

### Eritrea: Eastern Lowlands Wadi Development Project

Item	Assessment Remarks	Rating
<b>Country&amp; Project Name</b>	<b>Eritrea: Eastern Lowlands Wadi Development Project (ELWDP)</b>	
Loan No.:	356-ER	
Project Id.:	365	
Board Date	05/12/1994	
Effectiveness Date	March 1995	
Original Closing Date	June 2001	
Final Closing Date	September 2006	
Total Project Cost USD(M)	USD 20.11 million	
IFAD loan USD (M)	USD 12.68 million	
Cofinanciers (if any)	Belgian grant USD 5.29 million; Government of Eritrea (GoE) USD 0.376 million; beneficiaries USD 0.835 million.	
Implementing Agency	Ministry of Agriculture	
Principal Components	The specific objectives of the project are twofold: (i) to rehabilitate and improve the spate irrigation based agricultural systems in Sheib area of Eastern Lowlands, promoting a major expansion of smallholder production of basic staples in order to increase food security and incomes of targeted Lowlands population and linked families in Highlands; and (ii) to strengthen the enduring capacity of the MOA to plan and implement similar rehabilitation activities in other viable irrigated zones through the experience gained in the implementation of ELWDP. Project components were: i) Spate irrigation component; ii) Agriculture and Livestock development component; iii) Roads component; iv) Domestic water supply component; v) Project coordination component.	
<b>Project Performance</b>		
Design	While the PCR praises IFAD for its will to support Eritrea's food production effort as the country attained its independence, it identifies many shortcomings of project design. Some key constraints were underestimated such as manpower capacity, absence of adequately capacitated institutions, inadequacy of infrastructure and absence of a farmer based organization to interface with the project. Merely construction of head works could not have secured adequate water supply to farms unless in-command structures were also constructed/strengthened, but this element was not included. The project did not focus on sustainable operation and management of the irrigation systems during and after the project period. It did not pay enough attention to Gender focus, or support for livelihood activities to enhance family income. As a result of inadequate farmer consultation many completed water diversion structures did not perform to design parameters and the farmers dissatisfaction grew. Project costs were seriously underestimated at appraisal for some key activities such as road construction and Spate Irrigation.	2
Implementation	The PCR reports that all project design shortcomings were overcome during implementation thanks to the will and flexibility of Government implementers, IFAD and the International Development Association (IDA). Two sub components were added under Spate Irrigation; and cost limitations were resolved by dropping the Roads component, as well excluding Wadi Labka system from spate irrigation so that remaining works would not be under-funded. Design deficiencies in head works and related structures were subjected to an intensive expert study and solutions found in close consultation with the farmers (February 2006). Some of the study recommendations are expected to be carried out shortly. The MOA established a fairly satisfactory M&E systems directly managed by the implementers; however, a satisfactory consolidated database could not be established. The project still depends on going to the annual reports to prepare a consolidated statement for past project performance. Throughout implementation the project coordination unit (PCU) lacked some key figures (account and procurement specialists, socio-economist). The project carried out 42 studies, which appears excessive.	3
Relevance	Project relevance is not addressed.	NR
Effectiveness	The project achieved its objectives in relation to increased institutional capacity of MOA for planning and managing irrigation, availability of drinking water and improved livestock health. There are also several economic, social and environmental benefits arising from the project such as tree cover protection, soil conservation, and pursuit of pro-active social action by empowered farmer organization for good of the individual and enduring good of the group economic assets.	5
Efficiency	The only information provided in the PCR in relation to efficiency refers to the too high cost of some of the infrastructure constructed by the project. Too little information to allow an assessment.	NR

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<b>Partner Performance</b>		
IFAD	IFAD was amongst the first multilateral donor institution that came to identify, prepare and appraise this project soon after Eritrean independence. IFAD has also been extremely understanding and cooperative in accepting proposals for additions and modification of the project components to remedy some of the project design shortcomings. IFAD took a leading role in adding two sub-components which lent sustainability to the systems' operation and maintenance. It has always accepted Government and CI proposals for project extension and for category-wise reallocation of loan proceeds. The IFAD country portfolio manager has occasionally attended CI supervision missions. The only negative aspect is the process delays for approving Government requests for closing date extension and re-allocation of categories. The PCR considers that overall IFAD performance has been satisfactory; nevertheless, given its responsibility in project design this appears an over-estimation.	4
Cooperating Institution	IDA as the cooperating institution carried out a total of 16 supervision missions. The composition of supervision responded to the technical needs of the project. The missions were thorough, and always addressed emerging implementation issues. The PCR reports that IDA missions have been extremely helpful. In every supervision mission the project management was guided and provided assistance to improve implementation performance. These participatory reviews and IDA's positive approach has contributed to resolve most of the issues that the project faced. Project proposals for procurement, extension of closing date, category-wise re-allocation and others were promptly processed. The performance of IDA is rated highly satisfactory.	6
Government	Due to capacity limitations and border conflict the government could not give enough momentum to implementation in the first time phase of the project until mid-2001. Implementation was also handicapped due to project design deficiencies. At times, the procurement by the MOA has been tardy and contributed to implementation delays of some tasks, and an insufficiently staffed project coordination office was also responsible for process delays. The Government mobilized farmers, and as a result the Sheeb Farmers' Association (SFA) has become an empowered institution representing farmer interests and taking over system O&M. The Government has been regular in meeting its share of counterpart funds, and until 31 March 2006 had exceeded its project share by 84%. The project team always carried out supervision mission recommendations and generally the follow up of suggestions and mission agreements was satisfactory.	4
NGO/Other	UNICEF implemented the domestic water supply component. The PCR rates the component performance as marginally satisfactory, with almost nothing being done by UNICEF during the first 9 years of the project except for surveys and investigations that consumed a large amount of funds, in spite of the eventual achievements of the project it implemented.	3
Cofinancier(s)	No information provided on Belgian grant performance.	NR
<b>Combined Partner Performance</b>	<b><i>Combined performance not addressed in the PCR. Partners coordinated well in order to enable all the necessary changes to original design. WB/IDA took no supervision responsibility for the UNICEF-implemented component, and no structural link remained between the two.</i></b>	4
<b>Rural Poverty Impact</b>		
Physical Assets	The number of animals has increased by 83% which has meant larger number of families own more animals, and complemented by better health cover their returns from livestock are higher. Increased financial assets have increased household physical assets in general. Before the project on an average 60% of the farms received one or more watering. Following the creation of the Sheeb Farmers association (a Water users cooperative) 52% of the farms receive 3 watering and more, which is a substantial improvement. 24 structures were built under the Command Area Development (CAD) sub-component, against a target of 20. As regards the performance of headwork structures, these not functioning properly as they require much more maintenance than expected, with also higher costs. The quality of some of this infrastructure is not of the expected quality. Before being dropped, the Input supplies sub-component provided a total of 1,443 farmers with farm implements, 75 paravets received toolkits, 4,000 farmers were provided with improved seed, and 166 beneficiaries were supplied pesticides.	4
Financial Assets	According to the PCR, the consultant engaged to collect financial data did not succeed in producing reliable data, therefore the PCR mission relied on secondary data to estimate changes in financial assets. These data support the belief of a reasonable income increase, as follows. As a result of construction of the permanent structures each of the 3,603 farmers, who are registered members of the Sheeb Farmers Association (SFA), are saving on an average 34 to 42 person days per year. This	5

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	saving in expenditure on the one hand increases margins on produce sales; on the other hand this saved labour is deployed for income generating activities. The production and productivity increases have also benefited the farmers in terms of income increase. The project emphasis on livelihood training and starting micro-enterprises particularly by women has increased family income from this source. Crop diversification into cotton and horticultural crops is adding to family income as well. All these facts lead to the conclusion that family incomes have increased considerably.	
Food Security	The PCR reports that the food security at project level has increased as a consequence of an increase in the production of staple foods, which is 86% higher in 2005 than it was in 1995. At the household level only anecdotal evidence is available, obtained by the project team from time to time. On an average the yields of the traditional varieties of sorghum in 2005 are higher by 50.9% than at project start up ensuring more food availability to the household.	5
Environment	It had been estimated that before the project the farmers were cutting 30,000 trees every year to construct and repair the traditional Agims. Besides, they were spending 32,625 person days and 17,250 oxen days to carry out the repair works. The result was a high level of denudation on hill slopes and in the flood plains resulting in soil erosion and loss of vegetative cover. With the permanent diversion structures the tree cutting has stopped with substantial environmental benefits. The structures have also prevented gully formation and have helped save valuable agricultural land.	6
Human Assets	The overall increase in household financial assets has led to a 28% increase in children school enrolment. The training component has been well executed and met fully its expectations and exceeded performance targets. In 78 courses (target 48 courses) the project provided training to 1,239 farmers including office holders of SFA and Teshikls and Ternafis. The Domestic supply component, although with much delay, has managed to complete two water sub-projects, while the remaining four are at different levels of implementation. The total number of beneficiaries at completion is expected to be 3,945 households of the Sheib population.	5
Social Capital and Empowerment	The establishment of a water users' association SFA has added value to the project in terms of sustainability of operations and maintenance of the irrigation systems. In about 3 years the SFA has gained institutional, financial and operational strength and is trusted and respected by farmer members; it is also expected to be able to function without future financial support by the MOA. It has spearheaded the construction of in-command structures under the Command Area Development (CAD) sub-component, and thus managed to improve the efficiency of water distribution to the farms. The SFA started sharing costs of O&M under an Agreement signed between the MOA and the Association in January 2004, for takeover by it of the irrigation systems for O&M. The project training activities also produced social capital through auxiliary paravets; contact farmers functioning as auxiliary extension agents; the 1,239 farmers that received training; and the 39 women who after livelihood training established micro-enterprises.	5
Ag. Productivity	The research assisted in the objective of increasing staple production by releasing two improved varieties of Sorghum named Laba and Sheib. These varieties in research trials have shown considerable increase in productivity of the order of 66-99 per cent relative to local varieties of hijeri and tetrone. By the closing date the project would have distributed 312 quintals of seed (including 24 Quintals of foundation seed for multiplication) of the improved varieties to 4,000 farmers, including farmers outside the project area. The increasing level of staple production (86% in 2005, compared to 1995) in Sheib since project inception shows the impact of this sub-component. On an average the yields of the traditional varieties of sorghum in 2005 are higher by 50.9% than at project start up ensuring more food availability to the household.	5
Institutions and Services	The MOA has developed under its Irrigation Division a full-fledged irrigation planning and design capability, to engage in irrigation development countrywide without any external assistance except for some very complicated structures. Three senior engineers have acquired postgraduate degree and three others have attended specialized course. The Irrigation Division has planned and designed 14 irrigation projects covering 32,300 ha of additional command. In addition all the six sub-zobas have also established an irrigation planning and design office each. The objectives of institutional strengthening of animal health extension delivery and health of the animals through vaccination and treatment of sick animals have been achieved. 16 trained farmer volunteers are operating as auxiliary paravets whose services are greatly appreciated by the farmers, as these provide health cover throughout the year. Paravets have reported that they would continue their profession after project closing owing to good returns for their services and farmer appreciation. A drugs sales outlet established at Sheib ensures reliable drug supply. The animal health targets have also been exceeded: 10,850 animals have been vaccinated and 166,685 provided treatment. MOA capacity for extension, irrigation design and planning as well as	5

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	management, procurement and accounting was enhanced with the training of 61 officials under the project and 6 under other schemes (target 24).	
Markets	As the roads construction component of the project was dropped, the road link that the project was supposed to build was built instead by other donors with government collaboration. The construction of this road has served the project purpose to give the project area access to markets and helped reduce transportation costs. Nevertheless, since the road was not financed by the project, it cannot take the merit of its positive impact. On its own initiative, and in terms of its approved work plans, the project has carried out improvement of several access roads within the project area totalling 28 kilometres. This compares badly considering the original expectations.	2
<b>Rural Poverty Impact</b>		<b>5</b>
<b>Overarching Factors</b>		
Innovation	Although the appraisal report recommended additional recruitment and training of extension agents to strengthen MOA extension outreach, successive MOA advertisement failed to elicit response due to general shortage of trained manpower in the country at that point of time. The project innovated and tackled this shortage by training farmer volunteers, named contact farmers, (84 in total, of which 41 deployed in Sheib area) who performed as auxiliary extension agents and assisted in enhancing extension outreach at a low cost.	4
Replicability and Scaling-up	The project has compiled its experiences and lessons learned along with process and procedures in the form do-it-yourself-handbooks in four key areas namely Irrigation Management Transfer, CAD, Extension, and maintenance of irrigation systems. These handbooks were discussed in workshops with all Zobas and MOA stakeholders attending and finalized. These would be immensely useful documents for the future projects. Besides this, the only information available on scaling up regards the MOA ongoing activities following its training in irrigation construction.	3
<b>Innovation, Replicability and Scaling-up</b>		<b>3</b>
Sustainability and Ownership	(i) The operation and maintenance of spate irrigation structures including, entrusted to SFA in 2004, is most likely to be sustainable; (ii) the auxiliary paravets would continue their profession after project closing as their practice has matured over the years and they enjoy respect of their clients; (iii) the current system of contact farmers appears hard to sustain unless SFA and Zoba administration take charge; (iv) the adaptive research will be maintained by NARI at the current sub-center, soon to be upgraded to a research station for eastern Lowlands; (v) the assets at project site office at Sheib are likely to be transferred to NARI who would operate the research station from these premises; and (vi) training activities at the level attained under the project will be hard to maintain or sustain. However, low cost local courses of topical interest and refresher courses for contact farmers, paravets and Teshikls and Ternafis are likely to be managed by Zoba/sub-Zoba administration under its budget supplemented by SFA contributions.	5
Targeting	The project targeted the entire population of farmers on the spate irrigation systems of Sheib and Wadi Labka initially. However, Wadi Labka system was dropped in 2000 after it was determined that the funds included for spate irrigation were not enough to carry out works on both. The project therefore targeted only two systems of Sheib at Wadi Laba and Mai Ule comprising of about 4,000 smallholder farming households.	3
Gender	Project design did not address gender issues.	2
<b>Overall Performance</b>		<b>4</b>
Estimated number of beneficiaries		
<b>PCR Quality</b>		
Scope	Project relevance and efficiency were not addressed. The PCR followed a structure of its own, although most relevant themes are covered.	4
Quality	Fairly well written, information found without great difficulty.	4
Lessons	PCR lessons learned too brief, especially taking into consideration what could be learned from intervening in a newly independent, post-conflict country.	2