

**IFAD - REPUBLIC OF CHAD**  
**FOOD SECURITY PROJECT IN THE NORTHERN GUÉRA REGION –**  
**PHASE II**  
**PROJECT COMPLETION REPORT VALIDATION**

**A. Basic Data**

<b>A. Basic Project Data</b>			<b>Approval (US\$ m)</b>		<b>Actual (US\$ m)</b>	
Region	WCA		Total project costs		17.63	18.93
Country	Chad		IFAD Loan and percent of total	11.02 + Grant 0.65	62.5percent 3.7percent	11.68
Loan Number	531		Borrower	1.16	6.6percent	2.74 m
Type of project (sub-sector)	Rural development		Co-financier 1 (BSF)	3.68	20.9percent	3.21
<b>Financing Type</b>	Loan + Grant		Co-financier 2 (WFP)	0.334	1.9percent	
<b>Lending Terms<sup>1</sup></b>	HI		Co-financier 3			
Date of Approval	03.05.2000		Co-financier 4			
Date of Loan Signature	25.08.2000		From Beneficiaries	0.78	4.4percent	1.28
Date of Effectiveness	12.12.2001		From Other Sources:			
Loan Amendments			Number of beneficiaries	90'000 direct beneficiaries		
Loan Closure Extensions			Cooperating Institution	United Nations Office for Project Services (UNOPS)		
Country Programme Managers	Manssouri Nsimpasi, Demirag Haidara Béavogui Lhommeau		Loan Closing Date	30.06.2010		30.06.2010
Regional Director(s)	M. Béavogui		Mid-Term Review	24.09.07 – 19.10.07		
PCR Reviewer	O. Zasa (consultant)		IFAD Loan Disbursement at project completion (percent)			91.62
PCR Quality Control Panel	Felloni Muthoo					
Please provide any comment if required						

*Sources: President's Report, PCR*

<sup>1</sup> According to IFAD's Lending Policies and Criteria, there are three types of lending terms: highly concessional (HI), intermediate (I) and ordinary (O). The conditions for these are as follows: (i) special loans on highly concessional terms shall be free of interest but bear a service charge of three fourths of one per cent (0.75percent) per annum and have a maturity period of forty (40) years, including a grace period of ten (10) years; (ii) loans on intermediate terms shall have a rate of interest per annum equivalent to fifty per cent (50percent) of the variable reference interest rate, and a maturity period of twenty (20) years, including a grace period of five (5) years; (iii) loans on ordinary terms shall have a rate of interest per annum equivalent to one hundred per cent (100percent) of the variable reference interest rate, and a maturity period of fifteen (15) to eighteen (18) years, including a grace period of three (3) years.

## B. Project Outline

1. The project covered an area of 295,000 km<sup>2</sup> and comprised the districts of Bitkine, Mongo and Mangalmé in the mountainous region of Guéra. The population of the project zone was estimated at 262,000 people (around 43,000 households) living in 600 villages. As a result of military conflicts and emigration in the 1980s, 55 percent of the population were women and 37 percent of the households were female headed.

2. PSANG-II was conceived as a follow-up project to PSANG-I, which was IFAD's first intervention in Chad and Guéra's first big public investment project. In its first phase, the project targeted 7500 households, or 23 % of the population, mainly composed by sedentary farmers and agro-pastoralists. The development goal was to improve life conditions at household level thanks to increased food security that had to be reached, primarily, through higher agricultural production. The project has stimulated and promoted the formation of village groups in order to reach a wide range of beneficiaries, and empowered them with the aim of creating autonomous entities able to manage their own development.

3. PSANG-II's project goal was to further promote rural grass-roots institutions in the northern Guéra region allowing their members to improve, in a sustainable manner, their well-being, food security and nutritional status, and to undertake their own development. The immediate objectives therefore were:

- (i) the improvement of food security through increased and more-stable production and through the diversification of incomes;
- (ii) the empowerment of grass-roots institutions and of women; and
- (iii) the improvement of the health and sanitation situation, in line with the Belgian Survival Fund (BSF).

4. The project was to be developed along the following lines:

- (i) **Participatory** (demand-driven) **approach** for the identification of priority initiatives to be supported by the project,
- (ii) **Decentralization** of responsibility in the approval of community micro-projects,
- (iii) **Delegation of responsibilities** for project management,
- (iv) **Viability**: support of socially and economically viable activities,
- (v) **Contractual relationship** (resorting activities implementation to private, organizations, NGOs and public agencies)

5. The project's target group included farmers, agro pastoralists and itinerant herders, among whom there are many economic and social disparities. The project addressed the needs of the following vulnerable groups: women, who were generally facing constraints such as limited access to land, heavy workloads and dependency on men; occupational and lower castes (blacksmiths, hunters and the descendants of former slaves) who have limited access to land and are socially marginalized; and groups that have limited earning ability such as the elderly and former lepers returning to villages after medical treatment. At appraisal stage, the project aimed at being implemented in about 400 villages, representing about two thirds of all villages in the area. Some 15 000 households, or 90 000 persons (amounting to about 35 percent of the total population in the area) were expected to directly benefit from the project.

6. The project was built on the following four components:

- (i) Development of rural organizations;
- (ii) Rural Development Fund, consisting of a Food Security Fund and a Rural

- Infrastructure Fund;
- (iii) Promotion of microfinance services;
- (iv) Project management.

7. Project implementation started with a delay of 2 years, due to the difficulty in recruiting project staff for the execution of the project components. State disengagement in project management, starting from the second half of the project, as foreseen in the appraisal document, has not been effective. The PCU (Provisional Coordination Unit) therefore became definitive. This decision was based on the outcome of the mid-term review of September – October 2007, and concluded that delegating project implementation to the Association pour la Sécurité Alimentaire du Nord-Guéra (ASANG, a civil society organization composed of beneficiaries' groups and local NGOs) in a non-decentralized political context, and in absence of clear roles and responsibilities of the different actors, would be too risky at that stage.

### **C. Main Assessment – Review of Findings by Criterion<sup>2</sup>**

#### **Project Performance**

##### **C.1 Relevance**

8. PSANG-II built on the achievements of phase I, of the food security project (PSANG I), which provided valid lessons and allowed IFAD a better understanding of the real needs of the Northern Guéra population, to identify limits and merits of its initial approach and elaborate a more effective design for its second phase.

9. In fact, PSANGII's targeting strategy was improved in order to better reach women and the most vulnerable, and its operational components developed based on a less restrictive view of the food-security concept. It became clear, that besides higher productivity, food-security also stemmed from better post-harvest management, the diversification of income sources, and better access to food.

10. These and other aspects were taken into account at design stage of PSANG-II, and led to (i) a better targeting strategy, (ii) increased investment in capacity building and education, (iii) enhanced involvement and increased autonomy of beneficiaries' grass-roots organizations in design and decision-making, (iv) the inclusion of a State disengagement strategy from project management, and (v) the addition of a rural-finance component.

11. Apart from being designed taking into account the lessons of PSANG-I, PSANG-II Moreover, PSANG II was conceived in line with the National Strategy for Poverty Reduction, addressing in particular the issues of food security and targeting of the most vulnerable.

12. It is fair to say that project objectives were relevant to the needs of the rural poor, and aligned with the COSOP of 1999, Chad's anti-poverty framework (cap. 13 of President's rep.) and the National Strategy for Poverty Reduction<sup>3</sup>.

13. Project objectives were to be reached through the implementation of actions previously identified and prioritized by rural communities, in a participatory and consensual manner, and were aligned with the priorities of the target populations. Hence, project design clearly aimed at strengthening social and human capital thanks to the creation of grass-root

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<sup>2</sup> For definition of and guidance on the criteria, please refer to the Evaluation Manual: [http://www.ifad.org/evaluation/process\\_methodology/doc/manual.pdf](http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf)

<sup>3</sup> IFAD Executive Board, *Report and Recommendation of the President to the Executive Board on Proposed Assistance to the Republic of Chad*, Rome, 3 – 4 May 2000.

organisations involved in decision-making. Nutritional and health courses for women to be carried out in 64 alphabetization centres also contributed to this orientation.

14. Activities to be executed under component 2 of the project, such as the creation of food storage facilities and village stores, village wells and boreholes were consistent with the goal of improving food security and health conditions. The creation of a micro-finance network (CECA), providing saving and credit services for the rural population, was devised with the same logic to increase food security and respond to the beneficiary's needs.

15. However, the logical framework in the appraisal document shows some weaknesses: None of the indicators has time-bound magnitudes and thus does not comply with the requirement of being SMART (simple, measurable, achievable, relevant and time-bound), making it difficult to determine effectiveness and impact in quantitative terms. The same indicators sometimes appear on different levels of the document, causing some confusion of interpretation.

16. A mid-term review carried-out in September – October 2007 identified an array of weaknesses at conceptual and operational level: (i) it recommended not to entrust ASANG with project management, (ii) it advised to consolidate and put priority on the most successful initiatives, and (iii) underlined the need of achieving better synergies between the project components.

17. The relevance of design assumptions is to be questioned concerning the initial choice of the institution to be entrusted with project management. In fact, as stated in the President's report, the management strategy should have reflected the "State's disengagement policy in favour of beneficiary involvement in management, and be a small and cost-effective structure". The PCR points out, referring to the outcomes of the MTR, that ASANG was considered inappropriate for taking over full responsibility, leading to the decision of transforming the provisional coordination unit in the project coordination unit (PCU).

18. In fact, according to the PCR, and as mentioned under "Risks" in the President's Report, introducing effective decentralization at project coordination level in a political context not yet decentralized, and in absence of a clearly defined governance system, can be risky. These risks were mentioned not only in the President's Report, but also in the appraisal document.

19. The PCR and MTR also address the issue of targeting. In fact, the most vulnerable still seemed to be penalized by the "group" approach applied at village level, which prevented them from having access to funds mobilized for micro-projects and cash-for-work activities, in favour of interest groups composed by wealthier villagers. According to the appraisal report (par 62 – 65), activities to be implemented at village level should have been subdivided into actions interesting the whole community, and actions concerning specific groups, including those formed by the most vulnerable and marginalized. Based on the available information, it seems that women have been well represented, but no information is on hand about "solidarity groups". Considering the above-mentioned findings from the PCR and the MTR, the risks described in the appraisal report were perhaps not taken into appropriate consideration. Weighing the strong and weak points regarding relevance, it is rated *moderately satisfactory* (4).

## **C.2 Effectiveness**

20. With a target of 15'000 households and 90'000 direct beneficiaries in 400 villages in the Appraisal Report, the project was supposed to reach about one third of the total population in the area. The PCR notes that, in fact, 214,000 people out of 234'942, in 236 villages were

able to enjoy the benefits of nutritional and health education, rural infrastructure and microfinance services.

21. Without measurable higher-level indicators, it is difficult to determine how far the achievements of the results per project component have influenced the indicators of its main (2<sup>nd</sup> level) objectives, and to which extent PSANG-II has contributed to its higher goal of improving food security in the Northern Guéra Region.

22. In the PCR, effectiveness is assessed by measuring the results of the three project components (i) promotion of the rural world, (ii) Rural Development Funds and (iii) rural micro-finance services. In this respect, it is important to mention that the MTR reformulated the project's objectives to some extent. Due to budget shortcomings and the cumulated implementation delay, and considering the project achievements to that point, the MTR recommended to concentrate on and to consolidate the most promising activities, which allowed to improve the quality of the realized activities, but prevented from extending project outreach to additional villages.

23. Component one achieved, thanks to the deployment of 41 field agents by the NGO ACORD, the training of 7500 persons in 236 (59 percent) of the 400 villages initially targeted. Participative mechanisms at village level led to the creation of 236 Village Development Associations (AVD) and Village Development Committees (CVD), which prepared Communal Development Plans (PDV). The PDVs list priority actions to be undertaken, such as community-micro-projects financed by the project relevant to reduce poverty, improve food-security and improve the villager's nutritional status. The local development approach promoted by PSANG-II has been, as elsewhere in Africa, and as proven by other projects operating on a cantonal scale (PRODALKA, PRODABO, PRODAEL, PASILD), successful in promoting the interests of the village populations, organized in about 650 "groups" represented by ASANG.

24. The PCR makes the case that the strategy of constituting the animation tandems with 55 percent of women was successful in increasing women's participation in decision-making. In fact, women groups included 4'988 persons, corresponding to 284 percent of the foreseen target of 1'756. The 50/50 women – men ratio at CVD level, envisaged at appraisal, has not been reached. However, it is interesting to note that ratio of women at CVD level is close to the percentage of women-headed households (23 percent). On the other hand, women represented almost 54 percent of the total beneficiaries, and their participation in women-groups widely exceeded expectations.

25. In accordance with the PCR, 853 micro-projects have been identified and 482 effectively funded (the initial target of 1000 was reduced by the MTR to 687), comprising 94 revenue-generating activities benefitting the most vulnerable.

26. Although the group approach was quite successful, both the PCR and the MTR draw attention to its limits, stating that the most vulnerable were often prevented of being part of such groups, with negative consequences on access to income-generating activities for the most disadvantaged.

27. The Rural Development Fund consisted of two separate funds, a Food Security Fund and a Rural Infrastructure Fund providing, respectively, (i) grant funding for micro-projects promoting the production, marketing and processing of crop and livestock produce, and (ii) financing for the rehabilitation or construction of economic and social rural infrastructure, and delivering support to skilled workers employed on an ad-hoc basis by small enterprises and NGO's.

28. Comparing the RDF targets formulated in the appraisal document, with those appearing the PCR, it can be assumed that the number of foreseen realizations has been at least partially corrected downwards after the MTR. In fact, the MTR determined a low implementation rate of social and community investments compared to the initial objectives, revising them downwards. The PCR refers to these revised targets and thus creates, for several indicators, a bias towards the positive.

29. The observed delays were mainly caused by: (i) a two years lag in project start-up, (ii) underestimated costs and overestimated results at appraisal, (iii) lengthy procedures in the purchase of equipment and material, (iv) micro-project realization subject to previous creation of a CVD, integration into a PDV, subsequent approval and assignment through tendering procedures, (v) cumbersome tendering procedures, (vi) termination of the contracts with the NGOs Entreaide et Appui Mutuel (NAFIR) and Secours Catholique de Développement (SECADEV), (vii) delays in the transfer of the Government's counterpart funds; and viii) difficulties in mobilizing beneficiary's contributions.

30. Despite these limiting factors, the project was in a position to over-perform in some areas of fundamental importance, such as the construction of grain storage facilities and village stores: 129 grain storage facilities (GSA) were built against the 90 initially foreseen, and village stores amounted to 78 compared to an initial target of 50. The PCR concludes that, as a result, a cereal stock of 884 tons in 207 villages should allow an estimated 4'500 persons (corresponding to about 2 percent of the population) to be saved from starvation during the dry season. A cross-check with PMD infers that this figure is mistaken in the PCR. PSANG II confirmed the correct figure of 45,000 and that during the 2005 hungry season<sup>4</sup>, about 30 000 persons benefited from the GSF stock. The design of the successor project PADER-G assumes similar magnitudes of average grain availability thresholds. This number could have probably been higher if WFP had complied with its contribution of US\$330,000. At the end, WFP granted only US\$100,000 for reasons not mentioned in the PCR.

31. Nutritional education courses in 316 villages reached 22,706 persons, especially mothers and pregnant women, with contents on breastfeeding, enriched porridge, vaccine calendars, antenatal consultations and water filtering techniques. This led to an increase in antenatal consultations, mothers practicing exclusively breastfeeding and vaccine coverage, with beneficial effects on food-security. The PCR only provides figures about the number of children saved from malnutrition in 2007 (798), and increased vaccine coverage between 2006 and 2008.

32. The PCR states that, despite strong demand by the population, "50 foreseen wells could not be financed". There is inconsistency between the figures appearing in the MTR, in the indicators table of the PCR, in the supervision report 2009, and those mentioned in the PCR text. In fact, the MTR mentions 180 wells foreseen at appraisal out of which 21 had been installed. According to the indicators table of the PCR, only 17 have been built, amounting to less than 10 percent of the initial forecasts. Due to the very high cost of wells, the MTR recommended to opt for boreholes equipped with Daba pumps. According to the indicators table of the PCR, 67 boreholes have been realized and 65 equipped with pumps.

33. The PCR notes that the population renounced to the initial objective of building 600 latrines at a village level, deeming it as non-priority (instead, the 11 schools built by the project were equipped with 22 latrines). Moreover, 33 km of rural roads, out of the 90 km foreseen at appraisal, were built, and 16 ha of seasonally irrigated plots levelled.

34. The initiative of providing project support to two economic value chains, sesame and Arabic gum, was planned to be added at MTR. But the 2009 supervision report made it clear

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<sup>4</sup> 2006 PSANG II M&E progress report + <http://www.fidafrique.net/article697.html> (FIDAFRIQUE network)

that, in the case of Arabic gum, the security situation put the project on hold, and that the local partner thereafter did not adhere anymore to previous commitments. .

35. The project achieved its objective of setting-up a network of 41 local village banks providing rural financial services accessible to the most vulnerable. Although the initial quantitative objectives were not yet reached, the CECA network was well managed and the services provided respond to the beneficiary's needs. As per project end, the CECA network counted 7'108 active members (3'094 women), 18'121 active borrowers (92,27 percent of the target) and 4'353 savers (1'242 women). The results have exceeded expectations in terms of mobilized savings by 27.21 percent, totalling US\$348,191 against US\$273,724 expected at appraisal. Instead, although the number of borrowers has almost been reached, the credit portfolio is only 29.60 percent of the expected US\$1 million. This infers that the average loan amounts were small, thus potentially including also poor borrowers.

36. The expected State disengagement for project management did not take place. According to the MTR and the PCR, ASANG did not develop the competences needed to take-over the management of PSANG-II. Therefore, the provisional coordination unit was transformed into the Project Coordination Unit, and ASANG confirmed in the role of an organisation representing beneficiaries. All in all, project effectiveness is rated as *moderately satisfactory* (4).

### **C.3 Efficiency**

37. The PCR contains only a global appreciation of efficiency. It claims that, except for village wells that resulted being too expensive, the investments on the ground were realized at a good price/quality ratio, however without providing evidence for this claim. On the other hand, the lengthy procurement procedures at national level and the complex, time-demanding, processes for approving withdraw applications (WAs) by the cooperating institutions have negatively affected the implementation of micro-projects and other actions in favour the final beneficiaries.

38. It is in fact difficult to assess project efficiency on the empowerment and decentralization component, and no economic returns analysis has been carried out on rural infrastructure projects.

39. Nevertheless, the IFAD loan has been disbursed to the extent of 93 percent with the project reaching 92 percent of the envisaged population, despite a difficult environment (no banking facility in Guéra and the looting of the PCU during the turmoil of 2006 and February 2008). In general, the foreseen project costs per beneficiary have been respected. Project management costs accounted for about 24 percent of the entire project budget, due to the change in project management arrangements (an initial provisional coordination unit and then transformed in a full-fledged PCU). This may be quite acceptable considering the complexity of the project and the fact that State disengagement has not been effective. The construction of rural infrastructure has been assigned subject to the rules of public procurement, which were supposed to guarantee competitiveness and, consequently, assure realizations at market prices. As for the microfinance component, the total costs for the set-up of the CECA network amounted to US\$1,858 million, against a loan portfolio of US\$296,000—at project completion. A write-off of the set-up costs over five to ten years would render these proportions more equilibrated. Based on the above insight, project efficiency is rated *moderately satisfactory* (4).

### **Rural Poverty Impact**

#### **C.4 Impact**

40. The PCR concludes that the project has significantly contributed to the improvement of life conditions in the targeted villages; besides empowering the social community, food security has been improved, child malnutrition reduced and beneficiaries' incomes begin to rise. It seems that the PCR concentrated more on qualitative than on quantitative issues, basing its assessment rather on feedbacks received from direct project beneficiaries, and some fragmentary figures, than on statistical evidence.

(a) Household Income and Net Assets

41. Most of the actions carried-out in the framework of PSANG-II aimed at improving incomes and net assets at village, resp. group level, albeit with no indicators allowing to measure the impact on incomes at household level. Nevertheless, it is reasonable to assume that better access to water (thanks to village wells equipped with pumps), improved education levels and infrastructure, better access to food (thanks to village stores and grain storage facilities), as well as access to credit and the participation in revenue-generating activities, are factors increasing the probability of higher incomes and net household assets. A significant hint in this respect is given by the microfinance component. While the number of savers expected to rely on the CECA network was not reached, the savings volume exceeded expectations by almost 30 percent, which may indicate a higher savings capacity. The probable impact on household income and assets is rated as *moderately satisfactory* (4).

(b) Human and Social Capital and Empowerment

42. As stated in the PCR, actions undertaken in the framework of PSANG-II have been successful in improving education levels of women thanks to the creation of 64 alphabetization centres providing nutritional and health education courses, but also thanks to the construction of 11 schools . 3'516 persons, of which 3'344 women, have attended nutritional education and health modules, allowing 22'706 persons (family members) to benefit from the acquired knowledge. The creation and coaching of 236 functioning village development associations (AVD) with their respective decision-making bodies (CVD), capable of successfully identifying, planning and managing, in a participative and consensual manner, their village development plans, represents an important achievement in terms of human and social capital empowerment. This impact domain is rated as *satisfactory* (5).

(c) Food Security and Agricultural Productivity

43. It is important to note that no baseline survey had been made in 2002. Therefore, no reference indicators were available at project start. The only information at hand relates to child malnutrition, and stems from two anthropometric and nutritional surveys carried out by the Centre National de Nutrition et de Technologie Alimentaire (CNNTA) in 2004 and 2010, with children aged 6 to 59 months.

44. Based on the 2010 CNNTA survey, the ratio of underweight children was 49.2 percent; while no measure is available for 2004. Stunting increased from an average of 35 percent in 2004 (male and female together) to 46.1 percent in 2010, and wasting malnutrition from 12.5 percent to 16.6 percent. Thus, both stunting and wasting increased significantly in six years. A verification of the survey reports suggests that the sampling frameworks and survey areas in 2004 and 2010 were comparable so it is very likely that such increases in stunting rates do reflect actual worsening of food security situation and are not generated by a sampling error.

45. The PRC infers that this worsening of food security was due to the severe drought in 2009. The 2010 CNNTA survey concludes that this trend was the expression of a deepening

nutritional crisis over several years affecting the whole Sahelian belt of which the Guéra is part, and this was also the opinion conveyed by the project coordinator. On the other hand, the (only) impact objective formulated at appraisal, and appearing in the PCR, was to reduce child malnutrition. Despite the positive effect of the GSFs, mentioned in Paragraph 30, this clearly did not happen on a general plane as stunting, an indicator of chronic malnutrition, increased significantly (+11.6%) in only 6 years instead of decreasing, and wasting prevalence also increased by 4.1% to 16.6 percent. It is true that a WFP survey made in 2009, cited in the above mentioned CNNTA study of 2010, reports a wasting rate of 21.4 percent for the whole of Guéra. Thus, the hypothesis could be attempted that PSANG II actually may have prevented a further worsening. While the project objective was not achieved (the situation actually worsened), the effects of negative external shocks need to be taken into account. The rating posted for food security by this validation is *moderately unsatisfactory* (3). It balances between evidence of worsening malnutrition (which may have justified a lower rating) and the recognition that exogenous factors were interplaying and are difficult to disentangle from project performance.

(d) Natural Resources and Environment (including climate change issues)

46. This PCRV does not rate impact on natural resources and environment since the project did not contain any environmental component, and the activities implemented, as stated in the President's Report should not have had, by their very nature and volume, a negative impact on the environment, or only impacted marginally. Accordingly, no rating is provided.

(e) Institutions and Policies

47. As stated by the PCR and mentioned in Paragraphs 12-14 and 33 of the present document, the institutional set-up envisaged with ASANG as project coordination unit has not been achieved. The empowerment of ASANG, recommended by the MTR, was not implemented, as it was realized that ASANG does not fully represent beneficiaries. It was created by PSANG II to ensure sustainability of the project's interventions. However, ASANG does not emanate from farmers' organisations, its legitimacy remains questionable, its members are not all producers, but also NGOs or private traders, and, as a consequence, its own members do not recognize ASANG as their legitimate speaker.

48. Should the CECA network continue existing and remain profitable, it could be considered as a contribution to the building of rural finance institutions in Chad. The considered fusion between the CFA and the CECA networks was not implemented as the PRODER-B micro finance component was never realized. Even though quite new in the micro finance landscape in Chad, the CECA network's contribution to micro finance in Central Chad is already recognized by the 2009-2013 National Micro Finance Strategy. In terms of policies, nothing is on record that would suggest that PSANG-II had an incidence on food security policies in Chad. Impact in this domain is rated as *moderately unsatisfactory* (3).

49. Taking into account both areas of strength (household income, social and human capital) and weaker areas of impact performance (food security, institutions and policies), the overall rating for impact is *moderately satisfactory* (4).

### **Other Performance Criteria**

#### **C.5 Sustainability**

50. The PCR affirms that the AVDs and the CVDs are still fragile local structures, which deserve to be further followed and sustained in their functioning in view of their final consolidation. At the time of PCR formulation, no project or institution had been identified for this task. The regional delegations of the Ministry of Economy and Planning, as well as development projects at design stage, are invited to take-up this issue. The PCR also recommends that village development plans (PVDs) should be capitalized and submitted to other development organizations, or projects, in order to access further financing.

51. The sustainable maintenance mechanism for water points is taken into consideration by PADER-G. Indeed, a key lesson from PSANG II is the need to ensure continued support to the CGPEs<sup>5</sup> in terms of their capacities to manage cost recovery and maintenance of the infrastructures. PADER-G therefore foresees an important strengthening of the CGPEs capacities and will be implemented in conjunction with the EU financed programme in Guéra (9e and 10e FED). Through this partnership, PADER-G will promote the EU maintenance private sector approach, based on local repairers and spare parts shops.

52. Grain Storage Facilities and village stores constitute one of the most successful achievements of PSANG-II and give satisfactory signs of durability, although the PCR recommends to develop, together with the beneficiaries, measures aimed at guaranteeing the integrity of the revolving fund also in times of crisis.

53. Undoubtedly, and considering the achievements of the micro-finance project component, the CECA network deserves to be consolidated. An ongoing grant to the Centre International de Développement et de Recherche (CIDR) will assure transition between PSANG-II and PACEG, which is in fact expected to guarantee the consolidation of the micro-finance network<sup>6</sup>. The PCR pertinently points out that a visit to the “Clubs d’Epargne et de Crédit (CEC)” of Mayo-Kebbi, an older and more experienced system with over FCFA3 billion in savings and credit portfolio, in order to reinforce CECA’s expertise, which is still at embryonic level.

54. The UNOPS supervision report 2009 indicates an envisaged fusion between PRODER-B’s CFA and PSANG-II’s CECA networks in order to improve its sustainability a minimize management costs. This measure could be considered as one to enhance sustainability of existing microfinance network. It is however interesting to note that rural micro-finance no longer represents a core area of intervention in the 2009 COSOP<sup>7</sup>.

55. According to the PCR, ASANG should be restructured in line with the recommendations of the MTR and the report issued by the consultant charged with its reorganization. However, future role, statutes and membership of the organization are yet unclear, and funding sources will have to be identified. Considering all of the above, it is reasonable to say that exit, transition and takeover scenarios by other projects have been devised for some of the PSANG-II components, in view of their sustainability, but that many of the involved actors and mechanisms are still fragile. Consequently, sustainability is rated as *moderately satisfactory (4)*.

## **C.6 Pro-Poor Innovation, Replication and Scaling-Up**

56. Considering Chad’s context in particular, the project intended to introduce three innovative features: (i) a participatory decision-making approach with direct involvement of the stakeholders in resource allocation and management, (ii) the inclusion of female

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<sup>5</sup> CGPE: Comité de gestion des plans d’eau/water point management committees

<sup>6</sup> Ibidem.

<sup>7</sup> IFAD, IOE; Chad, PCR of PRODER-K, January 2011.

beneficiaries to the tune of 55 percent and (iii) project management assigned to a decentralized body representing the interests of the stakeholders.

57. Undoubtedly, the set-up of a community-driven development approach allowed rural communities to gain ownership on their development. The participative approach and the implemented targeting methods led to the inclusion of the most vulnerable in decision-making, and women have been successfully involved at all levels (decision-making, planning and execution). Although participatory community-development has been successfully implemented in other projects, the targeting strategy centred on women and vulnerable constitutes an undeniable achievement of PSANG-II in terms of innovation and deserves replication and up-scaling.

58. PSANG-II's envisaged State disengagement policy, providing transfer of project management functions from a State-driven body (PCU) to a stakeholder's organization (ASANG), has proven to be an innovation too ambitious for Chad's context. For the reasons given in Paragraph 47, ASANG had fundamental flaws of its own, and decentralization is not effective in Chad yet.

59. Although the PCR does not mention it, the set-up of a micro-finance network in the Northern Guéra has constituted an important innovation for the populations in the region, representing an attractive source of financing and an alternative to usurers. The figures show that demand for small credit is high and repayment rates are good; consequently, up-scaling potential is at hand. .

60. Scaling up. The available documentation shows that the project aimed at introducing and testing some innovative practices and approaches (new within the project area, not in absolute terms). It did not and could not yet venture into scaling up. There is good potential for scaling-up of the tested approaches. On an overall plane, the innovative content, and the corresponding replication and up-scaling potential of PSANGII is rated as *moderately satisfactory* (4).

## **C.7 Gender equality and women's empowerment**

61. Based on the available information, women have been well represented among the project's beneficiaries (Paragraph 19). The strategy of having animation tandems with 55 percent of women was successful in increasing women's participation in decision-making. In fact, women groups membership substantially exceeded the appraisal target (Paragraph 24). Therefore, gender equality and women's empowerment deserves to be rated as *satisfactory* (5)

### **C.7 Performance of Partners**

#### **(a) IFAD's Performance**

62. This PCR concurs with the PCR that IFAD's financial contribution, disbursed to the tune of 92 percent of the appraisal estimate, has been decisive for the successful implementation of the project. IFAD funded capacity-building activities of project staff, implemented by the Fondation Rurale en Afrique de l'Ouest (FRAO), have led to an adequate enhancement of project-management capacities.

63. The project was adequately monitored by IFAD, who also made sure that regular UNOPS supervision missions, as well as an MTR issuing important recommendations for project continuation, took place. It is however to be said that a total of six IFAD country programme managers in 8 years may have negatively affected project performance, since

some issues were not followed up as desired by the borrower, e.g. the amendment of Loan Agreement after MTR.

64. A special merit of IFAD, although not mentioned in the PCR, was the successful introduction of the innovative approaches described under Paragraphs 55-58. Overall, IFAD's performance is rated as *satisfactory* (5).

(b) Government's Performance

65. The PCR draws the attention to the untimely release of counterpart funds. It also notes that, besides de joint supervision missions carried out with UNOPS, the Government has demonstrated weak monitoring and backstopping capacity. Nevertheless, the PCU was successful in managing the project, with a remarkable equilibrium between financial implementation and coverage of the beneficiary population, both at 92 percent of appraisal estimates. This warrants a *satisfactory rating* (5).

C) Cooperating Institution

66. The PCR notes that UNOPS has successfully complied with its functions of loan administration and project supervision, efficiently managed loans and grants, carried out regular supervision missions and issued pertinent recommendations for project implementation. This positive assessment is given despite some caveats concerning the excessive time required for WA processing that reached seven months in some cases, clearly above the three months that were set as standards. The PCRV reviewed the available supervision reports and concludes that the Cooperating Institution had the operational, legal and financial aspects of the project well under control. The reports were to the point and presented clear conclusions and recommendations to the Government and IFAD. The PCRV rating for UNOPS performance is *satisfactory* (5).

**C.8 Overall Assessment of Project Performance**

67. The PCR does not include an overall assessment of project performance. Based on the findings of the PCR and other project-related documents examined, a positive global appreciation emerges. However, the development goal of improving food-security and reducing child malnutrition has not been achieved if the only comparative surveys of 2004 and 2010 are taken as yardsticks. (Paragraphs 40-44). PSANG-II therefore joins the rank of rural development projects that cannot be considered as having contributed to the expected development goal despite moderately satisfactory project effectiveness. The underlying reasons for failing to achieve the project goal are given in Paragraphs 42-45. Project cost per beneficiary was US\$88, which is in the range of other rural development projects funded by IFAD. Taking into account of the assessment of the whole array of evaluation criteria, the overall rating for the project is *moderately satisfactory* (4).

**D. Assessment of the PCR Quality**

(i) Scope

68. PCR covers all aspects of the project, from design to implementation, with the exception of a comprehensive global overall assessment. However, the PCR does not follow the logical sequence of key evaluation criteria, is often opinion and not evidence based, and does not contain full reference quotes, which makes verifying the reliability of the information provided quite difficult. Scope can thus be rated as *moderately satisfactory* (4).

(ii) Quality (methods, data, participatory process)

69. Data contained in the PCR is incomplete and presented in an incoherent way. The same or similar information appears under different chapters of the project, but with inconsistent figures. Under such circumstances, the preparation of this PCRV was a particular challenge. Quality is therefore rated as *unsatisfactory* (2).

(iii) Lessons

70. The PCR mentions four areas of lessons learned.. This PCRV concurs that these are relevant, although no mention is made about the difficulties encountered with State disengagement from project management, nor with the problems for the vulnerable in accessing revenue-generating activities.

71. On 29 June 2010, a PCR validation workshop took place in the project area, involving representatives of the implementing parties, regional delegations of the technical ministries and other project partners. This can be commended as good practice. Unanimous satisfaction was expressed about the rate and quality of physical implementation. The PCR consultant's opinion about the positive impact on improving child malnutrition and food-security, and increasing beneficiaries' incomes, was also confirmed. In this specific regard, the PCRV is critical about the soundness of recording seemingly positive project impacts in the face of clearly negative data from the two child nutritional surveys, and of other impact domains, such as household income and assets, for which no data are available. The interpretation of project impacts that goes against the few available solid data is not conducive to a learning process. This aspect of the PCR assessment is rated as *moderately satisfactory* (4).

(iv) Candour

72. The PCR is overall transparent in its assertions, but not objective in assessing overall project performance and impact. It is true, in fact, that over 214'000 persons benefitted from the project, but, especially considering the findings in the previous paragraph, it cannot be asserted that PSANG-II had a significant impact in improving food security and reducing child malnutrition. Candour is consequently rated as *moderately unsatisfactory* (3).

## **E. Final Remarks**

### **E. 1 Lessons Learned**

73. PSANG-II has proven the effectiveness of binominal (male-female) animation groups at village level in involving women (and the most vulnerable) in decision-making.

74. Targeting issues should be addressed with greater attention. Although the participative mechanisms put in place were aimed at involving all social strata in decision making, access for the most disadvantaged to income-generating activities was still problematic, with interest groups composed by wealthier people often preventing them from accessing funds.

75. If State disengagement is envisaged at a later stage of the project, it should be assured that the stakeholders' organisation designed for project management is backstopped, capacitated and empowered during the first cycle, in order to avoid negative effects on project resources and implementation delays.

76. Delays and setbacks in selecting and contracting implementing organisations should be taken into consideration when defining the implementation schedule of the project, since in PSANG-II's case this was one of the causes for the late start.

77. Impact indicators should be carefully identified at design stage, making sure that reliable information sources are available. Otherwise, the project itself should implement baseline surveys that allow, at a later stage, measuring the impact of the implemented actions.

78. The PCR argues that participative planning processes at village level require greater efforts and means, and often lead to similar results than those implemented on cantonal scale (e.g. PRODALKA and PRODAEL). The PCR pertinently recommends to consider carrying out a comparative study on advantages and disadvantages of these two approaches.

79. Contracts with sub-contractors charged with the execution of single project components should be provided with clear targets, and achievement indicators aligned with the main project indicators.

## E.2 Issues for IOE follow-up (if any)

None.

## G. Rating Comparisons

<b>Project ratings</b>			
<b>Criterion</b>	<b>PMD Rating<sup>8</sup></b>	<b>IOE Rating</b>	<b>Net Rating Disconnect (IOE PCR - PMD)</b>
Relevance	5	4	-1
Effectiveness	4	4	0
Efficiency	4	4	0
<b>Project Performance<sup>9</sup></b>	<b>n.p.</b>	<b>4</b>	n.a
<b>Rural Poverty Impact</b>			
(a) HH Income and Net Assets	5	4	-1
(b) Human and Social Capital Empowerment	5	5	0
(c) Food Security and Agricultural Productivity	4	3	-1
(d) Natural Resources and Environment	4	n.a.	n.a.
(e) Institutions and Policies	4	3	-1
<b>Overall rural poverty impact<sup>10</sup></b>	<b>5</b>	<b>4</b>	-1.
Sustainability	5	4	-1
Pro-poor Innovation, Replication and Scaling Up	4	4	0
Gender equality and women's empowerment	4	5	+1
<b>Overall Assessment<sup>11</sup></b>	<b>5</b>	<b>4</b>	-1

<sup>8</sup> Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory; n.p. = not provided; n.a. = not applicable.

<sup>9</sup> Arithmetic average of ratings for relevance, effectiveness and efficiency.

<sup>10</sup> This is not an average of ratings of individual impact domains.

Performance of partners			
(a) IFAD	5	5	0
(b) Government	5	5	0
(c) Cooperating Institution	4	5	+1
<b>AVERAGE Net disconnect</b>			-0.33
<b>Ratings of the PCR document quality</b>	<b>PMD rating</b>	<b>IOE PCR V rating</b>	
(a) Scope	6	4	-2
(b) Quality (methods, data, participatory process)	4	2	-2
(c) Lessons	4	4	0
(d) Candour	5	3	-2
<b>Overall rating PCR document</b>		<b>3</b>	<b>n.a.</b>

## H. List of Sources Used for PCR Validation

IFAD, Rapport de Pré évaluation Projet de Sécurité Alimentaire au Nord Guera Phase II (rapport 1217 TD), February 2000.

IFAD / Republic of Chad, Country Strategic Opportunities Paper (COSOP), 1999

IFAD Executive Board, Report and Recommendation of the President to the Executive Board on Proposed Assistance to the Republic of Chad, Rome, 3 – 4 May 2000.

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Ministry of Agriculture and Irrigation, Mr. Hassanty Oumar Chaib / IFAD, Mr. Alain Onibon, Mission de revue inter-cycles et à mi-parcours de la deuxième phase du PSANG, October 18, 2007.

UNOPS, Senegal operations centre, Rapport de la Mission de Supervision 2009 au PSANGII, December 2009.

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CNNTA, Enquête nutritionnelle anthropometrique dans la zone d'intervention du Projet de Sécurité Alimentaire au Nord Guéra (PSANG II), March 2010.

Mr. Kakiang Lagnaba, SOSDA - Société de Services et de Développement Agricoles, Pala - Rapport d'Achèvement du PSANG II, June 2010.

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<sup>11</sup> This is not an average of ratings of individual evaluation criteria. Also performance of partners is not a component of the rating of the overall project performance.