

Project Completion Report Validation

Diyarbakir, Batman and Siirt Development Project

Republic of Turkey

Date of validation by IOE: April 2017

I. Basic project data

			Approval (US\$ m)		Actual (US\$ m)	
Region	Near East, North Africa and Europe	Total project costs	36.92		32.25	
Country	Republic of Turkey	IFAD loan and percentage of total	24.105	64.29%	19.881	61.65%
Loan number	718 - TR	Borrower	4.455	12.07%	4.125	12.79%
Type of project (subsector)	Credit and Financial Services	UNDP	0.752	2.04%	0.749	2.32%
Financing type	Loan	Clients/investors/communities	7.607	20.60%	7.491	23.23%
Lending terms	Ordinary term	IFAD loan disbursement at project completion	82%			
Date of approval	14/12/2006	Number of beneficiaries	Not specified		42,054 beneficiaries; 7,194 households**	
Date of loan signature	05/03/2007	Loan closing date	30/06/2013		30/06/2015	
Date of effectiveness	19/12/2007	Loan completion date	31/12/2013		31/12/2014	
Loan amendments	14/06/2013 (1 st) 25/06/2014 (2 nd)	Executing agency	Ministry of Agriculture and Rural Affairs***			
Loan closure extensions	twice	Cooperating Institution	Directly supervised by IFAD			
Mid-term review	None	Country programme managers	Abdalla Rahman (2007 – July 2008); Henning Pedersen (July 2008 – June 2012); Abdouli Abdelhamid (June 2012 – May 2016); Dina Saleh (May 2016 - to date)			
Date of the project completion report	July 2015	Regional directors	Mona Bishay (September 2004 - 08/07/2008) Nadim Khouri (09/07/2008 - 19/08/2011) Various OIC (20/08/2011 - 30/04/2012) Khalida Bouzar (from 01/05/2012 onwards)			
PCR reviewer	Xiaozhe Zhang					
PCR quality control panel	Mona Bishay Michael Carbon					

Source: Project Completion Report (PCR), July 2015; IFAD President's Report (EB 2006/89/R.32/Rev.1); IFAD Business Intelligence accessed on 21 November 2016; Project Supervision Report, May 2013. Country Programme Evaluation, 2016.

*This was a loan approved on ordinary terms, with an interest rate equal to the variable reference interest rate per annum, as determined by IFAD annually and having a maturity period of 18 years, including a grace period of three years.

** PCR estimates on the basis of an average of six persons per households.

*** It was later renamed as Ministry of Food, Agriculture and Livestock.

II. Project outline

1. **Introduction.** The Diyarbakir, Batman and Siirt Development Project (DBSDP) was the seventh IFAD-financed project in Turkey since 1982. It was approved by the Executive Board in December 2006. The loan agreement was signed on 3 March 2007 and became effective in December 2007. The DBSDP was extended twice with the completion date changed from December 2013 to December 2014 and the loan was closed on 30 June 2015.
2. **Project area.** The Project covered Diyarbakir, Batman and Siirt Provinces in the eastern Anatolian plateau, with altitudes ranging from 500 metres in the western-central Diyarbakir-Bismil plain to 3,000 metres in the eastern ranges of the Taurus Mountains. The project area consisted largely of uplands and mountainous areas, and of a smaller area of lowlands. The climate is harsh with severely cold winters and extremely hot and dry summers. The difficult physical situation and climate dramatically limits the duration of the growing season in the project area.
3. The three provinces covered by the project were among Turkey's poorest. In 2005, their Gross Domestic Product was less than 30 per cent of the national average. The 2004 Human Development Index for Diyarbakir, Batman and Siirt ranked 63rd, 70th and 71st respectively out of 80 provinces in Turkey at the time of project design¹. According to the available data from the 2000 Census, the total population of these three provinces was close to 2.1 million. The three provinces have similar production systems. Most of the cultivated areas are located in the relatively fertile lowlands. The incidence of rural poverty has a high correlation with the distance of settlement and production from the major towns, as well as the elevation and degree where the terrain is hilly and mountainous. In this challenging environment, the livelihood strategies of the poor rural households typically involve combinations of crop and/or livestock production; working as wage labourers; and seeking off-farm employment. Remittances are a crucial element in the rural poor's cropping strategy.
4. **Project goal and objectives.** As stated in the President's Report, the overall goal of the Project was to "*improve the economic and social status of poor rural people in the provinces of Diyarbakir, Batman and Siirt in line with Turkey's national strategy for poverty reduction*". The specific objectives of the project were to: (i) improve economic efficiencies and the quality of life in poor rural villages in the Project area based on current production and employment patterns; (ii) where feasible, diversify income sources and increase employment through the establishment of new and expansion of existing profitable businesses, both on- and off-farm, mainly through measures to improve supply chain management; and (iii) optimise employability of members of the target groups through support to enhancement of individual and organisational skills necessary to achieve the objectives (i) and (ii)². The project goal and objectives remained unchanged throughout the Project implementation period.
5. **Project components.** The Project consisted of the following four components.
 - Component A: Village Improvement Programme. Aiming at alleviating poverty at the village level, this component comprised three sub-components, which include: (i) awareness raising on the project; (ii) farming support and agriculture marketing; and (iii) investments in small-scale social and economic village infrastructure.
 - Component B: Rural Economic Growth.³ This component originally comprised five sub-components, namely: (i) rural supply chain management; (ii) business intermediation services; (iii) contributory grants; (iv) capacity building for

¹ Currently, Turkey is subdivided into 81 provinces.

² Paragraph 12 of the President's Report.

³ This component is referred to as "Farming Support and Agricultural Marketing Component" in the supervision reports prepared between 2011 – 2013.

technical staff in the provincial directorates of the Ministry of Food, Livestock and Agriculture; and (v) rural finance with emphasis on providing support to microfinance development and facilitating for bank investment finance.

- **Component C: Capacity Building for Employment.** The purpose of this component was according to the logical framework, to develop and enhance employability skills of the target group. Two initial studies would be conducted to determine what training curricula would be most appropriate to improve employability of the targeted population. The project also sought to establish or strengthen village development associations to attract inward investment into local, sustainable production and developing networks to increase employment opportunities for the project beneficiaries.
 - **Component D: Project Organization and Management.**
6. **Target group.** The Appraisal Report does not provide an estimate of the number of households and beneficiaries to be reached by the project⁴. It briefly described that the primary target groups of the Project were the poorer rural men, women, and youth living in the provinces of Diyarbakir, Batman and Siirt. Meanwhile, in order to increase employment opportunities for the primary target groups, the project also targeted – as the secondary target groups - new and/or established rural businesses which were considered as sustainably profitable with a comparative economic advantage. Regarding the selection of the districts to be included in the Project, the design document stated that the prioritisation of the districts would be based on the State Planning Organization’s poverty ranking of districts (Appraisal Report, paragraph 68). The Appraisal Report also provides a list of criteria to prioritize the participating villages.
7. In terms of geographic distribution, the Project components had different foci considering the feasibility of implementing their respective project activities. More specifically, the “*Village Improvement Programme*” mainly targeted upland/mountainous area with medium/low economic potential; the “*Rural Economic Growth*” component operated in lowland areas where the economic potential was higher; and the “*Capacity Building for Employment*” component targeted the surplus and migrant labour in the identified villages.
8. **Project cost and financing.** At the time of approval, the total project cost was estimated at US\$37.36 million⁵ jointly financed by: (i) an IFAD loan amounting to SDR 16.30 million (equivalent to approximately US\$24.10 million or 65.3 per cent of the total costs); (ii) a Government contribution of US\$4.75 million; (iii) co-financing from the United Nations Development Programme (UNDP) of US\$0.75 million; and (iv) a contribution from project clients/investors/communities of US\$7.76 million.⁶ Table 1 and Table 2 below present the detailed project costs at appraisal and actual expenditures by source of funds and by component.

Table 1
Project costs (in US\$ ‘000)

Source of funds	Appraisal	Percentage of total	Expenditure	Percentage of total	Disbursement rate (%)
IFAD	24 105	65.29	19 881	61.65	82
UNDP	752	2.04	749	2.32	99.6
Government	4 455	12.07	4 125	12.79	93
Beneficiaries	7 607	20.60	7 491	23.23	98
Total	36 919	100	32 246	100	87

Source: Project Completion Report, 2015; IFAD Business Intelligence.

⁴ The President’s Report and Appraisal Report do not provide explanation or justification why this was the case.

⁵ Including physical and price contingencies.

⁶ The data was slightly different from the one which was presented in the Project Completion Report.

Table 2
Component costs (in US\$ '000)

<i>Project components</i>	<i>Appraisal</i>	<i>Percentage of baseline cost (%)</i>	<i>Actual</i>	<i>Percentage of total (%)</i>	<i>Actual/estimated cost at appraisal (%)</i>
A: Village Improvement Programme	9 964.3	28.4	12 788.5	39.7 ⁷	128
B: Rural Economic Growth	18 140	51.8	15 323.6	47.5	84
C: Capacity Building for Employment	351	1	210.5	0.66	60
D: Programme Organisation and Administration	6 598.9	18.8	3923.6	12.2	59
Total	35 054.2 ⁸	100	32 246.1	100	87

Source: Project Completion Report, 2015.

9. **Project implementation.** During the first three Project Years, the national Lead Project Agency of the DBSDP was the Ministry of Agriculture and Rural Affairs (MARA). It was envisaged at project design that the overall authority for project implementation would rest with the Project Co-ordinator, liaising with the Head of the General Directorate of Agricultural Development and Production⁹. In practice, however, a Central Project Management Unit was established within the Risk Management and Projects Management Department of MARA to assume the overall authority and responsibility for project implementation. Due to a considerable institutional reorganization, the said MARA, as well as the ministries dealing with forestry, environment and urbanization affairs were merged into a new ministry named the Ministry of Food Agriculture and Livestock (MFAL), which functioned as the Lead Project Agency since 2011.¹⁰
10. A Programme Administration Unit (PAU) was established in each of the three provinces to facilitate the implementation of project-supported activities and day-to-day administration. The PAUs comprised one Regional Administrator who was based in Diyarbakir with an overall responsibility of coordination between PAUs and Section Directors in Batman and Siirt. The PAUs were also staffed with technical personnel, including 12 seconded Provincial Directorate of Agriculture (PDA) agricultural engineers, Business Development Officers, civil engineers, procurement and financial officer, and a Monitoring and Evaluation (M&E) specialist in Diyarbakir PAU.
11. The DBSDP had been directly supervised by IFAD. Additionally, considering that UNDP had experience in providing implementation support to the other IFAD-financed project in Turkey (e.g. Sivas-Erzincan Development Project), it was agreed at project appraisal that UNDP would provide project administration support, including flow of funds management, accounting, auditing and procurement of goods, services and works. The above arrangement was formalised through a Service Agreement between MFAL and UNDP¹¹. A UNDP Project

⁷ Actual expenditure for Component A was greatly increased due to the reallocation of funds to civil works, which was increased from SDR 3.2 million to SDR 6.47 million. Table 4C, Appendix 4, PCR.

⁸ Exclusive of price and physical contingencies.

⁹ The position was later abolished and replaced with the Head of the Ministry's General Directorate of Agrarian Reform.

¹⁰ The Department of Rural Development under the MFAL carried out the overall responsibility for project implementation and coordination.

¹¹ The Service Agreement between UNDP and MFAL was signed in September 2007. For the services provided by UNDP to the DBSDP, an annual Implementation Support Service fee of US\$128,620 and a General Management Service fee representing 1 per cent of the total amount of Project related payments from IFAD loan and Government funds applied.

Administrator served as the focal point to follow up the implementation of the Service Agreement.

12. **Intervention logic.** The project would focus on improving the villages' infrastructures, strengthening the capacity and employability of villagers and enhancing the market value chain to diversify the income sources of the poor by better linking them to the market and increasing off-farm employment opportunities. This would lead to improved quality of life, diversified income sources and increased employment of the target group, thereby attaining DBSDP's development goal of improving the economic and social status of the rural poor in the target area.
13. **Significant changes during implementation.** The Project had two loan amendments and two extensions, which were requested by the Government based on supervision mission recommendations. The first loan amendment in 2013 was to change the Contributory Grant ratios from 50 per cent to 85 per cent for individual grants and from 50 per cent to 70 per cent for economic grants. The second amendment in 2014 was to reallocate the IFAD loan proceeds to civil works in the amount of SDR 2.0 million (equivalent to US\$3.0 million). Together with the two amendments, the Project was granted two six-month extensions to close the loan in June 2015.¹²

III. Review of findings

A. Core criteria

Relevance

14. **Relevance of objectives.** The DBSDP was the first Project guided by the 2006 country strategic opportunities paper (COSOP) in Turkey. The Project goal and objectives were consistent with the 2006 COSOP's main thrusts which included income generation and diversification, capacity building, value chain establishment.¹³ The project's rationale and design were also in alignment with the Government's strategies on rural and agricultural development, as stated in the National Rural Development Strategy, Agricultural Strategy 2006–2010, and Eighth Five-Year Development Plan. These strategies placed emphasis on: (i) the profitability and marketability of the promoted activities; (ii) the site-specific opportunities available in terms of market linkages and private sector involvement; and (iii) the support of small- and medium-sized enterprises to provide the market linkages and increase employment opportunities.
15. **Relevance of design.** Much of the project area was not suitable for agricultural cultivation due to the harsh ecological environment. Looking into the project design, it can be said that the main project components covered the key elements that dealt directly with the prevailing development challenges/opportunities and were necessary to stimulate the local economy in the Project area. These interventions included rural infrastructure rehabilitation, improvement in the linkages between farmers and market; capacity building and on-farm and off-farm employment creation.
16. **Relevance of targeting.** The Project had two distinctive target groups: the primary one was the poorer rural men, women and youth; while the secondary group was the newly established or existing rural businesses which were identified as having the possibility to be sustainably profitable. With regards to the primary group, the Appraisal Report proposes a participatory approach on identifying the

¹² Memo to the President. Date: 12 June 2013. Subject: Turkey: Diyarbakir, Batman and Siirt Development Project (DBSDP) (IFAD Loan 718 – TR) – Request for Amendments to the Project Loan Agreement.

¹³ The goal of the 2006 COSOP were to achieve sustainable improvement of the standard of living of rural people in poorest regions, in line with Turkey's national strategy for poverty reduction. The specific objectives were: (i) establishment of new and expansion of existing profitable rural businesses, both on- and off-farm; (ii) income diversification and increased employment; (iii) improved business, financial and marketing environment and entrepreneurship skills at the local level.

potential districts and villages to participate in each project component. The PRCV concurs that the targeting approach is poverty-oriented, with considerations of agro-ecology, percentage of permanent village residents, access to agricultural land, and the reliance on off-farming income, among others. According to the supervision report (2008), these selection criteria and procedures were followed by the three PDAs during the start-up phase of the project and 59 villages were identified accordingly. The Project's efforts on employment and employability were supported by the Government's policy on migration, which recognized that the movement of labour out of the agriculture sector was an unavoidable condition for rural poverty alleviation

17. The Project enhanced employability of beneficiaries, primarily through interventions such as capacity building. The Project Completion Report (PCR) as well as the 2013 Impact Assessment Report seem to reveal that no formal mechanisms were in place aiming to directly create employment opportunities. However, the 2013 Impact Assessment Report has underlined the Project's "important role in slowing down out-migration".¹⁴ Through the preparation of the Strategic Investment Plans, the Project contributed to local development and employment, thus having a positive impact on reducing out-migration. The PCRV therefore believes that, although no specific mechanism was adopted to directly ensure employment generation through supporting businesses, the Project – with "contributions from each of the components and sub-components" – did contribute to increased employment opportunities as evidenced by the trend in migration.
18. **Relevance of loan amendments and extensions.** The Government's requests for two six-month extensions proved to be relevant, considering: (i) the initial delay experienced by the Project; and (ii) the practice of similar projects financed by IFAD in Turkey. The loan amendment in relation to the change of terms and conditions of the contributory grants indicated the Government's timely and positive response to the demand of the potential Project beneficiaries.
19. At the same time, there were some limitations. First, the Appraisal Report fails to provide the estimated number of Project beneficiaries. This omission posed a challenge for the PCR team to assess the extent to which the Project had achieved its original target on beneficiaries. Second, there was no description on how the beneficiary groups and individuals were identified in each participating village. The absence of beneficiary identification strategy at the village level could also be a factor which prevented the project design team to have an estimated number of direct and indirect beneficiaries. Third, the weight of Component C on capacity building for employment was much lower than the other two main components. Although capacity building was considered important for improving employability, a very low budget allocation would naturally translate into insufficient attention to the activities to be implemented under this component. Moreover, the reallocation of funds from contributory grants to rural infrastructure and the increase of the grant ratios in the investment supported by contributory grants tend to indicate the Project design's over optimism on the ability of beneficiaries to refinance the investment. Last, there was no further information on the arrangements and implementation of the sub-component on rural finance in Component C in project documents. The amendments of the loan agreement did not reflect the removal of this sub-component.
20. Overall, the Project objectives were relevant vis-à-vis Government's sectoral strategies and IFAD's priorities for Turkey. The Project's intervention logic convincingly took into consideration the agro-ecological challenges in the project area and included the key elements that could contribute to improve the livelihood and economic status of the rural poor living in the project area. The Project also made efforts to increase the awareness of the targeted beneficiaries on the support

¹⁴ However, the 2013 Impact Assessment Report did not provide quantitative data in this regard.

that they were entitled to have from the DBSDP. Project relevance is rated as satisfactory (5), same as the Programme Management Department (PMD) rating.

Effectiveness

21. Effectiveness is the extent to which the Project's objectives were achieved or are expected to be achieved. The PCR concludes that most of the Project's specific objectives had been achieved, though it admits serious gaps in available data¹⁵. Also, the Appraisal Report does not give any projection on the number of direct beneficiaries to be supported by the Project, making it impossible for the Project Completion Report Validation (PCRv) to judge the extent to which the Project had attained its intended targets in terms of project beneficiaries. Besides, as cautioned by the PCR, the total number of project beneficiaries cannot be derived from simply adding up the number of component beneficiaries, due to the risk of double or triple counting.

Specific objective 1: Improve economic efficiencies and the quality of life in poor rural villages in the project area based on the current production and employment patterns.

22. The Project adopted a participatory approach to identify the areas for improvement under the Village Improvement Component. According to the PCR, the rural infrastructure component was the most successful part of the Project, which has contributed to the improvements in assets and income generation. The construction and rehabilitation of drip irrigation schemes and roads reached 639 per cent and 155 per cent respectively against the appraisal targets. The 2014 Results and Impact Management System (RIMS) data shows that the Project constructed five livestock watering facilities (ponds and water storage tank), thirteen sewerage systems with natural treatment, two water drinking tanks, among others. The construction of roads and livestock watering facilities directly improved the efficiency of people living in the target villages due to the reduction of time and cost spent on transportation. The established new sewer systems and upgraded toilet facilities improved the sanitation situation of the individuals and the villages and consequently contributed to the improvement of their health as the risk of being infected with water borne diseases was largely reduced. The benefits of these improvements were confirmed by the community leaders and beneficiaries during the PCR mission.¹⁶
23. The increased individual and household incomes also directly contributed to the improvement of quality of life. The PCR notes that the Project's direct impact on incomes could be largely attributed to the result of increased agricultural productivity. The demonstrations organized by the Project helped the farmers to learn modern technologies and practices. The Project, through the contributory grants programme, also provided financial support to farmers to adopt these technologies. The PCR reports an estimated 27 fold income increase from 110 TL per day to 2,965 TL per day for farmers who converted from rain-fed annual grain cropping to drip irrigated fruit production.
24. Both the supervision reports and PCR indicate that since 2011, due to the accelerated implementation pace of the Rural Economic Growth component, the Project started to pay increased attention to the complementarity of the various interventions in order to enlarge the impact of the Project. Specifically, some of the activities under the Rural Economic Growth Component (both grants and

¹⁵ There were no baseline surveys or other targeting studies and workshops as stipulated in the Loan Agreement. No impact survey was conducted at project completion. Consequently, most of the data used in the PCR was retrieved from the latest RIMS in which many of the data on key outcomes are missing.

¹⁶ Paragraph 75, PCR.

demonstrations) were introduced in areas where the Project was supporting economic infrastructure development¹⁷.

Specific objective 2: Diversify income sources and increase employment through the establishment of new and expansion of existing profitable businesses, both on- and off-farm, mainly through measures to improve supply chain management.

25. The Project properly considered the difficult agro ecology and limited agricultural land in the project region and accordingly made efforts to diversify the income sources of the target group by identifying sub-sectors with high potential economic gains. According to the PCR, the achievement of training targets across components and subjects was mixed. Vocational training was also undertaken as planned in the Component C to help beneficiaries obtain necessary certification in various skills, which was essential for them to gain access to off-farm employment such as in the agro-processing sector. The supervision reports record the creation of employment opportunities which could be considered as a positive outcome of the training courses. However, no data is available on the changes of employment status of the participants of these training courses after 2012, making it difficult to assess the extent to which these outcomes were generated by the training programme.
26. Meanwhile, the Project adopted a supply chain management approach to increase the local employment opportunities. In total nine Strategic Investment Plans (SIPs)¹⁸ were developed during the project implementation period. Instead of contracting a local service provider to provide business intermediary services as originally planned because of the limited capacity of the local enterprises, the Project developed the capacity of the Provincial Directorate of Food Agriculture and Livestock staff to deliver this service to smallholder farmers. Meanwhile, the PCR also records that a total value of 25.62 million TL (Turkish Lira) contributory grants were provided to 922 investment projects identified by the Project Management Unit.¹⁹ The value chain approach adopted by the Project was considered by the PCR as effective in commercialization of agricultural products as it improved the linkage between producers and processing companies and in expanding the rural economy²⁰.
27. However, the PCRV noted that no information was provided in the project supervision reports and PCR on the implementation of the sub-component on rural finance, which was included in the original design. It is not clear whether this was due to the Government's decision to "cut off" this sub-component during implementation or other changes were made to this sub-component.

Specific objective 3: Optimise employability of members of the target groups through support to enhancement of individual and organisational skills necessary to achieve the first two objectives above.

28. As planned at appraisal, training activities have been conducted and in total 1,337 people received vocational training under Component C; and farmers also received training in crop and livestock production technologies and in infrastructure management skills under Component A. These training courses could be considered as demand-driven, as the training subjects were identified within the framework of the SIPs. A positive outcome on employment is reported in the 2012 Supervision

¹⁷ For instance, the Project supported individual farmers to install drip irrigation in the areas served by the piped schemes; or promoted improved husbandry practices, silage production or barn improvement in project villages where the Project also supported livestock development by the construction of a dedicated watering facility. Moreover, the Project supported the upgrading of five irrigation systems with 6,385 hectares command area in Diyarbakir and Batman Provinces which had a positive impact on the land value.

¹⁸ For wine yard, almond, apricot, pomegranate, strawberry, walnut, pistachio, and dwarf apple

¹⁹ The 922 investments included 19 economic investment projects and 903 individual investment projects on agricultural production and irrigation.

²⁰ This PCR finding can be confirmed by the assessments of the various project supervision missions, especially the detailed analysis in the 2013 supervision report.

Report: out of the 30 women receiving Certificate Master Grafting Programmes training, eight had set up their own nursery, 11 obtained a full-time job and the remaining 11 had a part-time job. Similar effects were confirmed by the 2013 Impact Assessment Report in the capacity building programmes for cut flower and ornamental plant production, as well as jam production. However, to what extent the employability of the beneficiaries had increased was unknown at project completion, due to the absence of tracking on the change of employment status of the training participants as well as the change in their incomes. While the overall scale of the Project's contribution to employment generation is impossible to quantify, the 2013 Impact Assessment Report has nevertheless pointed to DBSDP's "important role in slowing down out-migration" (paragraph 38).

29. Available data and feedback received from the beneficiaries during the PCR mission concur that the Project indeed contributed to the improvement of the economic status of the target group through diversified income sources, strengthened capacity and improved access to markets. However, the absence of a benchmark and reliable data makes it difficult for the PCR to verify – in quantitative terms – the extent to which the Project had effectively reached the intended beneficiaries. The PCR rating on effectiveness is moderately satisfactory (4), one point lower than the PMD rating.

Efficiency

30. **Project disbursement.** The time span from Project approval (December 2006) to Loan Effectiveness (December 2007) was about 12 months. As shown in the Basic Project Data Table (page 1 of this document), the Project reached an overall disbursement rate of 87 per cent: 82 per cent for the IFAD loan, 93 per cent for Government contributions, 100 per cent for UNDP grant, and 98 per cent of expected beneficiary contributions.²¹ According to the PCR, the disbursement rate reached 108 per cent for the village improvement component due to the timely implementation of the infrastructure construction activities.
31. During implementation, disbursement has been low compared to the expected disbursement rates at design. The slow disbursement for the rural economic growth component was due to: (i) the time required for Project staff to receive applications for the contributory grants programme; (ii) the difficulties for the farmers to raise the required self-contribution; and (iii) an increase in market price. The Supervision Report records that 63 per cent of the applicants terminated their contracts after signature due to the increased cost caused by price increases in 2011. The overall disbursement rate of 87 per cent was moderately unsatisfactory considering that the Project had been granted two extensions.
32. It is notable that the actual expenditure for project organization and management was US\$3.92 million, accounting for 12.2 per cent of the total project expenditure. The amount is less than two thirds of the expected costs (59 per cent), and slightly lower than the average ratio of 13.1 per cent for the projects implemented during the same period²².
33. **Cost per beneficiary.** As indicated in various paragraphs above, the Appraisal Report does not provide the estimated number of Project beneficiaries; neither did the M&E system. The PCR uses the RIMS records to calculate average cost per beneficiary. The RIMS records indicated that the total number of beneficiaries was 42,054. Accordingly, the cost per beneficiary was calculated as US\$473, broadly in

²¹ The disbursement rates of UNDP contributions and Government contributions are higher than that of the IFAD loan. In particular, the disbursement rate of UNDP funding reached 100 per cent. This is mainly because funding of IFAD was used for all the component activities, not only for Components B and D as decided at appraisal. It is the same case for the Government contributions, of which 1,3 million was used for rural economic growth which was not planned at appraisal. As a result, although the disbursement rate for Component A was lower than 50 per cent and for Component D was only 4 per cent, the overall disbursement rate of Government contributions was higher than that of the IFAD loan (Table 4B, Appendix 4, PCR).

²² SEDP, DBSDP, Ardahan-Kars-Artvin Development Project, Murat River Watershed Rehabilitation Project.

line with that of the Sivas-Erzincan Development Project (SEDP) in Turkey (US\$455).

34. **Cost of major investment.** Based on the availability of data (or the lack of data), the PCR has opted to limit the investment cost calculation on irrigation works, which was one of the largest cost items under the Project. As per PCR mission's calculation, the cost of the Project's off-farm irrigation works and equipment was US\$4,790 per ha. That was comparable to similar irrigation schemes in Turkey (e.g. SEDP) and in countries like Morocco where the figures were in the range of US\$3,000-5,000 per ha (PCR, paragraph 10).
35. **Project implementation and management.** The Project experienced initial implementation delays between 2008 and 2011, caused mainly by the prolonged process of staff recruitment as well as the time needed for the establishment and stabilisation of the project management structure. The reorganization of the MFAL resulted in the frequent turnover at the management and staff levels, and the resignation of key staff at the PAU level also hampered implementation efficiency.
36. The project implementation structure was put in place in October 2011, after which the pace of implementation started to pick up. This is confirmed by the May 2013 Supervision Report which alludes that the Project had gained momentum in 2011 and 2012 (page 2, Appendix 1). The PCR refers to a slightly later timeframe in 2013 for the Project to finally gain momentum in implementation.
37. Three other factors affected the project efficiency. One was the delays in payments caused by the lengthy procedures of UNDP and the workflow which involved multi-partners, including the Programme Management Unit, MFAL, UNDP and IFAD. The second factor was the security circumstances in the project areas which limited the physical movement of project staff and contractors. Thirdly, the establishment of Special Provincial Administration (SPA) at the provincial level created a new institutional relationship for implementing the village improvement activities. Finally, it is worth noting that despite the involvement of UNDP in DBSDP, financial and procurement management was only moderately satisfactory. UNDP in collaboration with MFAL and the Project Management Unit had succeeded in achieving payments of millions of TL to beneficiaries. That was not an easy task and could be controversial under local circumstances.
38. The **ex-post financial analysis** estimated by the PCR is only focused on Component B on Rural Economic Growth, given that the actual expenditure for this component was around half (48 per cent) of the total project cost.²³ The PCR points out that the majority of the Project's efforts had been devoted to agricultural production and irrigation projects, which were largely concentrated on setting up new orchards. In this context, the ex-post financial internal rate of return (FIRR) (more than 20 per cent) provided by the PCR specifically on the new almond orchards with drip irrigation system was at 42 per cent and the FIRR was estimated at 25 per cent for new wine yard orchards using high wire training cultivation system and drip irrigation. Although these values are high, the PCR also flags that the grant-element of the component had made an important contribution. Without project support, the cost would be much higher in a real market situation as the farmers would need to obtain loans from financial institutions and interest would apply to these credits. The PCR also identifies the risks for farmers to invest in the new orchards including critical weather conditions, the lack of extension services and knowledge on maintenance, etc.
39. Based on the above information and analysis, Project efficiency is rated as moderately satisfactory (4), same as the PMD rating.

²³ The percentage would be higher if the project organization and management costs were factored out.

Rural poverty impact

40. Data on socio-economic changes was limited in the project documentation. The 2014 RIMS data revealed that the Project had supported a cumulative number of 42,054 beneficiaries. The PCR provides the number of beneficiaries by component and by category of asset and support services. It does not, however, indicate the proportion of the total population reached in each of the target villages. There is little information on changes of income levels, employment status or other socio-economic indicators of the beneficiaries. The data for comparator households was not available either.
41. **Household income and net assets.** Figures provided in the PCR are positive showing the Project's satisfactory impact on household incomes. However, the credibility of the data is in question given the absence of a baseline survey, mid-term review and a functional M&E system. It is also flagged in the PCR (paragraphs 86-96) that the assessment of the Project's impact on incomes was a combination of assumptions and inadequate data from the M&E system.
42. The PCR refers to some data quoted from "M&E and early assessments by PAU" on the Project's impact on income generated from individual investments such as orchards' production, strawberry production and milk production. The quoted data shows that for dairy farmers, the average household income increased from TL 12,620 to TL 69,915 per annum and farmers who invested in strawberry production obtained a net income return of TL 3,000/da compared to previous income of TL 1,170/DA for tobacco and TL 110/da for wheat. The completion report also provides a specific example of the potential income increase benefits from the new small-scale irrigation scheme in target villages, reporting an estimated annual net incremental income per household of US\$2,600 after three years and US\$5,700 after eight years when the newly established orchards would be in full yield. These data suggest that the Project-developed physical assets may have benefited villagers' living conditions. Project farmers met during the PCR mission (PCR, paragraph 81) also reported an increase between 50 per cent and 100 per cent in the value of land that benefited from the Project-supported irrigation infrastructure
43. However, it is not clear from the available documentation to what extent these data are representative of the income increase of: (i) the farmers who received contributory grants support from the Project; and (ii) all the farmers supported by the project activities. It is not clear to what extent the income increase observed in individual investment can be attributed to the Project's activities.
44. **Human and social capital and empowerment.** The Project's support to rural infrastructure investment improved the livelihood of villagers in the target areas. Specific examples include: operating the communal livestock watering facilities, investing in household connections (valued at 2-6 per cent of construction cost) and constructing new toilets (as an additional 3 per cent of Project financed cost), operating and managing the sewerage and irrigation networks, monitoring the hydrants in a village, etc. All these called for good cohesion and capacity to organize activities at the village level under the coordination of the village *muthar*. Another example of good social cohesion was the beneficiaries' networking through mobile phones or visiting each other's farm holdings and sharing information (farmer-to-farmer extension) that they received from different sources. This was particularly active for newly established orchards. The Project also provided training to strengthen the capacity of beneficiaries which could be considered as a sizeable investment in human capital. Capacity building training was conducted in the forms of study visits, formal training and advisory services has empowered the target group including women to make better investment and production decisions.
45. At the grass-roots organization level, seven cooperatives and a milk production association received Project support through the contributory grant programme to

purchase production equipment and machinery²⁴. However, there was no other evidence observed in terms of the quality of these cooperatives and the improvement on the capacity of the local community.

46. **Food security and agricultural productivity.** The available documentation did not provide any information on changes in household food security in terms of availability of food and average food consumption. The Completion Report considered some activities (e.g. farmer education and training, orchard establishments, dairy development, livestock watering facilities) as positive factors that had contributed to food security with the assumption that the increase in household income and improved productivity would lead to improved food security as more money could be used to purchase food.
47. The PCR reports impressive yield increases. For instance, milk yields from cooperatives increased from 6lt/day/dairy cow with a lactation period of 250 days to 18lt/day/dairy cow with a lactation period of 270 days. Average grape yields increased from about 2-4 tons/ha before training to 12-20 tons in two years after modifying the grape production practices. The "bunch sizing practices" introduced by the Project resulted in large bunches with improved berry sizes and an increase in farm gate price by over 30 per cent compared to those produced with traditional practices.
48. **Institutions and policy.** Neither the PCR nor the Supervision Reports provide evidence of Project impact on institutions and policy (though PCR assesses the policy impact as satisfactory). The capacity building of the project staff was undertaken throughout the implementation of the Project. The PDA staff benefited from the technical training courses and study tours that were organized for the primary target group to learn modern technologies and practices. In addition, the Provincial Directorate of Food Agriculture and Livestock staff gained the opportunity to be trained to deliver business intermediation services to farmers, given the lack of qualified business development service providers in the market.
49. In summary, there are broad indications from PCR and supervision reports that the Project had positive impact on the various dimensions of rural poverty, especially in terms of household income, productivity, etc. The constraints and limitations caused by the lack of a benchmark and reliable data remain once again for a more meaningful verification in quantitative terms. Considering the achievement observed by the PCR mission and at the same time, the lack of convincing and reliable data, the Project's rural poverty impact is thus rated as moderately satisfactory (4), one point lower than PMD rating.

Sustainability of benefits

50. **Institutional sustainability.** The Project activities were implemented through SPAs²⁵ and PDA, which were the decentralised structure of the government in Turkey at the province level. They had specific mandates in rural infrastructure and agricultural development, and their engagement served to ensure the Project's institutional sustainability. The PCR highlights two dimensions: (i) capacity building: the training provided under the Project to staff of these departments substantially augmented the routine training programs of MFAL and enhanced their problem-solving capacities while improving interaction capability. This would enable the PDAs to continue using the strengthened human resources after the Project; and (ii) trust building: as part of project implementation, PDAs promoted villagers' equal access to opportunities. This strengthened PDA's relationship and trust with the local communities; and the PCR agrees with the PCR's view that these would contribute to institutional sustainability.

²⁴ According to the Project design, the corporate-business enterprises and established commercial farmers' associations can receive in total 50 per cent of the total investment in grant support, with a ceiling of US\$125 000.

²⁵ The SPAs are in charge of rural infrastructure at the provincial level and therefore institutionally responsible for the maintenance of the established sewers.

51. **Social sustainability.** As noted in the human and social capital section above, there was good cohesion and solidarity, particularly for those project activities that required collective actions. This is key to social sustainability.
52. **Environmental sustainability.** The Project adopted effective measures to ensure environmental sustainability, e.g. the village sanitation systems with septic tanks and natural treatment beds; the solar power systems; and all activities supported for agricultural production and processing met the Good Agricultural Practices and HACCP/ISO standards.²⁶
53. **Technical sustainability.** The PCR echoes the conclusion of the 2013 Supervision Report on the Project's satisfactory technical sustainability. The design of rural infrastructure (small scale irrigation, sewerage network, livestock watering facilities, village roads and drinking water tanks) were sound in all cases, with proper operation and maintenance arrangements in place. The technical solutions developed by the research institutions for horticulture and value chain were thoroughly field-tested in collaboration with PDAs before introduction to farmers. The skills, equipment and spare parts for repairs were readily available from the private sector, the SPAs and municipalities. The 2013 Supervision Report further indicates farmers' satisfaction with the technical solutions introduced by the Project (paragraph102).
54. However, there are also risks especially on the sustainability of the rural infrastructure invested by the Project. A major concern is whether the on farm irrigation infrastructure would be completed and maintained in a timely manner. Although the Project has invested in the upstream irrigation infrastructure, the completion of the irrigation system relies on the capacity and willingness of the villagers to self-finance the tertiary system as required. It is not entirely clear whether all the beneficiaries in the target villages would be willing to contribute to the on farm portion of the irrigation infrastructure. Based on the above consideration, the sustainability of benefits is rated as satisfactory (4), one point lower than the PMD rating.

B. Other performance criteria

Innovation and scaling up

55. **Innovation.** The Project facilitated the adoption of modern practices and technologies which were less known in the project region prior to the DBSDP but were known in other IFAD-supported projects in Turkey. Such innovative practices and approaches summarized in the PCR include: (i) on-farm demonstration of orchards which generated considerable interest among farmers; (ii) solar powered systems, which could reduce the cost of agricultural production and pollution by reducing the reliance on electricity and gas to operate pumps; (iii) use of natural treatment plants; (iv) the adoption of using SIPs as the basis for financing for directing project support; and (v) demonstration through exposure visits to raise the awareness and confidence of the beneficiaries. These are not innovations in absolute terms as they already exist elsewhere but still new to the project area. Given that they are innovations in a limited sense, this criterion is rated as moderately satisfactory (4), one point lower than the PMD rating.
56. **Scaling up.** The PCR further identified financing opportunities to materialize the replicability of the abovementioned innovation areas. Financial options include mobilizing funding from the Instrument for Pre-Accession Assistance in Rural Development financed by the European Union (EU-IPARD), the Support to Rural

²⁶Hazard Analysis and Critical Control Point (HACCP) system is adopted by the Codex Alimentarius Commission. It is a tool to assess hazards and establish control systems that focus on prevention rather than relying mainly on end-product testing. The HACCP system consists of seven systems: (i) Conduct a hazard analysis; (ii) Determine the Critical Control Points (CCP); (iii) Establish critical limit(s); (iv) Establish a system to monitor control of the CCP; (v) Establish the corrective action to be taken when monitoring indicates that a particular CCP is not under control; (vi) Establish procedures for verification to confirm that the HACCP system is working effectively; and (vii) Establish documentation concerning all procedures and records appropriate to these principles and their application.

Investment Programme financed by MFAL, among others. However, despite the indicated potential, no specific measures were taken to ensure that the identified innovations to be scaled up and the PCRV did not find evidence on scaling up of successful innovation by the Government and/or by other development agencies. Thus, scaling up is rated as moderately satisfactory (4), one point lower than the PMD rating.

Gender equality and women's empowerment

57. Due to the social norms, the majority of poor rural women have limited decision power in the local institutions and economic activities. In most cases, the role of women in the smallholder farming systems is limited to agricultural activities with low added value, including weeding, milking and milk processing, vegetable growing, etc. According to the Appraisal Report, women were part of the Project primary target group and it was intended that men and women should equally participate in project activities. Gender was mainstreamed in all activities. The Project's investments in public village infrastructure benefited equally the whole families regardless of gender. The PCR also records that the workload of rural women living in the Project villages were reduced due to the infrastructure construction. The 2013 Project Supervision Report records the employment opportunities created for women.²⁷ However, the recorded number of jobs was small (12) and no data was available on the total number of new employment opportunities created for female beneficiaries.
58. The log-frame had gender disaggregated indicators. However, the approaches to ensure women's participation were not clearly defined at the project design. It was noted that under the sub-component on farmer education and training, although the investment benefited both men and women, the attendance of female beneficiaries to Project-supported training was very low. Specifically, only 266 out of 2,063, or 13 per cent of farmers that participated in the 80 training courses supported by the Project were women. Women's participation was also low in project staff capacity training (10 per cent). Therefore, despite improvement on self-perception through women's participation in training and demonstration visits, the impact on women's empowerment was limited. The low percentage of participation of female beneficiaries could be explained by the socio-economic conditions of the region which created obstacles in approaching women. Meanwhile, the PCR points out that despite the low attendance of female beneficiaries, women who participated in the training had shared the knowledge learnt from the training courses to other females through their own network.
59. Overall, by recognizing the limited efforts that the Project made on gender equality and empowerment and considering the specific social norms of the region, the PCRV rates this criterion as moderately satisfactory (3), the same as PMD rating.

Environment and natural resources management

60. The PCR concludes that the Project had a positive impact on environment (Appendix 7), citing the environmental benefits generated from Project investments in sewerage systems, small-scale irrigation development, use of solar energy for pumping, as well as the adoption of good agricultural practices (e.g. soil preparation without causing erosion, use of disease tolerant varieties, fertiliser use based on soil/leaf analyses, apply integrated pest management, etc.). The environmental improvements were notable considering the widespread water borne diseases and pollution of streams in targeted villages before the implementation of the DBSDP. There was also careful consideration of water capture to ensure sufficient irrigation water supply for drip irrigation. In each of the SIPs, detailed analysis on soil type and ecosystems, including micro-climatic factors and consideration of efficient soil and water usage was included. Orchards established

²⁷ A Silk Fabric Atelier was established under the Capacity Building for Employment Component and created 12 employment opportunities for women.

with modern technologies on unused land were considered good examples of efficient use of natural resources. The PCRV concurs with the PCR assessment and rates environment and natural resources management as satisfactory (5), the same as the PMD rating.

Adaptation to climate change

61. Although not intentionally designed so, some of the Project activities had the potential to reduce the negative impacts of climate change on the livelihoods of the beneficiaries. The two notable examples are the small-scale irrigation development and orchard establishment. Given the implicit linkage, the Project's adaptation to climate change is rated as moderately satisfactory (4), same as the PMD rating.

C. Overall project achievement

62. Despite some initial delays resulting from the time consuming process for staff recruitment and establishment of project management structures, the overall Project achievement and results at completion were impressive considering the challenging conditions and difficult security situation of the Project area. Local ownership was strong; and beneficiary enthusiasm and appreciation were remarkably high, so much so that the Project staff was motivated to work on the Project "with commendable dedication" (PCR paragraph 139).
63. It was unfortunate that the planned baseline survey as well as the mandatory Mid-term Review (MTR) were not conducted - the former deprived the Project from having a benchmark for the eventual impact assessment, while the latter represented a lost opportunity for remedying main implementation constraints such as the weak M&E which was seen as "a chronic and critical issue" throughout the Project duration (PCR paragraph 142). Nevertheless, as a testimony to its commitment to project sustainability, the Government planned a sound exit strategy with corresponding resource and institutional arrangement for its effective implementation (PCR paragraphs 129-131 and 143). Such a commitment, if materialized, might be the single most important factor for sustaining any development interventions. The overall project achievement is rated as moderately satisfactory (4), one point lower than the PMD rating.

D. Performance of partners

64. **IFAD.** IFAD was responsible for designing, supervising and providing direct implementation support to the Project. The Project was designed in full conformity with the 2006 IFAD COSOP and responded well to the demand of the rural poor living in the Project area. Project design had some minor flaws (paragraph 20).
65. Project supervision missions were regularly undertaken (once a year) during the project implementation period until May 2013, after which no supervision mission was undertaken over a 16-month period. The quality of the supervision reports is overall good with key issues observed during the supervision missions listed clearly. The 2012 Supervision Mission had foreseen the undisbursed amount at project completion and therefore recommended the Project to request for an extension to fully complete the planned activities. However, some of the issues flagged in the supervision reports were not addressed by the Project in a timely and effective manner. For instance, although the importance of a functional M&E system was repeatedly highlighted in the supervision reports, the M&E system (especially the incomplete database) remained in a poor state throughout the project duration. Moreover, the Country Programme Management Team did not comply with the provision in the Loan Agreement of the DBSDP as no MTR was conducted for the Project.
66. Overall, PCR concludes that IFAD had broadly fulfilled its obligations and responsibilities of supervision. However, it is notable that the failure in establishing a functional M&E system for the Project, the absence of MTR, as well as the absence of impact data reflected negatively on the level and quality of IFAD's

implementation support to the Project. The PCRV rates IFAD's performance as moderately satisfactory (4), one point lower than the PMD rating.

67. **Government.** There was strong Government ownership of the Project both at the central and provincial levels. Project management and implementation has been generally effective despite the initial delay in the first three years. The Project made efforts to speed up implementation despite difficult security circumstances. The Government also showed a certain level of flexibility in modifying the budget allocated to the Project components, as recommended by the supervision missions (e.g. request reallocation of funds from contributory grant component to infrastructure and reduce the contribution ratio of the beneficiaries) to facilitate the achievement of the target at project completion. The Annual Progress Reports and Audit Reports were prepared by the Government in a timely manner. The Government also provided the committed counterpart funds and the disbursement for the Government's contribution was 93 per cent. The MFAL was successful in planning and implementing an exit strategy for the Project to ensure the smooth handover of the Project and sustainability of the Project's benefits.
68. At the same time, there were some issues during project implementation. First of all, the Government did not fully fulfil the obligations specified in the Loan Agreement of the DBSDP. As aforementioned, the Project did not establish a baseline survey. The Project encountered initial implementation delays, caused mainly by the delay in staff recruitment, the resignation of a number of key staff at the PAU level and the lag in procurement processes. Throughout the implementation period, M&E remained a chronic and critical issue and in dealing with this issue much time was lost that could have been subsequently made up with appropriate support, but none was provided. This led to difficulties in reporting on Project outcomes, impact and measurement of sustainability.
69. In light of the above, the overall government performance is rated as moderately satisfactory (4), lower than the PMD rating (5).

IV. Assessment of PCR quality

Scope

70. The PCR covers most of the evaluation criteria with a varying level of detail. Some of the evaluation criteria were not discussed, e.g. climate change adaptation; or not adequately discussed, e.g. impact on household assets, institutions and policy, and some aspects of project effectiveness (key objective 3, PCR, paragraph 77). The data gaps were mainly a result of the absence of a baseline survey. No explanation was provided on why the baseline survey or the mandatory MTR was not conducted. The rating for PCR's scope is moderately satisfactory (4).

Quality

71. The PCR was conducted as per normal PMD standards, including field visits and stakeholder consultations (government agencies, implementation partners, beneficiaries, etc.). Due to security reasons, the field visit was limited to the metropolitan area of Diyarbakır. The PCR overall is well written. Reliability of data and indicators remained as a main problem as the M&E system of the Project was not functional and there was no impact survey conducted at Project completion. This had implications on the PCR's quality of data and analysis on some of the evaluation criteria, especially the project's rural poverty impact. Meanwhile, the PCRV noted some data errors in the PCR (e.g. Table 4-B, Appendix 4), where the subtotal amount of the cost for Component A at Appraisal was miscalculated, which resulted in an overestimated disbursement ratio for this component. The overall PCR quality is rated moderately satisfactory (4).

Lessons

72. The PCR proposes five important lessons learned from the Project, involving either project direction or focus (value chain development and small-scale irrigation), or approaches (matching grant), or system development (M&E). These can be considered important inputs for future project operations in Turkey. The PCR is rated as satisfactory (5) on lessons learned.

Candour

73. The PCR is broadly balanced in presenting the Project's main achievements and shortcomings, though somewhat optimistic in concluding remarks and statements. The text could have benefited from some editorial improvements to enhance clarity and readability (e.g. some sentences are extremely long and can be confusing). The rating is moderately satisfactory (4).

V. Final remarks and lessons learned

Lessons learned

74. The implementation of the Project generated a number of lessons that are relevant for future project operations in Turkey. Among the main lessons outlined in the PCR, the following three lessons are worth particular highlighting:
- (i) Value chain based assistance is relatively new to Turkish agriculture but there is a high potential for adding value and promoting the approach for future projects since it is an effective way of strengthening the long neglected links between the productive poor and markets. Value chain interventions should ensure that the selected supply chains embody robust linkages with the poorer farmers; and that these linkages are promoted/supported in the design and throughout the implementation period. The SIPs is an innovative approach worthy of replication.
 - (ii) Well executed demonstration scheme is a must to kindle interest and creating momentum for change in an almost static rural community. For the selection of a demonstration farmer, poverty should not be the only criteria because farmers with certain levels of economic capacity are considered as a "role model" by the small and poor farmers for technology use and when the opportunities exist, the latter like to emulate the former.
 - (iii) Investments for off-farm small scale irrigation need an up-front commitment from farmers for on-farm investments to minimize the risk of not valorizing the investments made up to the farm gate.
 - (iv) MTR should be conducted in accordance with the Project Loan Agreement. It will serve as an opportunity to revisit the project design and approaches, as well as to identify any adjustments and corrective actions that are needed.

Definition and rating of the evaluation criteria used by IOE

Criteria	Definition *	Mandatory	To be rated
Rural poverty impact	Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions.	X	Yes
	<i>Four impact domains</i>		
	<ul style="list-style-type: none"> Household income and net assets: Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value. The analysis must include an assessment of trends in equality over time. 		No
	<ul style="list-style-type: none"> Human and social capital and empowerment: Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grass-roots organizations and institutions, the poor's individual and collective capacity, and in particular, the extent to which specific groups such as youth are included or excluded from the development process. 		No
	<ul style="list-style-type: none"> Food security and agricultural productivity: Changes in food security relate to availability, stability, affordability and access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields; nutrition relates to the nutritional value of food and child malnutrition. 		No
	<ul style="list-style-type: none"> Institutions and policies: The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor. 		No
Project performance	Project performance is an average of the ratings for relevance, effectiveness, efficiency and sustainability of benefits.	X	Yes
Relevance	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design and coherence in achieving its objectives. An assessment should also be made of whether objectives and design address inequality, for example, by assessing the relevance of targeting strategies adopted.	X	Yes
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.	X	Yes
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results.	X	Yes
Sustainability of benefits	The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.	X	Yes
Other performance criteria			
Gender equality and women's empowerment	The extent to which IFAD interventions have contributed to better gender equality and women's empowerment, for example, in terms of women's access to and ownership of assets, resources and services; participation in decision making; work load balance and impact on women's incomes, nutrition and livelihoods.	X	Yes
Innovation and scaling up	The extent to which IFAD development interventions: <ul style="list-style-type: none"> (i) have introduced innovative approaches to rural poverty reduction; and (ii) have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and others agencies. 	X	Yes
Environment and natural resources management	The extent to which IFAD development interventions contribute to resilient livelihoods and ecosystems. The focus is on the use and management of the natural environment, including natural resources defined as raw materials used for socio-economic and cultural purposes, and ecosystems and biodiversity - with the goods and services they provide.	X	Yes
Adaptation to climate change	The contribution of the project to reducing the negative impacts of climate change through dedicated adaptation or risk reduction measures	X	Yes

<i>Criteria</i>	<i>Definition</i> *	<i>Mandatory</i>	<i>To be rated</i>
Overall project achievement	This provides an overarching assessment of the intervention, drawing upon the analysis and ratings for rural poverty impact, relevance, effectiveness, efficiency, sustainability of benefits, gender equality and women's empowerment, innovation and scaling up, as well as environment and natural resources management, and adaptation to climate change.	X	Yes
Performance of partners			
• IFAD	This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. The performance of each partner will be assessed on an individual basis with a view to the partner's expected role and responsibility in the project life cycle.	X	Yes
• Government		X	Yes

* These definitions build on the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) Glossary of Key Terms in Evaluation and Results-Based Management; the Methodological Framework for Project Evaluation agreed with the Evaluation Committee in September 2003; the first edition of the Evaluation Manual discussed with the Evaluation Committee in December 2008; and further discussions with the Evaluation Committee in November 2010 on IOE's evaluation criteria and key questions.

Rating comparison ^a

<i>Criteria</i>	<i>Programme Management Department(PMD) rating</i>	<i>IOE Project Completion Report Validation (PCR) rating</i>	<i>Net rating disconnect (PCR-PMD)</i>
Rural poverty impact	5	4	-1
Project performance			
Relevance	5	5	0
Effectiveness	5	4	-1
Efficiency	4	4	0
Sustainability of benefits	5	4	-1
Project performance ^b			
Other performance criteria			
Gender equality and women's empowerment	3	3	0
Innovation	5	4	-1
Scaling up	5	4	-1
Environment and natural resources management	5	5	0
Adaptation to climate change	4	4	0
Overall project achievement ^c	5	4	-1
Performance of partners ^d			
IFAD	5	4	-1
Government	5	4	-1
Average net disconnect			-0.62

^aRating 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.

^bArithmetic average of ratings for relevance, effectiveness, efficiency and sustainability of benefits.

^cThis is not an average of ratings of individual evaluation criteria but an overarching assessment of the project, drawing upon the rating for relevance, effectiveness, efficiency, sustainability of benefits, rural poverty impact, gender, innovation and scaling up, environment and natural resources management, and adaptation to climate change.

^dThe rating for partners' performance is not a component of the overall project achievement rating.

Ratings of the project completion report quality

	<i>PMD rating</i>	<i>IOE PCR rating</i>	<i>Net disconnect</i>
Candour	5	4	-1
Lessons	4	5	1
Quality	4	4	0
Scope	5	4	-1

Overall rating of the project completion report

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.

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Abbreviation and Acronyms

COSOP	Country Strategic Opportunities Paper
DBSDP	
IPARD	Instrument for Pre-Accession Assistance in Rural Development
MARA	Ministry of Agriculture and Rural Affairs
MFAL	Ministry of Food, Agriculture and Livestock
MIS	Management Information System
PAU	Programme Administration Units
PDA	Provincial Directorate of Agriculture
PMD	Programme Management Department
RIMS	Results and Impact Management System
SDR	Special Drawing Rights
SEDP	Sivas-Erzincan Development Project
SIP	Strategic Investment Plans
SPA	Special Provincial Administrations
TL	Turkish Lira
UNDP	United Nations Development Programme