

Project Completion Report Validation

Islamic Republic of Pakistan Restoration of Earthquake Affected Communities and Households (REACH)

A. Basic Data

A. Basic Project Data			Approval (US\$ m)		Actual (US\$ m)	
Region	APR	Total project costs	29.6 million			
Country	Pakistan	IFAD Loan and % of total	26,389 million	89.3%	27,855	90.0%
Loan Number	1385-PK	Borrower	3,031 million	10.2%	3,031 million	9.8%
Type of project (sub-sector)	Rural Development	Co-financier 1 Pakistan Poverty Alleviation Fund (PPAF)	0.141	0.5%	0.061	0.2%
Financing Type	IFAD Initiated and Exclusively Financed	Co-financier 2	N/A			
Lending Terms ¹	Highly Concessional	Co-financier 3	N/A			
Date of Approval	20 April 2006	Co-financier 4	N/A			
Date of Loan Signature	14 June 2006	From Beneficiaries	Labour in kind		Labour in kind	
Date of Effectiveness	01 August 2006	From Other Sources:	//			
Loan Amendments		Number of beneficiaries (direct and indirect)			Direct beneficiaries: 22,517 HH ² ; Indirect: 15,655 craftsmen	
Loan Closure Extensions		Cooperating Institution	World Bank			
Country Programme Managers	Mr Marchisio Mr. Tian Mr. Brett	Loan Closing Date	31 March 2010		31 July 2010	
Regional Director(s)	Mr T. Elhaut	Mid-Term Review	30 September 2009		11 June 2010	
PCR Reviewer	M. Keating	IFAD Loan Disbursement at project completion (%)	100 per cent			
PCR Quality Control Panel	F. Felloni M. Torralba					

¹ 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 (0.75%) 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 (50%) 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 (100%) 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.

² The average household size is 7.6

Table Sources: IFAD Project Portfolio Management System (PPMS); President’s report on a loan to the Islamic republic of Pakistan for the Restoration of Earthquake-affected Communities and Households (REACH); REACH Project Appraisal Report; REACH Interim Progress Report, 2007; Project Completion Report.

B. Project Outline

1. The earthquake of 8 October 2005 had a massive impact on the whole country. It severely affected five districts in the North-West Frontier Province (NWFP) and three in Azad Jammu and Kashmir (AJK), spreading destruction over a total area of 25,000 km². Homes, infrastructure and livelihoods were damaged or destroyed. In the areas hit by the earthquake, most households depend on agriculture, and the loss of livestock – more than 50 per cent in the worst-affected areas –left them extremely vulnerable. These mountain regions were poor and marginalized even before the earthquake struck and, as a consequence of the earthquake, poverty became even more severe and widespread. Following the loss of family members, homes and animals, most households were left extremely vulnerable.

2. The project responded to the urgent need to follow up emergency relief operations with interventions providing rural communities with the means to re-establish productive lives by restoring housing, livestock, water and other basic infrastructure. IFAD’s knowledge of the area, acquired through ongoing and past operations, has been an important source of information, and the Fund has provided logistical support to post-earthquake restoration efforts in general. The project was to be implemented in about 100 small, remote villages in the upper valleys, targeting in particular the poorest and most vulnerable people, including households headed by single women.

3. The overall goal of the project was to enable rural households to rebuild livelihoods and reduce vulnerability in earthquake-affected areas. It aimed at restoring lost assets, giving priority to rebuilding houses, replacing livestock – buffalo, cows, sheep or goats – and to rebuilding community infrastructure such as drinking water systems, roads, bridges and irrigation schemes. The project had three distinct components, and the design was based on assisting 100 villages in the provinces to be covered by the intervention. At implementation, however, given the magnitude of the disaster and the fact that IFAD funds were pooled³, REACH financed activities across 32 Union Councils. The project had three components:

- i. Infrastructure restoration (77% of base cost). This component was further broken down into two sub-components, namely:
 - a) Restoring permanent shelter (housing); and
 - b) Restoring community physical infrastructure (access to water and economic means to survival);
- ii. Building up household livestock assets (12% of base costs); and
- iii. Operational and technical support (11% of base cost).

4. The project operated in villages where community organizations had been established to facilitate implementation. The Pakistan Poverty Alleviation Fund (PPAF), based in Islamabad, was responsible for project implementation. To coordinate relief activities, PPAF established a Rehabilitation and Reconstruction Unit (RnR), along with three regional offices – one located in Khyber Pakhtunkhwa (KPK), and two in Azad Jammu and Kashmir (AJK). The Partner Organisations (POs) – totalling six - implemented the activities on the ground.

C. Main Assessment – Review of Findings by Criterion⁴

³ The Restoration of Earthquake Affected Communities and Households project (REACH) was part of pooled funding along with the World Bank’s Earthquake Relief, Rehabilitation and Reconstruction Project (E3RP). This aspect is not mentioned in the President’s report which went to the IFAD Executive Board for approval in April 2006.

⁴ For definition of and guidance on the criteria, please refer to the IFAD Evaluation Manual: http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf

Project Performance

C.1 Relevance

5. IFAD had and still has limited experience in designing projects aimed at responding to natural disasters, as the IFAD Policy on Crisis Prevention and Recovery was approved by the IFAD Executive Board only in September 2005. Therefore, the Fund could not draw on lessons learned from past experience. The mentioned Policy caters to the following: (i) ensure speed and flexibility (ii) use grass-roots organizations to reach the rural poor; (iii) focus on the role of women, and particularly women's groups; (iv) consider an enhanced role for NGOs and civil society organizations; (v) keep programme design conceptually simple; and (vi) employ a flexible financing mechanism.

6. The design of the REACH project was in line with the above-mentioned Policy. The earthquake-affected areas identified in the President's report and in the Appraisal document are some of the poorest and most isolated in Pakistan. Contrary to a typical IFAD project, which is focussed on reducing poverty, the activities envisaged at design under the three components of the REACH focused on preventing an increase in poverty and in reducing vulnerability.

7. Initially, the project was highly relevant to the needs of the rural poor in that it aimed at providing earthquake-stricken households with a permanent shelter, while ensuring, at the same time, the re-establishing of basic infrastructure to secure livelihoods. REACH was to be implemented over a three-year period, as opposed to a typical IFAD intervention which spans between five to seven years. Notably, IFAD was one of the few major donors that possessed significant experience in terms of implementing community-based rural development interventions in the area struck by the earthquake prior to 2005. Project design was kept simple and flexible in order to allow for adjustments in the course of implementation, as needed.

8. While there is no question that the project was relevant to the needs of the rural poor in the area, its design presented a number of issues. Firstly, the number of permanent shelters to be reconstructed under component 1(a) – based on an assessment of the damage provoked by the earthquake - was greatly underestimated. The design envisaged a total of 7,000 housing units, to be achieved through a demand-driven process; the same applied in terms of restoring community physical infrastructure. At implementation, funds were reallocated from the other components to component 1(a) to meet the high demand for housing at detriment of the most vulnerable groups of the population.

9. Secondly, REACH operated under the umbrella of the World Bank-funded Earthquake Relief, Rehabilitation and Reconstruction Project. This fact brought to an expansion of the target group from the original 100 villages where PPAF partner organisations operated to cover the entire geographical scope of the 34 Union Councils in NWFP and AJK. Therefore, the target group came to include all those whose houses were damaged, the vulnerable as well as community organisations in the 32 Union Councils covered by IFAD (the other two Union Councils benefited from the intervention by KfW). As a consequence, and as reported also in the PCR, the target group ceased to exist.

10. Finally, there was no assessment of the needs of the target population in terms of provision of community infrastructure as well as of the building up of household livestock assets. While the original project design catered to provide infrastructure in terms of access to water and irrigation schemes, de facto the project ended up in constructing or rehabilitating rural roads needed to transport construction materials to rebuild or rehabilitate houses. Moreover, no clear linkages were spelled out in the design documents among the various components.

11. Based on the above considerations, the design shows an overall lack of participatory approach at the project design level, which may be in part justified given the need to respond quickly to the

situation in the area to be covered by the project. In view of the positive aspects and of the shortcomings described above, a rating of moderately satisfactory (4)⁵ seems justified.

C.2 Effectiveness

12. The PCR notes that, despite the scale of the disaster, the project was quite effective in achieving its development goal, that is, *'to enable rural households to rebuild livelihoods and reduce vulnerability in earthquake-affected areas'*. This validation exercise partially agrees with this statement.

13. Indeed, the project achieved its objective of providing permanent shelter to earthquake-stricken households. Against an original target of 7,000 new or rehabilitated homes, the PCR reports that IFAD financed an equivalent of 10,488 houses. While at first this may be seen as a major achievement, it should be noted that (i) the higher number of new or rehabilitated homes was due to REACH operating under the umbrella of the World Bank's E3RP. As funds were pooled, it is estimated that, on a pro-rata basis, IFAD financed the reconstruction of over 10,000 houses, in excess of the 7,000 estimated in the project design. Secondly, IFAD funds were reallocated from livestock replacement and Community Physical Infrastructure schemes to sub-component housing reconstruction to the detriment of vulnerable households. In addition, given that all households were treated equally and could equally apply for home reconstruction, the original focus to target shelter reconstruction to the vulnerable and to women was originally lost. This fact is indeed recognized in the PCR narrative.

14. In terms of providing community physical infrastructure, REACH provided financing for reconstruction of damaged systems and facilities. There was however limited demand for Community Physical Infrastructure projects as communities focused on housing reconstruction; compared to housing, all Community Physical Infrastructure funds were disbursed and consumed in FY2009-10. IFAD funds financed 157 projects across 143 villages with an average cost of about PKR560,000 per village (PKR512,000 per Community Physical Infrastructure scheme), compared to appraisal estimates of about PKR 1 million. Community Physical Infrastructure schemes totalled: 93 link road schemes (59%); 55 water and sanitation schemes (35%); and nine projects (6%) related to street pavements. Notably, there was no demand by the communities for irrigation systems. The original project design document addressed drinking water systems (repairing, constructing); yet, communities chose to rehabilitate link roads as these were needed to ensure the transporting of construction materials for building homes.

15. With regard to the objective of addressing malnutrition by building up household livestock assets so to allow earthquake-affected households to generate income and meet household food requirements, the project envisaged replacement of up to 4,000 livestock at a cost of US\$ 3 million.). The estimated losses in terms of livestock were at 30,000 livestock units. At implementation, given the focus on house reconstruction determined by the high demand for shelter by beneficiaries, only a total of 318 livestock units were provided by the project at a cost of US\$264,000 against an original target of 4,000 at a cost of US\$ 3 million. It should be recognized that this was the only intervention that was properly targeted, as only vulnerable or widow-headed households who had lost livestock benefited.

16. The project also achieved an unintended objective through its Operational Assistance and Technical Support component, originally designed to finance the PPAF regional offices and provide support to Partner Organizations (POs). At project completion it was noted that, through the provision of training to both skilled and unskilled labour on earthquake-resistant construction, as well as to home owners, such trainings provided the skills necessary for households and communities to rebuild compliant structures.

⁵ The Office of Evaluation of IFAD adopts a six-point rating scale, with three positive ratings: moderately satisfactory, satisfactory; and highly satisfactory; and three negative ratings: moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

17. To conclude, during project implementation, household reconstruction became the focus of the intervention, diverting funds from livestock as well as from Community Physical Infrastructure schemes. As a result of the needs of communities benefiting from the intervention, REACH became a public works programme. Indeed, the project succeeded in restoring appropriate shelter to beneficiaries; yet, as described above, little was done to directly assist the vulnerable households. Based on this assessment, a rating of moderately satisfactory (4) seems justified.

C.3 Efficiency

18. According to the official project documentation available, the project operated in a very efficient manner. The efficiency derived primarily from the flexibility in the loan agreement which allowed funds to be allocated where needed and from working in conjunction with the World Bank's E3RP, which catered to economies of scale and reduced REACH project support costs.

19. The project was implemented within schedule over a three and a half-year period, with 58% of disbursement taking place in the first six months of the project between January and June 2007. At project's end, total expenditure exceeded loan allocation due to exchange rate benefits. Notably, the final project cost amounted to approximately USD 28 million against a total cost of USD 26.5 million at appraisal. Project administration costs were estimated at 11% which is within a typical IFAD range (10-15%).

20. In terms of component 1(a), the Government's Earthquake Reconstruction and Rehabilitation Authority (ERRA) guidelines fixed the unit cost of the housing construction component at Pakistan Rupee (PKR) 150,000 for completely damaged houses and at PKR 50,000 for partially damaged houses. Notably, the cost to rebuild in some areas was much higher than the amount repaid, due to cost increases coupled with inflation. Inflation rose over the project period from 7.9% in 2006 to 20.3% in 2008, together with currency depreciation. This had a significant impact on the cost of reconstruction.

21. On the other hand, with regards to component 1(b), costs were highly contained. For example, the average Community Physical Infrastructure scheme was just over half of the amount originally budgeted at design, primarily due to a focus on repairing link roads for easier access to transporting building materials. In addition, several COs carried out the procurement of construction materials at community level, with cost savings of up to 21%. Concerning component 2, livestock replacement was a targeted initiative, and its efficiency reflected the beneficiaries' choice of their livestock package.

22. To conclude, as previously mentioned, the project outreach and delivery surpassed appraisal targets significantly with regards to shelter construction. At the same time, it failed to do so with the original targets concerning Community Physical Infrastructure and livestock units. The project experienced a short (five months) delay between project effectiveness and the beginning of disbursement, but this probably did not affect overall project efficiency. Based on the above narrative, a rating of satisfactory (5) seems to be appropriate. This rating is higher than the one provided by PMD (4) in its self-assessment, as the PCRV takes also into account that, in comparing the delay between project effectiveness and start up for seven IFAD-funded interventions in the country from the year 2000 onwards, REACH has performed better than the rest of the projects considered. In addition, the IFAD Loan Disbursement at project completion has reached 100 per cent, against an average of 75 per cent for the projects considered in the ten-year period (2000-2009).

Rural Poverty Impact

C.4 Impact

23. It is difficult to ascertain the impact of the interventions promoted by REACH only four years after the starting of implementation. REACH was not a typical IFAD project; to the contrary, it was an

emergency intervention designed in a relatively short amount of time, to be implemented over three and a half years against a typical implementation span of seven years. The PCR provides indications of a positive – immediate- impact of the project in the operating areas. The report goes on to state that the project achieved a significant impact through rebuilding houses in earthquake-affected areas and therefore reduce the vulnerability of households in a poor and remote region of Pakistan, and support communities in rebuilding their livelihoods. According to the PCR, without this external assistance, recovery would have taken much longer and be of lesser quality. This validation exercise agrees with the PCR assessment only partially, as described in the below paragraphs.

(a) Household Income and Net Assets

24. The original assumptions at design stage were that REACH would contribute, through the implementation of its components, to increases in household incomes and in consumption through reconstruction-based employment opportunities, community infrastructure and livestock restocking. The PCR reports evidence that the reconstruction programmed has contributed to the revival and betterment of the lives of the people. It goes on to state that REACH had a direct impact on the recovery of livelihoods and economic activity, that is, in assisting communities to return to pre-earthquake conditions. These statements are not supported by data in the report. In addition, the PCR notes that incomes have not increased sufficiently in the project areas to financially justify the housing reconstruction undertaken by the project. In addition, the provision of livestock, which was considered as a means to address malnutrition and to generate income, was implemented to a very limited extent. While acknowledging that there is limited employment data, the report mentions that, based on anecdotal evidence, more men and women are now employed through opportunities created by reconstruction and rehabilitation. As the evidence available in the official documentation is scarce, a rating for this domain is not given.

(b) Human and Social Capital and Empowerment

25. Through the construction and rehabilitation of shelter and the provision, even if limited, of drinking water schemes, REACH has achieved an impact on human capital. Notably, REACH achieved an indirect impact on people's health status; notably, no serious outbreaks of diseases were recorded.

26. On social capital, the project design did not stress the development of community mobilisation, however the project followed a community driven development process. PPAF institutionally focuses on community and social mobilisation and empowerment. PPAF and its partner organizations worked through community development actively mobilised communities into community organizations as a way to deliver reconstruction. As of July 2009, 3271 community organisations were established. Prior to the earthquake there were only 664 active community organisations in the 34 Union Councils. An additional impact of the PPAF umbrella programme was the training provided to craftsmen, engineers, and emergency architects. The project, through its social mobilization efforts and the establishment of community organizations instilled the importance of social capital and 'collectivity' among the communities. In addition, the creation of a large number of community organizations and the progress achieved has instigated in the remote communities covered by the project a change in culture regarding the value of community organizations. At the same time, it is highly unlikely that the majority of these organizations will remain active, as they have little institutional maturity. In addition, community organizations were not provided with any training towards the maintenance of Community Physical Infrastructure schemes, thus hindering sustainability. Based on these considerations, a rating of *moderately satisfactory* (4) seems to be reasonable. This rating is lower than PMD's rating (5) because the present PCR takes into account threats to future survival of community organizations.

(c) Food Security and Agricultural Productivity

27. The livestock replacement component reflected food security, as recorded in the PCR. Livestock replacement, although a small component in terms of REACH funds, was to be directly

targeted to the most vulnerable households. This was an important component in terms of maintaining what limited food-security the poorest households had had before, and providing the necessary intake by household members, as milk from livestock provides the only protein for most of these families. REACH provided to beneficiaries a total of 318 livestock units - less than 10 per cent of the original target of 4,000 livestock units envisaged at design.

28. Neither the PCR, nor other official documentation reports on agriculture productivity related to project interventions. One activity envisaged at design under component 1(b) which could have had an impact on agriculture productivity was the rebuilding of the irrigation schemes. As mentioned in the previous paragraphs, funds initially allocated for irrigation schemes were diverted either for housing or for road construction. At the same time, the PCR reports that link roads restored after the earthquake played a valuable role by ensuring, inter alia, that communities could have access to food and markets. No additional information is made available in the official documentation at hand on this criterion. Based on the limited evidence available, this validation exercise regards as appropriate not to rate the Food Security and Agricultural Productivity criterion.

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

29. The PCR provides limited information on this impact domain. On the positive side, the earthquake and environmental awareness trainings for home owners and communities have, and will help in the protection of the natural environment, for example on deforestation, use of timber and quarrying stones in seismic zones. On the less positive aspect, the official documentation reports that there was an overexploitation of building materials for reconstruction purposes, including timber and stone. Another aspect, reported in the PCR, was the non provision for a toilet in ERRA house reconstruction guidelines, an aspect which could lead to problems in terms of waste management. Based on the evidence at hand, a rating of moderately unsatisfactory (3) may be justified.

(e) Institutions and Policies

30. No evidence is available on the documentation at hand on this impact domain and therefore it is not rated.

Other Performance Criteria

C.5 Sustainability

31. REACH financed a disaster relief project which included housing reconstruction, and restoration of community physical infrastructures damaged in the earthquake. Thanks to the strict quality focus which was linked to reimbursement, the houses built are now earthquake resistant. The project included important capacity building and skill development through vocational trainings. A way to continue these capacity building initiatives is through extending the knowledge via links with relevant departments that can continue to provide institutional support.

32. Community organizations were the main means of community mobilization and are critical to longer term community participation in local development and sustainable operation of local infrastructure. However, the PCR reports that community organizations already need support and that, according to partner organizations have no operational reason to exist. Creation of community organizations was a requirement for community infrastructure schemes, as well as intrinsic to the operation of partner organizations; as such, there was rapid community mobilisation. Community organizations were also the conduit for reconstruction related trainings. Given the rapid increase in numbers of community organizations, it is highly unlikely that the majority of them will remain active, as they have little institutional maturity. In addition, the sustainability of the Community Physical Infrastructure schemes is seriously at risk, as the community organizations were not provided with any training towards the maintenance of such schemes. Moreover, as the project did not ensure local government participation in the development of rural link roads, these local authorities now have little incentive in maintaining the infrastructure in remote areas.

33. An additional fault, deriving from project design, covered the lack of an exit strategy. Once PPAF completed its activities in the project area, it did not provide a handover to ERRRA. Therefore, ERRRA's information on PPAF operations is limited, a situation which may lead to the creation of an institutional gap and lack of ownership. Based on the above, a rating of unsatisfactory (2) seems appropriate.

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

34. The project was designed as a rapid response, and as such the project design was flexible. This flexibility, particularly in reallocating funds to components or geographical areas according to needs, was instrumental to achieving project's outputs target related to housing. This flexibility is regarded by the PCR as an innovative approach for future interventions. In view of its evaluation methodology for assessing innovations, the present validation considers this as favourable implementation modality rather than a real "innovation".

35. Instead, one of the most innovative features of the project was the large-scale training provided to craftsmen and in particular to homeowners. Through training the homeowners became aware of why building had to be constructed in a specific manner, why certain construction material was to be privileged with respect to others, and so on, and this ensured safe building. The increased knowledge led community members to monitor shelter construction activities, in addition to the inspection process undertaken regularly by partner organizations.

36. Another innovation reported by the PCR concerns the establishment of regional and field offices, as the physical proximity and community engagement through community organizations led to technical solutions. Official documentation reports that the active presence of partner organizations' field offices increased community trust and understanding in Union Councils, which previously had rejected NGOs involvement.

37. In terms of replication and scaling-up, the PCR does not provide an assessment. Based on the evidence provided in the official documentation and described above, a rating of moderately satisfactory (4) is granted.

C.7 Gender equality and women's empowerment

38. On gender, very little is reported on the PCR. The project design explicitly mentioned that, within the target group, priority was to be given to female headed households. Yet, at the time of implementation, the target group ceased to exist for the reasons mentioned in paragraph 9 of this validation report. In addition, the livestock component, which was especially targeted at women, was implemented at a minor extent, thus preventing women from benefiting from the intervention. Moreover, the support to be provided by PPAF to the POs in developing gender strategies did not materialize. Based on such considerations, a rating of unsatisfactory (2) seems to be appropriate.

C.8 Performance of Partners

39. Below is a breakdown of the performance of the main partners involved in design and implementation of the project:

- (a) :While IFAD attempted to design a project which could quickly address the emergency situation due to the earthquake in Pakistan, and was partially successful in doing so, at implementation the Fund was not very active in supervising the project, as opposed to the World Bank. This had implications when the World Bank E3RP project closed ahead of REACH. Notably, PPAF reduced its operations, despite the continuation of REACH and IFAD did not undertake any corrective action to solve this issue. In addition, IFAD did not

ensure the collection by the implementing agency of information on RIMS indicators. Based on the above, IFAD's performance is rated moderately unsatisfactory (3).

- (b) :PPAF's close monitoring and oversight function ensured completion of the project. PPAF was strict about compliance with guidelines and deadlines, and as such the quality of Community Physical Infrastructure and housing completed in PPAF areas is much better than in Pakistani Army areas. At the same time, implementation required more flexibility from PPAF to account for changes in government policy, partner organizations' staffing levels, and the weak capacity of communities. PPAF was also slow in disbursement to partner organizations which led to delays in disbursing to beneficiaries. In addition, despite an impressive looking MIS system, it is almost impossible to reconcile (i) financial and project information collected by PPAF, and (ii) PPAF information with that from partner organizations. In addition, the only reporting provided by PPAF on REACH and E3RP was in the PPAF Quarterly and Annual reports which reported on all PPAF operations. Given the evidence provided in the PCR and other documentation, a rating of moderately satisfactory (4) is given.
- (c) :Little information is made available in the PCR concerning the performance of the World Bank – the cooperating institution. The World Bank's E3RP project was a good complement to REACH as both projects provided financing for housing and community infrastructure. In addition, the World Bank provided PPAF's primary financing and had a very active working relationship with PPAF. The World Bank played an active role in E3RP which increased the supervision missions and monitoring of REACH. As the evidence available in the official documentation on the performance of the cooperating institution is scarce, a rating is not given.

C.9 Assessment of Overall Project Achievement

40. The PCR states that “Despite the scale of the disaster, the project has been quite effective in achieving its development objectives: *‘to enable rural households to rebuild livelihoods and reduce vulnerability in earthquake-affected areas’*”. This review agrees partially with this statement. While component 1 (a) was implemented efficiently and effectively and on a timely fashion, outnumbering the overall target of 7,000 permanent shelters to be either rehabilitated or constructed anew by over 3,000 units, the project partially met objectives set under component 1(b) and component (2). Clearly, the need to urgently prepare a project design document for approval in a very limited amount of time, as well as the unusual approach of the intervention where IFAD lacks experience contributed to a project design which experienced a number of faults. Truly, component 1 was the most important one with an overall base cost percentage of 77%. At the same time, faults in project design are evident, and they should be carefully reviewed as lessons learned in future disaster interventions to be undertaken by the Fund. Based on the above, an overall rating of moderately unsatisfactory (3) is justified.

D. Assessment of the PCR Quality

- (i) The scope of the completion report covers all the criteria adopted by IFAD. Therefore, the scope is rated as satisfactory (5).
- (ii) The quality of the completion report is not entirely convincing. Statements in the report are not always supported by evidence nor corroborated by data. This validation exercise acknowledges the fact that the Project Completion Mission was unable to undertake field visits due to security concerns and therefore no direct observation was possible on the ground. In addition, as reported in the self-assessment prepared by IFAD's Programme Management department, statements in the report are at times contradictory. Based on this, a rating of moderately satisfactory (4) is granted.
- (iii) Lessons learned are clear and embrace strategic and operational issues. Therefore, a rating of satisfactory (5) is given by the present validation.

- (iv) Candour of the completion report is rated as moderately satisfactory (4) by the present validation. The report provides constructive self-critical assessment of the performance of the project and of all stakeholders involved. At the same time, at times it seems to contradict itself, as it tries to highlight much the positive achievements while minimizing some of the negative aspects. Based on these considerations, a rating of moderately satisfactory (4) is given.

E. Final Remarks

E. 1 Lessons Learned

41. The project concept involved Community Physical Infrastructure schemes related to access to drinking water, irrigation and road access. While drinking water schemes at the design stage were regarded as important in improving livelihoods and linked to health outcomes, the PCR reports that they were not regarded as such by communities engaged in rebuilding; unfortunately, the PCR does not provide an explanation on why this was so. At any rate, this aspect should be considered in future project designs and needs assessments should be conducted to properly identify the needs of the communities. As mentioned in the previous paragraphs, in the specific context of REACH, most Community Physical Infrastructure schemes were link roads as opposed to the original water, sanitation and irrigation schemes envisaged at design stage; very few of these original schemes were actually put in place.

42. Due to focus by the communities on shelter reconstruction, the few drinking water and sanitation schemes that were implemented by the project were not given sufficient attention in terms of construction quality and training for maintenance purposes. Such interventions may result in having a considerable impact on women, children, the poor and vulnerable. Therefore, future projects of this nature (emergency relief situations) need to consider how to appropriately establish the linkages between the focus on infrastructure such as permanent shelter and the development of community infrastructure such as drinking water which is linked to vulnerability.

43. Livestock replacement was most relevant in terms of assisting the vulnerable as it was the only component at design which targeted women and the vulnerable. Yet, the reallocation of funds from this component to housing meant that women and the vulnerable marginally benefited from the project intervention. To ensure adequate coverage of the target group, it would be advisable to phase the project so that livestock replacement is not set to happen at the same time as housing reconstruction.

44. The experience drawn by the Fund in implementing the REACH project could be used as an input towards readdressing IFAD policies and procedures so to allow IFAD to be more effective in emergency relief operations. In addition, IFAD could also elaborate specific criteria for assessing IFAD-funded emergency relief/disaster response operations.

F. Rating Comparisons

Project ratings				
Criterion	PMD Rating ⁶		IOE Rating	Net Rating Disconnect (IOE PCRV - PMD)
	Relevance	Design		
Relevance	4	4	4	0
Effectiveness	4		4	0
Efficiency	4		5	1
Project Performance⁷	4		4.33	0.33

⁶ 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.

⁷ Arithmetic average of ratings for relevance, effectiveness and efficiency.

Rural Poverty Impact				
(a) HH Income and Net Assets	Physical assets 4	Financial assets 4	n.p.	n.a.
(b) Human and Social Capital Empowerment	Human assets 5	Social capital 5	4	- 1
(c) Food Security and Agricultural Productivity	Food security 2	Agric. Product. 2	n.p.	n.a.
(d) Natural Resources and Environment	3		3	0
(e) Institutions and Policies	Institutions & policies Not rated	Markets 4	n.p.	n.a.
Overall rural poverty impact⁸	3		3	0
Sustainability	2		2	0
Pro-poor Innovation, Replication and Scaling Up	Innovation 4	Repl. & Scaling-up 4	4	0
Gender equality and women's empowerment	2		2	0
Overall Project Achievement⁹	3		3	0
Performance of partners				
(a) IFAD	3		3	0
(b) Government	4		4	0
(c) Cooperating Institution	5		n.p.	n.a.
AVERAGE Net disconnect				0.025
Ratings of the PCR document quality	PMD rating	IOE PCR V rating	Net disconnect	
(a) Scope	5	5	0	
(b) Quality (methods, data, participatory process)	5	4	-1	
(c) Lessons	5	5	0	
(d) Candour	4	4	0	
Overall rating PCR document	5	5	0	

H. List of Sources Used for PCR Validation

Documentation

President's report on a loan to the Islamic republic of Pakistan for the Restoration of Earthquake-affected Communities and Households (REACH), IFAD, 2007;

REACH Project Appraisal Report, IFAD, 2007.

REACH Interim Progress Report, Government of Pakistan, 2007

Project Completion Report, IFAD/Government of Pakistan, 2010

⁸ This is not an average of ratings of individual impact domains.

⁹ This is not an average of ratings of individual evaluation criteria. Moreover, performance of partners is not a component of overall project achievement.

Databases

IFAD Project Portfolio Management System (PPMS)