

Zambia: Forest Resource Management Project

Item	Assessment Remarks	Rating
Country & Project Name	Zambia: Forest Resource Management Project (FRMP)	
Loan No.	520-ZM	
Project Id.	1039	
Board Date	9th December 1999	
Effectiveness Date	26th June 2002	
Original Closing Date	31st December 2008	
Final Closing Date	31st December 2007	
Total Project Cost USD(M)	16	
IFAD loan USD (M)	12.6	
Cofinanciers (if any)	German DED: USD 1.7 million and Government of Ireland: USD 123 366	
Implementing Agency	Ministry of Tourism, Environment and Natural Resources	
Principal Components	The goal of FRMP was to develop a sustainable income base for poor rural house-holds dependant on fragile forest resources. The project purposes were: (i) to develop robust institutional arrangements that regulate overall and local forest uses to enhance and conserve the environment; (ii) to build up knowledge about existing forest resources and appropriate harvesting and production technologies; (iii) to increase incomes and assets of poor households dependent on forest resources; and (iv) to improve the living conditions for selected rural communities through better access to basic services. These were to be achieved through the implementation of three components: (i) Community Development in Forest Areas; (ii) Sustainable Income Generation; and (iii) Project Facilitation.	
Project Performance		
Design	The PCR does not explicitly address this topic. Considering the constraints faced by the poor communities in the area, the design was intended to benefit them. Indeed it was designed using participatory methods. On the other hand, judging from the changes in design after the MTR, it can be concluded that some components may not have been the right ones, such as the communal forestry one. Indeed, the PCR seems to suggest that at design level, it may have been underestimated the extent to which the institutional and policy environment in the forestry sector would not be conducive to people's access to and use of forest resources.	3
Implementation	The implementation of the project was quite weak. The project suffered from a number of delays and cuts in its funding due to the appreciation of the national currency. It was also partly suspended after the MTR for 8-9 months. The performance of the project implementation unit (PIU) was quite weak: the Unit was often understaffed with high levels of turnover and its operational and financial capacity was quite weak. The PIU was also not always able to ensure a good coordination and exchange of information with the Agencies contracted to carry out some of the components. This meant that the components were not well integrated. The M&E system was also weak: it was designed after the mid-term review (MTR) but was never implemented as the M&E officer was not able to visit the project area. The early completion was due to the appreciation of the national currency and the weak implementation of the project.	3
Relevance	The relevance of the project is not too clear. Judging from the change in design, that reallocated the funds into the income generating activities, there is reason to believe that the CMFR sub-component (Communal Management of Forest Resources) was not too relevant. This assumption is further supported by the PCR's claim that there were very few communities that had forest resource conservation as a priority in their activities. However, the project operated in a very poor area that was marginally affected by the overall macroeconomic improvements experienced by Zambia in the past years. The project was in line with the PRSP.	4
Effectiveness	Due to the various delays, funding cuts and poor implementation, the project's effectiveness was quite low. Except for very few exceptions (bee products is one of them), most of the targets were not reached. The project ended up being implemented in only 28 of the planned 70 Working Areas (a geographical unit) and overall only 40% of its targeted activities were reached. The rural financial sub component was never implemented due to the lack of a suitable financial institution to carry the work out and only 30% of the activities under the Communal Management of Forest Resources (CMFR) were completed. One of the reasons is that there were very few communities that had forest resource conservation as a priority in their activities. The Social Infrastructure sub-component also seriously underperformed due to delays and changes in the management of the activities.	3

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Efficiency	The project does not seem to have been very efficient. It relied on NGOs to carry out much of the work and their overhead costs were very high. Also, PIU expenses turned out to be much higher than expected (293%) to the detriment of the other components that underspent (Income Generation ended up spending 22% of budgeted amount). From this we can infer that the benefits accrued from the project were probably less than its costs.	2
Partner Performance		
IFAD	The PCR does not give much information on this topic. The IFAD country programme manager travelled to the country twice in 4 years and overall IFAD/UNOPS (UN Office for Project Services) visited the country 5 times. Considering that this was a problem project, more support may have been desirable.	3
Cooperating Institution	The only information we have is from the PSR, that gives UNOPS a 3, and the information under IFAD.	3
Government	The PCR does not give information on how the Government fared. We know from the PSR that the Ministry did not make big efforts to implement the recommendations of the MTR. The Government was not much effective in creating an institutional and policy framework that would be conducive to poverty reduction through the use of forest resources.	3
NGO/Other	n/a	n/a
Cofinancier(s)	Both DED and the Irish seem to have done a good job in their respective areas. They ended their activities ahead of time, although disbursing much less than expected (35% and 48% respectively); the reason for this is unclear.	4
Combined Partner Performance	<i>There is evidence that the partners did not work well together, especially the Contracted Agencies and the government at local level. The idea of contracting out some components of the project did not work.</i>	3
Rural Poverty Impact		
Physical Assets	The project has increased access to physical assets but much less than was intended and with doubtful maintenance issues pending. Under the Social Infrastructure Development component, 110 social infrastructures (schools, health facilities, water points) were to be completed. Activities only commenced in mid-2005, and there have been long delays and major procurement issues. 2 clinics, 2 schools, and 2 honey cottages were completed overall. Under the Feeder Road Rehabilitation, 213 km of roads were rehabilitated compared to the planned 400km. An additional 30 roads were identified, surveyed, designed and tendered but never initiated.	3
Financial Assets	Under the Rural Financial Services sub component, there were raised expectations of receiving credit in the communities, but activities could not start due to lack of a qualified financial institution. The MTR recommended conversion of the credit line to a grant facility – to also improve linkages with existing market intermediaries. The Ministry's counter-proposal to create savings and credit associations, completed in late 2006, was not approved by IFAD. This component was never put in practice.	1
Food Security	Most of the income generating activities did not manage to lead to increases in income because of lack of credit and marketing problems. This is true for the tie and dye material production, chikanda, mushroom preservation and packaging activities. An activity introduced in some WAs that was a complete failure is pitsawing and carpentry. The timber resource is readily available, but most of the participating groups attributed their failure to alleged exorbitant forestry royalties that they are expected to pay in order to engage in legal forest harvesting. The two IGAs that were partly successful were those related to bee products and rattan. Beekeeping PGs were able to produce annually 185 tons of honey (compared to the expected 1700 tons).	3
Environment	There is no evidence of negative environmental impacts. The project has been quite good at raising awareness amongst the communities on the importance of conserving forest products and of avoid deforestation. Indeed, some watch groups were spontaneously set up to curb illegal forest resource utilization.	4
Human Assets	Producer Groups (PGs) were trained in different skills for income generation - beekeeping, rattan processing and weaving, chikanda growing and tie-dye production. Rattan and bamboo producers were also trained in business management, marketing and record keeping. Other forest products that were promoted by the FRMP included timber, mushrooms, chikanda, munkoyo, medicinal plants and caterpillars. The Project provided extension and training activities in sustainable harvesting, processing and marketing of these products. Furthermore, the project facilitated the branding and packaging of dried mushrooms, munkoyo and caterpillars, to improve product quality and enhance their marketability. The project also built 2 clinics and 2 schools thus increasing, albeit marginally, people's access to health and education.	4

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Soc. Cap. & Emp.	The project was supposed to set up a number of community groups aimed at IGAs and at the communal management of forest resources. With respect to the latter, 170 Village Resource Management Committees (VRMCs) were set up, but their impact and sustainability is weak: they do not have control over forest products and therefore cannot profit much from these products. The sensitization and mobilization of the communities in specific PGs has empowered them to register their societies so as to access government development resources in an organized fashion. After the momentary suspension of the project after the MTR however, many of these PGs dissolved.	3
Ag. Productivity	The income generating activities (IGAs) were to increase production of honey and other forest products. The production of honey and rattan craftwork increased, but well below expectations.	3
Inst. & Serv.	n/a	n/a
Markets	The communities have faced severe marketing constraints. Although the rehabilitation of the feeder roads has helped in terms of opening up the communities to markets, this alone has not been able to improve the marketing of their products much. After the MTR, the Ministry decided to build local, district and provincial marketing associations using a staged cooperative model. Technical Assistance was provided by the German DED and the whole component performed relatively well. DED however withdrew from Luapula Province in mid-2006. Some rattan/bamboo weavers shifted from the rural areas to Mansa Town to access markets easily, but this is clearly a choice that only a very small minority can make.	3
Project Impact	<i>The project impact was quite weak overall. This was due, amongst other aspects, to the poor implementation capacity of the PIU and the Contracted Agencies (CAs) and limited funding. The fact that the credit line never started was also a serious handicap.</i>	3
Overarching Factors		
Innovation	The project has led to the relatively successful introduction of bee keeping particularly in Luapula Province. The project tried to introduce contract-based implementation arrangements (CAs) to ensure effective delivery, but the progress here was limited, due to the difficult partnership between Government and contracted agencies and by the insufficiently clear contracts.	4
Replicability and Scaling-up	No information.	NR
<i>Innovation, Replicability and Scaling-up</i>	<i>Based on the rating for innovations introduced by the project.</i>	4
Sustainability and Ownership	The sustainability of the project activities is mixed. With respect to the infrastructure constructed, the maintenance of the school and clinic buildings will be a responsibility of the government. For schools the Ministry of Education and the existing Parents/Teachers Associations will take care of maintenance. The health centres be will maintained by the Ministry of Health. The major challenge will be the feeder road maintenance: not all of the rehabilitated roads will be graded in categories recognized by the Ministry. With respect to the other activities, a serious obstacle to sustainability is the lack of communication/coordination between the CAs and the district offices. Much of the time, the CAs operated independently, without involving the district officers, who will thus most probably not take over the activities once the CAs leave.	4
Targeting	There is no data in the PCR with respect to targeting. The PSR gives poverty focus a 3, and indeed there is evidence that not much focus was placed by the project on the poorer households. On the other hand, much of the population living in the targeted area is very poor and did benefit from the communal components (social infrastructure, community mobilisation).	4
Gender	The project has had a relatively good focus on women. The project tried to ensure gender equity during the project implementation phase and women participated in various income generating activities. Grants were offered to women and they were represented in most committees, though they are generally fewer in numbers. A good number of women PGs for honey production were set up and most women beekeeping groups indicated to the PCR Technical team that their income at household level had improved.	4
Overall Performance	<i>Overall the project did not fare very well. It seems that its cost did not justify the few benefits that arose from it. Indeed, it ended up being implemented in half of the targeted area and impacted on very few people. It did not have the expected impact in terms of regulating the use of forest resources, and in fact forest products are not being used as much as they could.</i>	<u>3</u>
Estimated number of beneficiaries	135000	

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PCR Quality		
Scope	The scope of the report is in appearance good: the report follows the PCR template and reports the quantitative information in the Annexes. The problem is a qualitative one: the sections do not always correspond to the title. So the sections on efficiency and partner performance were in fact not on these topics, neither were some sections under impact. There was also quantitative data missing given that there was no baseline or impact study.	3
Quality	see above	3
Lessons	There are 6 lessons, but not all of them are actually lessons: some are descriptions of aspects of the project. Others point to aspects of the project that did not work too well, but there is little analysis of why that is and what could be done to overcome it.	3