

## Cambodia: Agricultural Productivity Improvement Project

Item	Assessment Remarks	Rating
<b>Country &amp; Project Name</b>	<b>Cambodia - Agricultural Productivity Improvement Project (APIP)</b>	
Loan Number	423-KH	
ID Number	517	
Board Date	September 1996	
Effectiveness Date	September 1997	
Original Closing Date	June 2002	
Final Closing Date	June 2006	
Total Project Cost USD(M)	USD 35.11 M	
IFAD loan USD (M)	USD 4.75 M	
Cofinanciers (if any)	WB/IDA (World Bank: International Development Association) USD 27.0 M - GOC USD 3.36 M - Special Operations Facility USD 0.05 M	
Implementing Agency	Ministry of Agricultural Fisheries and Forests (MAFF) for APIP. Department of Animal Health for IFAD component.	
Principal Components	The development objective set at appraisal was to assist the Ministry of Agriculture, Forestry and Fisheries (MAFF), to implement a co-ordinated national programme to improve the quantity, and the quality, of the technical, human and physical resources required to promote a sustainable improvement in agricultural development in Cambodia. APIP is a multi-faceted investment project financed by World Bank/IDA and IFAD. The IFAD Loan financed the Animal Health and Production (AHP) Component of APIP. The objective of the IFAD financed AHP Component was to strengthen the institutional capacity of the Department of Animal Health and Production (DAHP) of the MAFF and selected provincial Offices of Animal Health and Production (OAHP) and promote the development of private veterinary services to farmers in order to reduce mortality and morbidity of livestock significantly and sustainably. The IFAD PCR was related only to this IFAD-funded component. The AHP component is divided into three sub-components: i) Disease Control and Management Support; ii) Basic Animal Health; iii) Promotion of Animal Production.	
<b>Project Performance</b>		
Design	The design of the project was particularly appropriate. It provided a good balance between: (i) meeting the Department of Animal Health and Production (DAHP)'s needs for capacity building and establishing key facilities such as the National Animal Health and Production Information Centre (NAHPIC); and (ii) meeting the needs of poor livestock producers for services that reduced the risk to their livelihoods caused by disease. Project design assigned very little funding to the implementation of the animal production sub-component and established that it started its activities only after 3 years of implementation of the other two sub-components. Although this undermined the impact of the sub-component, the strategy of firstly promoting a privatized animal health delivery service has also proved to be a major factor in the success of the project.	4
Implementation	Coherently with the component's aim, DAHP was designated as the implementing agency for the IFAD financed AHP. Procurement, financial control, and communications with the CI was all managed through the Project Management Unit (PMU) within MAFF. The project initially experienced considerable delays due to political and administrative uncertainties. This necessitated an amendment to the loan agreement in 1999, and the extension of the loan closing date by two years - even before the project commenced. Once these difficulties were overcome, the project was implemented smoothly.	4
Relevance	The project was supportive of IFAD Strategic Framework and responded well to the need of Cambodia, at the time of design, to re-establish national control over its development processes after many years of conflict. The approach taken in establishing Village Animal Health Workers (VAHWs) was based primarily on meeting the genuine need of farmers for whom livestock production forms a significant part of their livelihood in terms of food supply and income generation. The Appraisal report identified two targeting methods: (i) to select areas which are demonstrably poorer but with potential for livestock production and a need for veterinary services; and (ii) to focus on providing health care for pigs and poultry that were perceived as being stock mainly kept by poorer households.	5
Effectiveness	The project has achieved its objectives for the most part. The Disease Control and Management Support sub-component and the Basic Animal Health sub-component achieved remarkable results. The Promotion of Animal Production sub-component instead was not satisfactory, although this may be attributed to the characteristics of project design and strategy. Although not all sub-components reached their targets, overall the objective of the IFAD financed AHP Component to strengthen the	4

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	institutional capacity of the Department of Animal Health and Production (DAHP) of the MAFF and selected provincial Offices of Animal Health and Production (OAHP) and promote the development of private veterinary services has been achieved.	
Efficiency	The financial management of the project, including the IFAD financed component, has been carried out competently and efficiently by the PMU. After a slow start, disbursement picked up significantly from the year 2000 and the loan was 92% disbursed by the end of October 2005. The adequacy of the funding arrangements has been demonstrated by the fact that the project has been completed within the budget that was allocated at appraisal and most of the development targets have been met even if some have been delayed.	5
<b>Partner Performance</b>		
IFAD	IFAD's main responsibilities in relation to the project: i) The design of the Animal Health and Production Component of the project; ii) The adequacy of its funding; iii) Being responsive to needed changes in financial allocations and legal framework; iv) Support to and coordination with the IDA review missions. In all these areas IFAD has performed quite well. The design of the project was particularly appropriate. IFAD has also been responsive to changing project needs during implementation as evidenced by amendments to the Project completion Dates and Loan Closing Dates and reallocation of funds in order to provide additional resources for the Animal Production Sub-component. In addition, IFAD has been effective in providing support to and coordination with the IDA review mission, including taking the initiatives to resolve the management constraints and mainstreaming the APIP into the MAFF under DAHP after the MTR.	5
Cooperating Institution	In assessing the performance of IDA as CI, it is to the credit of the IDA staff supervising the project that the IFAD component has been implemented so successfully. Supervision was carried out regularly and findings and directions were clear and concise in the resulting Aide Memoires. However, the fact that IDA supervision missions did not produce full supervision reports has meant that information on the performance of the individual IFAD component has at times been minimal. However, the periodic detailed technical reviews have been very helpful in guiding project implementation and allowing the timely adjustment to activities in order to meet the projects objectives. In relation to the M&E system, IDA's focus on the collection of data on livestock mortality and morbidity was possibly misplaced. In relation to the livestock legislation and regulations prepared under the project, IDA could perhaps have been more insistent with the Government at a senior level, in pushing through the final ratification of these procedures. However, it must be acknowledged that in such a multifaceted project as APIP, it is not possible to attend to all the details of every component and sub-component.	4
Government	The project initially experienced considerable delays due to political and administrative uncertainties. This necessitated an amendment to the loan agreement, the extension of the loan closing date by two years - even before the project commenced. However, once these difficulties were overcome, the Government has generally met all its commitments under the project very well. In recent years, successive IDA Supervision Missions have consistently rated very highly the project compliance with loan covenants and the availability of counterpart funds. However, at times, DAHP has experienced difficulties in implementing the IFAD component because the PMU has tended to micro-manage the funding and procurement processes. The PMU has, on a number of occasions, rejected DAHP's requests for equipment, training and other project needs and the project's management structure has made it difficult for such decisions to be reviewed by IDA or IFAD.	4
NGO/Other	At the time of project design the relevant NGOs (AFSC, CWS, VSF) showed a united front with Government in presenting the case for a basic animal health services approach for servicing the need of smallholder livestock farmers using a Community Animal Health Worker (CAHW). This, together with the recommendations from the FAO review led to IFAD fielding a mission in June 1994 to prepare a livestock project for implementation by the central technical department along these lines. Civil society therefore had a very important role in influencing project design. NGOs continue to play a very active role in supporting the targeted communities. NGOs also ensure that their training programmes are based on the national standard curriculum developed under the IFAD project. In addition the NGOs and grassroots organization cooperated well with local authorities, project staff and the service users. They assisted in training of VAHWs and the looked after the interest of animal owners.	5
Cofinancier(s)	No information is provided by the PCR on the WB as co-financier.	NR

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<b>Combined Partner Performance</b>	<i>IFAD performed well at all levels, and maintained a flexible approach to the difficulties encountered by the GOC. The same can be said about the CI, which performed fairly well when considering its role in APIP as a whole and not only for the IFAD financed component. GOC performance is fair considering the post-conflict context.</i>	4
<b>Rural Poverty Impact</b>		
Physical Assets	The project has not really identified an effective means of measuring in physical terms the impact of the animal health measures that it supported. Still, the provision of village based animal health services (Village Animal Health Workers (VAHWA) and veterinary pharmacies) have certainly reduced production losses from disease in all classes of livestock, and production and profit have been substantially increased. While it is difficult to collect actual figures on livestock mortality and morbidity, there is a large body of anecdotal evidence that confirms that the project has been instrumental in bringing about a marked reduction in livestock mortality. The most obvious increase in the productive assets of individual households has been the expansion and improvement of their pig production.	4
Financial Assets	The project has not really identified an effective means of measuring in financial terms the impact of the animal health measures that it supported. Still, by making veterinary services more accessible and affordable the project has greatly reduced the risk associated with producing livestock. This has created opportunities for the poor to earn additional income from their existing livestock, particularly pigs and poultry, and also provided the possibility to invest in livestock production at minimal risk. It is apparent the project has contributed substantially to improving the cash income to many small scale pig producers. At Appraisal it was expected that improved poultry production would also make a major contribution to improving the incomes of poor households, but, in general, the impact has been minimal when compared to pig production. The project has trained 2800 VAHWs, who are now working privately; a reasonable proportion of the money that they earn is retained within the village. This service is fully privatized and financially self-sustaining. In addition veterinary pharmacies have been established throughout the project areas. The establishment of this basic animal health system is perhaps the greatest success of the project. Although the project does not have a credit/saving component, it has contributed to the saving capacity of beneficiaries as livestock is the central element of savings, asset accumulation and financial mediation for the poor.	5
Food Security	The establishment of VAHW at the grassroots level has made a significant contribution to improving food security of the rural households. Still, the fact that the project concentrated on large animals may be excluding the poorest families, who usually keep pigs and poultry. A greater contribution to food security would have been achieved if the project had concentrated on the short cycle investment in small animals.	4
Environment	NA	NA
Human Assets	NA	NA
Soc. Cap. & Emp.	The project has been remarkably successful in establishing a village based, privately operated and self-funded veterinary service. It has trained more than 2800 VAHWs (more than double the number expected at appraisal) and the majority of these are now providing vaccinations and animal treatments to the farmers in their villages. The VAHW system has developed, within poor rural communities, the capacity to provide basic livestock disease prevention and treatment services that are no longer dependent on uncertainties of government budgets or the availability of DAHP field staff. This has promoted a sense of self-sufficiency and self-reliance within the community. This is a significant result in terms of community empowerment that has rarely been achieved in other aspect of agricultural extension. The level of independence that has been demonstrated here has done much to empower individual VAHW and the broader community to assert themselves and take-up additional development opportunities. By having the service located within the village it has greatly improved its accessibility and affordability especially to the poorest households.	5
Ag. Productivity	While the direct intervention of the project has provided demonstrations of improved fodder plants for the feeding of cattle and to a lesser extent pigs, and a number of farmers have planted these improved species, the impact of these interventions has to date been minimal. Extension material on pig and poultry production has been prepared and distributed but the production aspects of the project have not been given the same emphasis as the health aspects and even the limited budget that was provided at appraisal has not been fully utilized. This outcome was to be expected, given the initial design of the project, the level of funding and the original scheduling of activities that foresaw this sub-component to start its activities after 3 years of implementation. The project has also demonstrated improved housing and management for pigs and poultry that are being kept in confined conditions.	2

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Inst. & Serv.	The capacity of the Department of Animal Health and Production (DAHP) and the provincial Office of Animal Health and Production (OAHP) has been greatly increased at all levels and they are now much more focused on their promotional and regulatory functions. Implementation of the project has transformed DAHP into an effective government department with vastly improved technical and managerial capacity and a strategic approach to setting and meeting national development objectives for the livestock sector. Within DAHP, the National Animal Health and Production Information Centre (NAHPIC) and four provincial laboratories have been established, the staff has been trained and effective technical and management procedures are in place. Diagnostic services of a high quality are being provided and research projects are being effectively implemented in the field of animal health. More work needs to be done to increase capacity to undertake animal production research effectively. The project has developed a National Strategic Plan for Animal Health and Production which is being used to guide the development of the sector and key legal and regulatory instruments have been developed to govern the sector. NAHPIC and DAHP offices have been successfully constructed, furnished and equipped. The project has trained 2800 VAHWs and most of these are operating successfully throughout the project area and beyond. The project has resulted in the establishment of numerous veterinary pharmacies throughout the project area. As a result there has been a major improvement in the quality and the accessibility of the animal health services that are available to farmers.	6
Markets	Livestock production is a dynamic system that is very responsive to market forces. Caution will need to be exercised as more Cambodian farmers move into a more commercial form of pig production. There is the potential for a very rapid expansion of production but the market for pigs can be very volatile with prices fluctuating widely depending on supply. The project does not seem to have taken precaution measures on this regard.	2
<b>Project Impact</b>	<b><i>Clearly the overall impact of the project on physical and financial assets of farmers, particularly the poorer farming households, has been substantial. However, it is unfortunate that more attention was not paid to identifying a better means to quantify this result. The project has done much to strengthen the technical and administrative capacity of DAHP at national level and the OAHP in each of the participating provinces, with positive results. The project has also provided the necessary buildings, equipment and technical assistance to establish NAHPIC as a credible national livestock disease diagnosis and animal production investigation centre.</i></b>	<b>5</b>
<b>Overarching Factors</b>		
Innovation	While the project may not have employed the standard participatory techniques that typify IFAD projects, it is actually a unique example of a form of community participation. Essentially, the project has transformed what would normally be a government based service into a community based service operated by members of the community and financially independent of the government (VAHW). This is a genuine breakthrough in terms of beneficiary participation. This is the main project innovation. The Initiative for Mainstreaming Innovation (IMI) undertook a study on this innovative VAHW system confirm its validity.	6
Replicability and Scaling-up	The project has done much to support DAHP in developing and establishing a national strategy for animal health and production in Cambodia. The project has developed a National Strategic Plan for Animal Health and Production which is being used to guide the development of the sector and key legal and regulatory instruments have been developed to govern the sector. The expansion of this innovation has been contributed to by Seila (government programme) and by local and international NGOs. Until now, more than 6,129 VAHWs have been trained by APIP AHP component and NGOs in Cambodia and 68% of these are now recognized by DAHP. It is now planned to develop an additional 5,901 VAHWs so as to cover the entire country.	5
<b>Innovation, Replicability and Scaling-up</b>	<b><i>The project approach has been very innovative as regards the promotion of private, community based services in close collaboration with national institutions. Following the positive results, this experience will be replicated at national level.</i></b>	<b>5</b>
Sustainability and Ownership	VAHWs' service is fully privatized and financially self-sustaining. Still, for VAHWs as well as for DAHP and NAHPIC it is vital that the level of technical competence continues to be upgraded to ensure sustainability, and that the linkages between DAHP and VAHWs are strengthened. The animal Production sub-component may find more difficulties in becoming sustainable due to its relatively poor achievements. Market support will also be needed to ensure sustainability of project achievements. As regards ownership, the development of the VAHW system has changed the way the Government delivers its services to the sector and set a pattern for a privatized	4

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	system of service delivery in the future. This will have a major impact on the sustainability of services to smallholder producers and DAHP's operations in the future.	
Targeting	Project area consisted of 14 districts selected in four provinces. Two targeting methods were identified: (i) select areas demonstrably poorer but with potential for livestock production and in need of veterinary services and (ii) provision of health care for pigs and poultry that are mainly kept by poorer households. Project implementation did not focus exclusively on poorer farming households. However, the private animal health services are now certainly more available to poor farmers. Charges are minimal and the service is easily accessible to the poor. The PCR regard the impact of the targeting mechanisms as <u>reasonable</u>	4
Gender	Efforts were expected to be made to recruit equal numbers of men and women as VAHWs. Still, several reviews of the project criticised the lack of women VAHWs and urged greater efforts in recruiting them. In the final analysis the project trained only 391 women as VAHWs (compared to 2409 men) and this is a poor result even when the various social impediments to the participation of women are taken into account. The project should have made a much greater effort to mainstream women into the VAHW system. Although women have benefited from the project's interventions that improved the health of their livestock, the project did little to specifically target women in these activities. The inability of the project to include small animals such as pigs and poultry has possibly reduced the participation of women in VAHW system.	2
<b>Overall Performance</b>	The IFAD financed component for Animal Health and Production, has been highly successful in achieving its specific objective of promoting the development of private veterinary services to farmers to reduce mortality and morbidity of livestock significantly and sustainably. In addition, through its support to the further development of DAHP, the IFAD financed component has contributed substantially to the achievement of the overall development objectives of APIP - the promotion of the sustainable, broad based improvement of smallholder agricultural productivity, by building the necessary institutional capacity in MAFF. The project created a practical and effective field operation in animal health that provided a meaningful, people centred, objective to be achieved from the institutional development that the project was supporting. Rarely has any project managed to achieve such an effective and balanced result. The APIP/AHP has shown what can be achieved when the government and farmers' work together and in support of a programme. Still, the project has failed to ensure sustainability of a number of its achievements, and has not contributed to achieving a gender balance. Moreover, safety measures need to be taken due to high fluctuation of livestock markets.	<b>4</b>
<b>PCR Quality</b>		
Scope	The PCR presents all relevant information considering project components. More should have been said about the impact on food security.	4
Quality	The report is well written, and data well presented. Although a bit repetitive, the PCR presents convincing data and arguments. Finding the relevant information was therefore facilitated.	5
Lessons	Lessons are drawn clearly and are broadly relevant, and can be applied to other livestock projects in and outside Cambodia.	5