrigation schemes (SSI) to 40; the area covered remained unchanged (5,300 ha) and benefiting approximately 21,000 households. The MTR also introduced limited provisions for the rehabilitation of schemes developed under SCP I, something explicitly forbidden at the Appraisal. A new component of Water Management was added, which absorbed the activity of WUA establishment and added several new activities. The agricultural component was significantly restructured. The project was extended three times. Follow up on key recommendations has not been vigorous enough due to relaxed oversight. Structural difficulties to implementation were the vast size area, difficulties in communication and high staff turnover. The SCP-II failed to establish functional M&E systems, compile adequate progress information and produce acceptable progress reports. The PCR rates the project's implementation performance as satisfactory, but in the light of the above implementation appears moderately satisfactory at the most.	4
Relevance	The project links closely with GoE policies on water resource development and national food security. The targeting of the SCP II for high priority food insecure Woredas has added significantly to its relevance. The project is relevant to the needs of traditional irrigation communities which are well aware of the engineering and management limitations of existing irrigation systems. According to the PCR the project was also relevant to the principles of engagement of IFAD's regional division and IFAD's strategic thrust; therefore it rated relevance as highly satisfactory.	6

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Effectiveness	Overall, the project appears to have achieved its goal as: Household food expenditure of the irrigation farmers increased marginally; Household incomes of farmers increased marginally; Women's income increased substantially as a result of vegetable cultivation and sales. Overall the PCR Mission finds that the impact of the SCP-II has been positive through the demonstrated positive impact on male and female headed households in terms of food security and the generation of real cash income that has been used for improved shelter, asset development (largely cattle) and payment of children's school fees. The Impact of the project is rated as satisfactory by the PCR but given the marginal impact on some key areas performance appears marginally satisfactory.	5
Efficiency	Given the poor database available, the PCR mission was forced to rely upon earlier missions and its own assessment during field visits to the scheme areas, extensive and comprehensive discussions with the stakeholders at the regional and Woreda levels and more importantly, the farmers group. At appraisal the ERR estimates for irrigation schemes (SSI) activities, soil conservation, and women's vegetable gardens were 19%, 8% and 7% respectively. The overall programme ERR was put at 15%. Given the prevailing cereal prices and productivity of crops and vegetables in relation to irrigation development, soil conservation and women's gardens, it is likely that the actual ERR for these components is more or less the same. According to the PCR, the major inefficiency, or rather under-performance, of SCP II to date has been in the disbursement and expenditure of allocated funds, especially to those activities lying outside the remit of the Regional irrigation authorities (i.e. agriculture and cooperatives). The PCR rates project efficiency as "moderate to satisfactory".	4
Partner Performance		
IFAD	IFAD was responsible for project design. Experience gained during project implementation has shown that the project design has limitations in terms of understanding and reflecting the capacity and dynamics of both farmer and bureau staff propensity to change as well as the limited recognition of the need for and provision of substantive support for institutional capacity building. The PCR reports that the personal commitment of IFAD staff was evident, but IFAD's funding of project supervision was inadequate given the project complexity and the vast project area. The PCR rates overall IFAD's performance as Satisfactory, but this seems over-rating it.	4
Cooperating Institution	Supervision Missions have generally been timely, their reports have been comprehensive and their recommendations have been relevant. UNOPS was highly supportive of the project and very responsive in meeting its administrative and technical needs. Overall, UNOPS's performance is rated as Satisfactory.	6
Government	This has been a very challenging project for the Government to implement and many of the initial problems it experienced were not of its making, being related to a number of design considerations. The GOE and the Regional Government have been very supportive of the project and in general counterpart funds have been provided on time. The government's contribution of counterpart funds has been substantial. Quarterly reports from the regions have not been presented in a consistent manner and lack rigorous analysis and reflection. These data are neither complete nor easy to consolidate. This problem has been further exacerbated by staff turnover. To date, no functional M&E system has been put in place. According to the PCR, overall the performance of the Borrower is rated as Satisfactory, but as with IFAD, this seems over-rating it.	4
NGO/Other	NA	NA
Cofinancier(s)	Irish grant: The DCI has remained a constructive and loyal partner of the SCP II. Its contribution to project supervision has been most useful. Overall performance according to the PCR is rated highly satisfactory.	6
Combined Partner Performance	<i>This is not addressed specifically by the PCR, but given changes to project design (all partners in full agreement) their interaction appears to have been positive throughout implementation.</i>	5
Rural Poverty Impact		
Physical Assets	At the time of PCR, the project had completed: i) 65 new irrigation schemes (more than design and MTR targets) with a potential command area of 4,566 ha out of the planned 5,300 ha; ii) 34 traditional schemes with the provisions of headwork and canal facilities with a potential area of 2,618 ha mostly in Amhara region; iii) rehabilitation of some 15 SCP I schemes covering a total command area of 1,824 ha; and iv) 4 spate irrigation schemes in Tigray Region covering a total command area of 1,560 ha. The total number reached 118 schemes. These schemes directly benefited an estimated 38,027 households in the programme area. Total investment cost excluding the contribution by beneficiaries was EBR 142.99 million as against the estimated budget allocations of EBR 144.19 million. The implementation results not only exceeded the appraisal and MTR targets but completed and upgraded other schemes not foreseen, reaching a total irrigated area of 10,568ha against a 5,300 target.	6

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Financial Assets	The PCR does not report on financial assets directly, but affirms that beneficiaries' financial assets have increased in relation to increased production. The cash derived from selling the increased production enables the acquisition of food during food deficit months.	4
Food Security	Food security, in the sense of increased and more reliable production and increased income, is improving, for irrigation farmers. The range of dietary intake is also widening due to crop diversification. The cash generated from selling vegetables and other produce is commonly used to buy food to cover household food demand during food-deficit months.	5
Environment	The actual achievements of the soil conservation activities diverge greatly. The highest achievement was for conservation based trials (over 250% of targets) while there were negligible achievements in farmer training. Under soil conservation 20 nurseries established 4,000 km of bunds constructed, 1,201 km of bunds stabilised, 77 stone check dams constructed, 34 conservation-based trials and demonstrations set up and 0.5 ha demos were set up on 55 locations. DAs and farmers were provided with training on conservation practices. The Mission observed that most of the schemes visited suffered from sedimentation of canals and in certain cases severe gully erosion; it also noted that overall there had been an underestimation of the need for integrated watershed management and soil conservation activities in SCP II. There is a danger of soil degradation within the command areas, if soil nutrients are not managed carefully. It is worth noting that according to both GoE and IFAD criteria for environmental impact assessment, SCP II was expected to have no significant impact on the environment.	3
Human Assets	As indicated in the latest project supervision report, the establishment of trials and demonstrations has significantly surpassed the targets (240 and 381% respectively). In contrast, achievements for other activities (e.g. farmer training) range between 11 and 56%. The exception in this regard is the 100% achievement of foreign short term training. Over 6,000 farmers, 333 DAs, 325 WUA leaders were trained and their skills improved (all these figures are below targets). In spite of this, the PCR reports that the impact on human assets, in the form of skills and knowledge, has been limited by the generally poor quality of extension work, unimaginative use of trials and demonstrations, and limited institutional support provided by the project.	3
Social Capital and Empowerment	Under the water management sub-component, some 93 water user associations (WUAs) were organised and registered as cooperatives. In order to strengthen the capacity of WUAs, some 6,392 farmers were trained in institutional aspects (target of 13,797 farmers), 333 DAs were trained (target of 990 DAs), 30 farmer field visits were organized and 325 WUA leaders received training. Poor quality of training overall as stated above. In addition, 36 training of trainers and 114 staff training were organized. Training in the form of study tours was also provided; these included: 6 overseas study tours, 11 overseas long term trainings, 6 national level long term and 27 short term trainings. In many instances, there has been conflict between the water users and members of the cooperatives. There is mixed evidence on the ground as to how effective WUAs have actually been in achieving their goals. Less than 50% of these institutions assuming responsibility for scheme O&M. Overall results in SCP II in this area have been mixed largely due to the lack of effective participatory approaches and a focus on the promotion of cooperatives, which proved unattractive to many farmers.	3
Ag. Productivity	Although there is limited quantifiable data available, the impact of irrigation on crop yields and productivity is perceptible. All farmers, with whom the mission interacted, confirmed that there have been increases in crop yields due to irrigation. Productivity of cereal and horticultural crops experienced increases ranging between 25% and 40% over the previous level. Cropping intensities increased from 90% to 120% in Tigray, 100% to 150% in Amhara and Oromia and 90% to 130% in SNNPR. Under the rural women vegetable production, 2,487 plots set up and facilities provided. Within the context of the targets of SCP II the outcomes of the seed production sub- component have been relatively successful. However, although there has been a certain level of improvement in the area of seed production, which currently remains incompletely quantified, in the wider context of farmer demand, a chronic shortage of improved seeds still persists.	5
Institutions and Services	Training Woreda (District) Agronomists, DAs through local and study tours. This training improved their technical capacity and management levels. Impact on availability of services is expected from the WUCs created.	5
Markets	The PCR provides no information in relation to access to markets or to any activities the project could have taken on this regard. It only reports that access to market appears to be a constraint for those beneficiaries that increased production thanks to irrigation and for women who developed vegetable cultivation.	2
Rural Poverty Impact		5

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Overarching Factors		
Innovation	The PCR reports that project has been innovative in its particular combination of components and target farmers. No other reference to innovation is made.	4
Replicability and Scaling-up	According to the PCR, replication of the project combination of components will remain dependent on donor funds for the foreseeable future. Some non-target farmers have been observed to imitate the technology which they saw use by project beneficiaries. Based on the experience acquired to date, IFAD has already developed a support project commencing in 2007 that will address most of the issues mentioned above including, in particular, the participatory process and institutional capacity building.	3
<i>Innovation, Replicability and Scaling-up</i>		3
Sustainability and Ownership	Sustainability was to be achieved primarily through the establishment of Water Users' Cooperatives which would take full responsibility for every aspects of irrigation scheme maintenance. Nevertheless, evidence has shown that farmers in general are reluctant to join and become members of cooperatives. Upon completion, the Regional Bureaux normally hand over responsibility for major scheme maintenance to their Woreda Office. Minor maintenance and canal cleaning rests with the WUA's. The on-going positive support of the Regional Bureaux in additional funding allocation and technical support when maintenance issues are beyond the combined resources of the WUA's and the Woreda offices is an important contributor to sustainability. In many cases, the mission observed competition and conflict between upstream and downstream water users. The Regions have started taking a whole-catchments approach to the study and design of potential new schemes; this should be further supported by appropriate policy and legislative measures.	5
Targeting	SCP II has been located in the four provinces of Amhara, Tigray, Oromia and Southern Nations and Nationalities Peoples Region (SNNPR), Populations and Nations. Rural women were specifically targeted. No information is provided on how beneficiaries in the project area were identified.	NR
Gender	Data reported in the latest supervision mission suggest the establishment of 2,487 women's vegetable gardens and the provision of training to 5,100 women on vegetable agronomy in the implementing Regions. This makes up the 103 and 110% achievements of the targets respectively. Recent Missions have not been able to fully verify the accuracy of this data but it is clear from those women visited that the provision of seed, other inputs and particularly water is having a significant impact on the food security of their families and in some cases is generating sufficient cash income to pay for children's school fees. The SCP's impact on women through the promotion of women's vegetable gardens has been small in numerical terms, but significant in terms of depth. This is an area of real and demonstrable importance to family life, improved household nutrition, and women's empowerment.	5
Overall Performance		4
Estimated number of beneficiaries	Total 32,200; women 1,200.	
PCR Quality		
Scope	The PCR did not follow the guidelines precisely but covered most relevant issues and contains also very rich annexes.	4
Quality	The PCR is well written, clear and information was easy to find. Efforts were made to provide quantitative data in spite of missing data from M&E.	4
Lessons	Lessons are brief. The PCR does state that the lack of M&E data forced the mission to spend much more time going through supervision reports and interviewing staff that pondering on lessons for future activities.	2