

Project Completion Report Validation

Grenada

Market Access and Rural Enterprise Development Programme (MAREP)

Date of validation by IOE: June 2019

I. Basic project data

			Approval (US\$ m)		Actual (US\$ m)	
Region	Latin America and Caribbean	Total project costs	8.55		6.13	
Country	Grenada	IFAD loan	3.0	35	2.22	36
Project number	1569	Caribbean Development Bank	2.77	32	1.82	30
Loan number	819-GD					
Type of project (subsector)	Agriculture, rural finance	Borrower (Government)	2.29	27	1.88	31
Financing type	Loan	Beneficiaries	0.49	6	0.22	4
Lending terms	Ordinary terms ¹					
Date of approval	05 Dec 2010					
Date of loan signing	30 Mar 2011					
Date of effectiveness	30 Mar 2011					
Loan amendments	15 Dec 2014	Number of beneficiaries	12,360 persons ²		2,777 persons	
Loan closure extension		Project completion date	31 Mar 2017		31 Mar 2018	
Country programme managers	Francisco Pichon (current); Lars Anwandter; Esther Kasalu-Coffin; Paolo Silveri; Jaana Keitaanranta	Loan closing date	30 Sep 2017		30 Sep 2018	
Regional director(s)	Rossana Polastri (current); Joaquin Lozano; Josefina Stubbs	Mid-term review			26 Feb 2015	
Project completion report reviewer	Lasha Khonelidze Fumiko Nakai	Loan disbursement at completion (%)			74% (PCR in US\$) 85% (IFAD database) ³	
Project completion report quality control panel	Fabrizio Felloni	Date of the project completion report			21 Dec 2018	

Source: Project Completion Report (PCR); President's Report on Proposed Loan to Grenada, Mid-Term Review (MTR) Report.

¹ Maturity period of 18 years, three years grace period, interest rate is the Fund's reference rate determined semi-annually.

² The design report (paragraph 90) stated as follows: "The programme's direct users-beneficiaries have been estimated at 12,360, who will have access to different services and investments, including social, productive and enterprise related infrastructure, rural organizational strengthening, dedicated production, market access, and business development/consolidation support, skills and vocational training, and rural financial services. The programme users represent approximately 2,600 households, or 30 per cent of the total target population in the country (40,750 poor men and women)." At the same time, the logical framework in the design report contained the indicator/target as follows at objective level: "by the end of programme implementation 4,250 poor and vulnerable rural beneficiaries...will rise above the poverty line...". The relation between this number (4,250) and the estimated outreach mentioned in the main report (12,360) was not explained in the design report. The PCR refers to 4,250 as the target of direct beneficiaries, instead of 12,360.

³ Based on the disbursement in SDR (currency of the loan): SDR1.63 million disbursed out of SDR1.93 million approved.

II. Project outline

1. **Introduction.** IFAD financing in the amount of SDR1.93 million (equivalent to approximately US\$3 million) for the Market Access and Rural Enterprise Development Programme (MAREP) in Grenada was approved by the IFAD's Executive Board on 5 December 2010. The programme design was based on the achievements and lessons learned from the Grenada Rural Enterprise Project (GREP), which was previously financed by IFAD. The financing agreement for MAREP was signed on 30 March 2011 and became effective on the same date with a completion date set at 31 March 2017, which was extended for one year to 30 March 2018.
2. **Programme context.** Grenada is a small island state with an area of 340 km² and 121 km of coastline. The country's population in 2009 was estimated around 108,000. According to the MAREP design report, despite the relatively high gross national income per capita and the middle-income country status, Grenada faces development challenges typical for small island developing states, including: "vulnerability to natural disasters, reduced natural resources, limited qualified labour supply, and a narrow economic base characterized by over-dependence on a volatile tourism sector."⁴ The programme design document also highlighted high unemployment rate (estimated at the time at 30 per cent), high rate of emigration and the significance of remittance inflow in the national economy. MAREP was designed in 2010 when the country's economy was affected by the 2008 global financial crisis and the downturn of the tourism industry, and the agricultural sector had been affected by the hurricanes Ivan in 2004 and Emily in 2005.
3. **Programme area.** At design it covered the whole country - the main islands of Grenada and the Carriacou.⁵ The programme was intended to incorporate development processes and experiences obtained under GREP in 20 communities,⁶ and an addition of 30 communities in the poorer Parishes was to expand the geographic coverage to at least 50 communities.⁷
4. **Target group.** The President's report defined the target group as "rural men and women, including young people and female headed households, involved in part-time or full-time: (a) small scale farming either of subsistence or market-oriented production; (b) artisanal fishing; (c) micro/small-scale rural businesses and enterprises (agricultural and non-agricultural); and (d) unskilled labor provision in the parishes". At design, the number of programme's direct beneficiaries was estimated at 12,360 in 2,600 households, or 30 per cent of the total target population of 40,750 poor men and women in those communities.
5. **Programme goal, objectives and outcomes.** The overall goal of MAREP, according to the President's report, was "to contribute to the reduction of rural poverty and vulnerability of rural young unemployed or self-employed men and women in the programme area".
6. The specific development objective was "to increase the income of rural young unemployed or self-employed men and women" through: (i) increased level of empowerment of rural communities; (ii) employment opportunities; (iii) strengthening the rural businesses and microenterprises; and (iv) improved sustainable agriculture, linkages to production chains, access to markets, and financial services". Mirroring these objectives, four expected outcomes were as follows: (i) rural community empowerment; (ii) creation of employment opportunities; (iii) rural business creation; and (iv) access to market, access to financial services, production linkages, and agri-business sustainability.

⁴ MAREP programme final design report dated August 2010.

⁵ President's Report, Schedule 1: Programme Description, page 10.

⁶ According to the MAREP design report working paper 1 "The country, programme area and target group", 29 communities had been covered in the previous project GREP.

⁷ According to the MAREP design report working paper 1 "The country, programme area and target group", there were a total of 240 communities in Grenada.

7. **Programme components.** The design of MAREP was built around two inter-related components. **Component 1 Human and social capital building (HSCB)** included the following sub-components:⁸ (1.1) Training of community and youth officers, life-skills and personal development training and support to skills and vocational training; (1.2) Strengthening of community-based organizations, community-based producers groups, and Producers Associations and/or Cooperatives; (1.3) social window of the Rural Investment Fund (RIF); (1.4) National advocacy campaign addressing gender, youth and poverty. **Component 2 Market access and enterprise development (MAED)** included the following sub-components:(2.1) Training of Ministry of Agriculture extension staff and other service providers; (2.2) technical assistance services, including market access, extension and business development services; (2.3) enterprise and productive windows⁹ of the RIF; (2.4) rural financial services including credit line and a Rural Finance Innovation Fund which was to support the development of innovative financial products and linkages with diaspora programmes in relation to remittances for rural investment. In addition, there was another component for **programme management**.
8. **Financing.** The total estimated project cost at approval was US\$7.5 million, including an IFAD loan of US\$3 million, co-financing by the Caribbean Development Bank (CDB) of US\$2 million. According to the mid-term review (MTR) in 2015 adjustments¹⁰ were made in CDB part of financing, and the final programme budget was estimated at US\$8.55 million. The details of the financing and the actual costs are presented in the below tables.

Table 1

Programme cost by financier

Source of funding	Allocation at design (US\$ m)	Revised allocation (US\$ m)	Estimated amount (% of total) ^a	Actual expenditures (US\$ m)	Expenditure (% of total)	Disbursements (% of estimated amount)
IFAD	3.00	3.00	35	2.22	36	74 ^b
CDB	2.00	2.77	32	1.82	30	66
Beneficiary	0.27	0.49	27	0.22	31	44
Government	2.23	2.29	6	1.88	4	82
Total	7.50	8.55	100	6.13**	100	72^c

Source: President's report, PCR Appendix 7.

^a According to the budget adjustments and per MTR, Annex 8.

^b According to the IFAD database (Oracle Business Intelligence), 85 per cent based on the disbursement in the loan currency (SDR). The equivalent US\$ figure recorded in the same database is also higher (US\$2.38 million) than the PCR data (US\$2.22 million).

^c Appendix 7 presents two tables (one only by financier and the other one with a breakdown of the component cost by financier). The actual amount for the Government contribution differs in these two tables: one table (by financier) indicates the total cost as US\$6.334 million, slightly higher than the total in the other table by component and financier (US\$6.13 million). Using US\$6.334 million, the disbursement percentage would be 74 per cent.

⁸ As defined in the President's Report. The programme components in the design report are formulated around four *outcomes* and the sub-components as *outputs*.

⁹ According to the PCR, RIF included three "windows": community (social) investment (under component 1), enterprise investment, and small-scale revenue generating (the latter two under component 2). The terminologies for the three windows were slightly different in the design document and as follows: social, enterprise and productive windows.

¹⁰ MTR, Annex 8, page 2.

Table 2
Programme cost by component

<i>Components *</i>	<i>Planned - initial (US\$ m)</i>	<i>Revised* (US\$ m)</i>	<i>Revised* (% of total)</i>	<i>Actual (US\$ m)</i>	<i>Actual (% total)</i>
1. Human and social capital building	2.84	2.84	33	1.74	28
2. Market access and enterprise development	2.99	3.99	47	2.38	39
3. Programme management	1.67	1.72	20	2.02	33
Total	7.5	8.55	100	6.13	100

Source: PCR Appendix 7.

* Of the final design budget per MTR.

9. **Implementation arrangements.** The Ministry of Finance was responsible for providing overall strategic and policy direction for the implementation of MAREP. The management structure comprised of a project steering committee and a project management unit (PMU). The PMU, headed by a programme manager, had responsibility for the day-to-day management of MAREP. During the programme implementation, several government ministries and organisations were engaged through memoranda of understanding.
10. Co-implementing and networking partners included several line ministries, training organisations and financial institutions are presented in the table below.

Table 3
Co-implementing and networking partners

<i>Type</i>	<i>Implementing partners</i>
Line Ministries	Ministry of Agriculture Ministry of Works Ministry of Social Development Ministry of Education Ministry of Health and Ministry of Tourism.
Training organisations	Grenada Bureau of Standards Grenada Industrial Development Cooperation (GIDC) Grenada National Training Agency (GNTA) TA Marryshow Community College (TAMCC) New Life Organisation (NEWLO) Courtney's Training Agency University of the West Indies (Open Campus-Grenada) Inter-American and Institute for Cooperation on Agriculture
Financial institutions	Grenada Development Bank Grenada Cooperative Bank Limited
Other service providers	CUSO International Grenada Marketing and National Importing Board (MNIB) Intellectual Property & Corporate Affairs Legal Aid and Counselling Clinic (LACC)

11. The programme design included the concept of "direct implementation concept by beneficiaries" who were expected to take ownership of their projects by undertaking their own marketing, procurement, accounting and other responsibilities associated with their projects.¹¹
12. **Changes and developments during implementation.** The changes in the design of MAREP took place throughout the programme. The notable changes during implementation reported by the PCR are summarized below:
 - The programme's timeframe was extended by one year (from 31 March 2017 to 31 March 2018 for completion), due to a slow start-up and delays in its implementation during the first four years.¹²

¹¹ PCR, page 9.

¹² PCR, page 4: MAED Component was also at a virtual standstill during that period.

- Revisions were made to some of the indicators and targets during the 2015 MTR, based on operational realities. These changes have been reflected in the updated log-frame,¹³ and are documented in detail by the PCR.¹⁴
 - Given the low achievement on the line of credit facility, the funding under the sub-component 2.4 was reallocated¹⁵ for the rehabilitation of farm access roads and bridges under RIF.
 - It was originally envisaged that the programme services would phase out after about three years in the initial 20 communities, but this did not happen since the second component (MAED) became operational only in 2014. With additional 30 communities phased in, this meant that all 50 communities were being serviced simultaneously.
 - Given the low level of implementation for resource mobilisation for rural development from the Grenada Diaspora,¹⁶ the MTR recommended to shift the resources to community engagement and rural enterprise development.¹⁷
 - In 2014, a structural adjustment programme supported by the International Monetary Fund led to the introduction of fiscal austerity measures, which had impact on the programme implementation performance.
13. The changes in the targets and explanation summary of justifications as presented in the PCR are reproduced in Annex IV.
14. **Intervention logic.** The programme was designed to support the Government's efforts to reduce the high level of food imports, improve food security and create employment through intensification and diversification of the agricultural sector.¹⁸ According to the PCR, the programme design took into account the lessons derived from the predecessor project GREP and was aimed at wider participation and decision-making by the country's communities and households, in the context of enhanced targeting/gender and social/human development strategies. The programme interventions were directed to two broad areas (components one and two) with corresponding set of activities and outcomes under each component. A schematic presentation of expected outputs and outcomes under respective programme components, developed by this PCR, is shown in Annex V.
15. **Outreach.** With regard to the programme outreach, there are some inconsistencies in the targets and reported data. The MAREP design report, in the main text, indicated the estimated number of direct beneficiaries as 12,360 people, including 8,000 people who were expected to benefit from infrastructure.¹⁹ At the same time, the logical framework in the design report contained the indicator/target as follows at objective level: "by the end of programme implementation 4,250 poor and vulnerable rural beneficiaries ... will rise above the poverty line set at EC\$5,842/per capita per annum, and the vulnerability line EC\$7,302/per capita per annum."²⁰ The relationships between 12,360 (direct beneficiaries) and 4,250 (to be lifted out of poverty) or the basis for the latter was not made clear in the design report.

¹³ MTR, Annex 1: Logical framework with proposed changes to indicators and targets.

¹⁴ PCR, page 6.

¹⁵ Supervision Report 2016: in 2016, the line of credit with Grenada Co-operative Bank Limited was terminated.

¹⁶ According to the PCR, the diaspora was never engaged and incentivising the Diaspora to invest in agriculture was not a MAREP priority at the time.

¹⁷ Output 4.6 and 4.7 has been removed from the original log-frame at MTR.

¹⁸ MAREP President's Report.

¹⁹ The Design Report (table 4, page 21) shows that 12,360 is based on the total of the estimated number of beneficiaries for different programme activities as follows: non-agricultural based businesses (600); agricultural/fishing base businesses (1,500); skills and vocational training (1,500); strengthening of cooperatives/producers associations (750); social infrastructure investment fund (8,000); and scholarships for higher education (10). This seems to indicate that: (i) each of these activities was intended to cater different people; and (ii) 12,360 could not have been all members of benefiting households (hence, a question on the target 2,600 households).

²⁰ At design, the exchange rate was US\$1=EC\$2.7. Therefore, the poverty line was US\$2,164 per capita per annum.

16. The PCR indicated that "MAREP was able to reach 2,777 beneficiaries from a target of 4,250".²¹ Thus, the figure 4,250 was treated as the outreach target (instead of 12,360) rather than the target for people to be moved out of poverty (see paragraph above). In terms of the number of groups reached, the PCR (Appendix 9) reports 136 groups against the target of 155. In terms of the community outreach, the programme covered 50 communities as planned.
17. **Delivery of outputs.** The logical framework revised at MTR included 18 outputs organized around four outcomes in two components (HSCB and MAED) with 40 indicators.²² In the course of validating the PCR, it was found difficult to comprehend or interpret some of the data and indicators (at all levels) reported in the PCR: the PCR presents seemingly inconsistent or confusing data for the same or similar indicators in different parts of the document.²³ Some of the indicators were not well-formulated either.²⁴ Nonetheless, the key outputs reported in the PCR Appendix 9²⁵ are reproduced in Annex III (A). According to the PCR (narrative and appendix), some data on the delivery of outputs are noted as follows:
- According to the PCR Appendix 9, significant "overachievements" are recorded for: (i) number of government staff trained (113 against the target 12; 942 per cent achievement rate); and (ii) number of people in community groups formed/strengthened (2,124 against the target 441; 482 per cent achievement rate). However, for the latter, the initial target 441 seems to have been too low,²⁶ considering that this, together with the target for the number of community groups formed/strengthened (118), implies that the average membership (for a community group) was envisaged to be only 3.73. According to the reported data on the achievement, the average membership was 17.3.
 - Under the RIF, 21 sub-projects were supported under the "community and enterprise investment window" and 65 under the "small scale revenue generating window". In total, 86 facilities and infrastructures were supported and handed over to rural organizations against the target of 91.²⁷
 - The PCR narrative reported that 722 rural youth participated in the vocational skills training, against the target of 500,²⁸ of which 482 graduated and were certified (out of the target 600).²⁹
 - MAREP constructed/rehabilitated 17 farm access roads and two bridges.³⁰

III. Review of findings

A. Core criteria

Relevance

18. **Relevance of goals and objectives.** The objectives of MAREP were aligned with the country's development priorities, as laid out in the government's Poverty Reduction Strategy and Action Plan aimed at transforming Grenada's poverty landscape by building on poverty reduction and social safety net initiatives targeting the unemployed, disabled, and persons under the indigent poverty lines; the National Policy Statement on Small Business Development, which was prepared with

²¹ The PCR Appendix 9 reported 3,850 (not 2,777) as the number of people having received project services against the target of 4,250. The previous PMU confirmed 2,777 as the final figure (as part of the comments on the draft PCR).
²² Indicators distribution in the updated MTR logframe was: one goal, one objective, 10 outcome, and 28 output.

²³ The main text, Appendix 4 "logical framework"; Appendix 8 "physical progress table" and Appendix 9 "results and impact management system (RIMS) data".

²⁴ For example, a number of indicators use percentages, e.g. "80% of beneficiaries of vocational and skills training also pass through personal development training", "60% of attendants of entrepreneurial skills training prepare a business plan to start a business". In other cases, indicators mix results at different levels, e.g. "30 enterprises/groups selling to supermarkets, hotels and restaurants, increasing by 20% volume and total assets", "480 livestock farmers upgrade and production and income increased".

²⁵ First level RIMS data.

²⁶ The 2017 MAREP supervision mission report Appendix 4 (under RIMS indicators) did not indicate any target.

²⁷ PCR Appendix 4, output 1.3 indicator.

²⁸ Output 1.5 per log-frame.

²⁹ PCR paragraph 91.

³⁰ PCR paragraph 92.

the support of the World Bank and aimed at stimulating sustainable development, growth and expansion of viable micro, small and medium-scale enterprises and to create appropriate conditions for the entrepreneurial spirit, including in rural areas; the National Export Strategy, which through the Grenada Marketing and National Import Board included activities geared at forming clusters to increase capacity for exports through joint production, marketing, procurement and the sharing of services.

19. **Adequacy of project design.** Individual elements of the design were in principle largely relevant, but they were many and diverse without clear linkages and synergies between them and without coherent internal logic. Specifically: (i) in outcome 1 (increased level of empowerment), the activities are simultaneously directed to both community and business types of organizations: community-based organizations, producers groups, associations and cooperatives, to train them on a wide spectrum of development subjects: organizational aspects, social and human capital, and other non-economic oriented subjects; (ii) in outcome 2 (employment opportunities), the link from outputs to the employment creation is rather weak as the proposed activities include only vocational trainings without specific employment counseling mechanism³¹ (linking demand and supply of labour); (iii) for outcome 4, different elements are combined: agricultural extension services, market access measures, and access to financial services, each of which could have also been as a stand-alone component; and (iv) access to finance was to be addressed through different (possibly overlapping) avenues, i.e. RIF (productive and enterprise windows), a line of credit, Rural Financial Innovation Fund to be linked to remittances and diaspora investment. Based on the ways the components/sub-components and the expected outcomes were structured, it is not clear how the different interventions combined were expected to lead to what outcomes and then to desired impact.
20. It is worthwhile noting MTR's criticism on the design which is to some extent in line with the PCRV comments above. The MTR section of "lessons learned"³² included the following points, even though they were not formulated as lessons as such:
 - MAREP is a complex programme, and can be seen as two projects in one with limited complementarity between the two parts.
 - The project design report does not provide clear guidelines for programme implementation. It is poorly written over-complex and difficult to make the connection between the text, the logframe and the cost tables.
21. Nonetheless, according to the PCRV review, even though the lessons section in the MTR raised some pertinent points, these were not elaborated in the main text and not reflected in the recommendations. The MTR was therefore a missed opportunity to address strategic issues with the programme design to clarify the theory of change and improve the relevance.
22. The PCR noted that the design was optimistic about the capacity to implement projects. Furthermore, it also commented that the design was overambitious in terms of the main indicator of success (4,250 poor and vulnerable rural beneficiaries in the selected communities would have income above the poverty or vulnerability level), as well as other targets which needed to be adjusted downward at the MTR. For the former, there might have also been an issue with the formulation of the indicator ("above the poverty line") and lack of clarity in how to measure it.
23. As for the quality of the logical framework and indicators, the PCR also found that "there were too many indicators..." and that "the logframe appeared too complex and was difficult to comprehend and follow". As noted earlier, the formulation of some indicators is also not clear or confusing (see footnote 23).

³¹ The design report stated that skills training programme was to be clearly linked to labour market and include certification at national and regional level, and job placement assistance; page 24.

³² MTR, page 25.

24. In summary, on the one hand, MAREP's goals and objectives were generally aligned with government development objectives and the communities' needs. On the other hand, a number of substantive weaknesses in the programme design were apparent, including lack of clear intervention logic with many activities, unclear or poorly-formulated indicators. This PCRV therefore rates the relevance of MAREP as **moderately satisfactory (4)**, one point below the PCR rating.

Effectiveness

25. Validating the PCR assessment of effectiveness (and many other criteria) is a challenge for a number of reasons. The narrative of expected results (objective, outcomes, outputs) as well as the indicators supposedly to measure these results were not well-formulated. The data on achievements are reported in the PCR main text and three appendices (three tables) with overlapping data – at times inconsistent or confusing – for same or similar indicators. Furthermore, the basis of some of the data is not clear. For example, the PCR reports the number of rural organizations with strengthened memberships, but no data is provided on the quantitative data on membership change at minimum.
26. In the section on "project outline", the outreach figures reported in the PCR were discussed. Whether 2,777 or 3,850, it can be said that the outreach was quite low with respect to the intention. The MTR had indicated the slow rate of implementation of MAREP and the fact that many output-level targets had not been met which affected the achievement outcomes and objectives.
27. This section discusses the extent to which programme outcomes (as defined in the design) were achieved. The achievements at outcome level as per indicators reported in the PCR are presented in Annex III.B.
28. **Outcome 1 - Increased level of empowerment of rural communities' members of social and economic rural organizations and their capacity to participate in development opportunities.** The design intended to achieve this outcome through organisational development of rural organisations, such as training, asset enhancement, membership expansion and gender affirmative actions. Some indicators on outcome 1 reported in the PCR are presented in table 4 below.

Table 4

Reported results on outcome 1 indicators and PCRV comments

Indicators	Reported in the PCR			PCRV comments
	Target	Achieved	Progress (%)	
70% of the 125 engaged rural organisations have strengthened their membership, human and social capital.	125	101	81	It is not clear how the assessment on if and to what extent "strengthening" was achieved, was made. ³³ The PCR comment ³⁴ implies that the rural organizations that were reported to have increased assets were those provided with RIF support (thus, increased assets are not the results of capacity building and empowerment). The indicators mix the number and percentage.
40% of the 125 engaged organisations have increased their assets by year 6.	88	62	70	
40% of the 125 engaged organisations have increased their assets by year 6.	50	29	58	
Five coops/ associations have increased membership among the target population as well as the services they provide to the programme target population by year 5.	5	4	80	No data provided on the change of membership. No information or explanation provided for improved services.

29. For the indicator "60 per cent of the 125 rural organisations have identified and implemented gender equity affirmative actions by year 6", the PCR reported 36

³³ On 62 rural organizations, the PCR comments that they were "active groups supported (strengthened) in 2017".

³⁴ "RIF groups ... increased assets in cash and/or equipment".

organizations (thus 48 per cent achievement against the targeted 75). Only six organizations were able to increase the number of women in leadership positions (output 1.2 – six out of 62 targeted). The PCR data also showed low achievement on youth involvement in rural organizations ("16 per cent of [62] organisations experienced an increase in youth membership").³⁵

30. In sum, there is very limited data showing that capacity of rural community members and their organizations was strengthened.
31. **Outcome 2 - Employment opportunities created, particularly for young rural men and women.** Compared to the previous IFAD-financed project GREP, the design proposed more diversified approach to achieve employment outcome, including training certification and job placement assistance. High drop-out rate from the training³⁶ was an issue. The PCR reported that "despite enhancements made by MAREP to help with absenteeism (e.g. child care support, transport allowance), participation rate remained low". The indicator defined for this outcome related to the employment result was as follows: 480 beneficiaries (60 per cent male, 40 per cent female) of skills/vocational training have become employed in jobs or have become self-employed by year the final year of the programme. According to the PCR data, this was accomplished by only 40 per cent (or 191 beneficiaries), though with higher percentage composition of females (69 per cent).
32. **Outcome 3 - Rural businesses and microenterprises established and strengthened.** This outcome was to be achieved through entrepreneurial skills training, support for business planning, extension and advisory service, and financial support (RIF). This outcome, according to the PCR logical framework, was to be measured by the following indicators related to the enterprise asset enhancement and survival rate: (i) 250 microenterprises have increased assets; (ii) 80 per cent of them experienced additional increases in assets by the final year;³⁷ and (iii) 80 per cent of new microenterprises (=200) are active after one-two years of activity. The PCR Appendix 4 reports 94 microenterprises for both the first and the third indicators. This would imply that 100 per cent of the microenterprises that received project support remained active, but Appendix 4 also reports only five microenterprises for the second indicator (additional increase in assets). The November 2017 supervision mission report (less than a year before the PCR mission) shows that 79 (13+66) out of the 85 projects (93 per cent) financed under the RIF enterprise and small-scale revenue generating windows were still "ongoing" then (table 5). It has been explained³⁸ that "ongoing" projects included those activities which were at mature stage (or almost completed) but that had not been "closed" in terms of the paperwork. Still, the supervision mission reports indicate the concern with the slow implementation, in particular of RIF.³⁹ At the time of the November 2016 supervision mission (less than 18 months before the completion), about 25 had been initiated by the time and thus, most of the RIF-funded activities started in the final years.

³⁵ PCR, paragraph 76.

³⁶ The 2017 supervision mission report noted the drop-out rate for the vocational and skills training of about 50 per cent.

³⁷ This was integrated into the first indicator in the logical framework, but to simplify the PCR discussion, it is indicated separately here.

³⁸ Comments on the draft PCR by the Latin America and Caribbean Division.

³⁹ Supervision mission reports 2016 and 2017.

Table 5
RIF-funded projects status as of 30 November 2017

Window	Approved	Cancelled	Completed	Ongoing	Disb. completed	Total benefic.	% female
Social	7	-	1	6	2	215	36
Enterprise	19	3	3	13	1	319	35
Small-scale revenue generating	66	-	-	66	7	344	42
Total	92	3	4	85	10	878	38

Source: November 2017 MAREP supervision mission report.

33. In fact, the formulation of indicators (e.g. "increased assets" vs "additional increases in assets by the final year") is not clear and neither are the data presented. In any case, the available data show that the coverage of microenterprises was low. Furthermore, the basis of "increased assets" (first indicator) appears to be merely due to the programme's RIF support,⁴⁰ rather than how the enterprises may have made advances based on the programme support. On the other hand, the PCR noted the overachievement relative to the number of enterprises legalised and registered (89 achieved against the target of 50).
34. **Outcome 4 - Improved sustainable agriculture, linkages to production chains, access to markets, and financial services.** Similar to the previous outcome, the activities included many elements, such as: business development service, access to market and value chain arraignments, line of credit for sub-borrowers and remittance fund management. Line of credit and the Rural Financial Innovation Fund were significantly scaled down or eventually cancelled (see paragraph 11).
35. As for one of the two outcome indicators, "30 new enterprises linked to the value chains", the PCR reported the achievement of 76 (enterprises), thus 253 per cent accomplishment rate. However, it is not entirely clear whether they were all new, as the same information (76 with the same list of enterprises) is provided for another indicator (under outcome 3), "200 *existing* microenterprises increase production and sales". For the second indicator "120 existing subsistence microenterprises prepared and implemented business plans to become profitable businesses", the accomplishment rate was recorded as 19 per cent (23 enterprises).
36. The PCR reported that "the programme constructed/rehabilitated 17 farm access roads and two bridges to enable increased agricultural production and access to farm lands in many rural communities".⁴¹ It is possible that such infrastructures contributed to reduction in transport costs and improved access to markets, but there is no/little discussion or evidence in the PCR to demonstrate their utility and impact and the linkage with other activities is not clear.
37. **Summary.** Based on insufficient data and evidence provided in the PCR and modest achievements with regard to output delivery particularly for the market access and enterprise development component, this PCRV rates the effectiveness as **moderately unsatisfactory (3)**, one point below the PCR rating.

Efficiency

38. **Implementation timeline.** The programme had a slow implementation up until mid-2014, which the PCR describes as "phase one", and it was affected by the changes in Government in 2012 and 2013 and issues with the project management. During that phase, only HSCB component was active while the MAED was "virtually stagnant".⁴² "Phase two" became operational after mid-2014 when project

⁴⁰ PCR Appendix 4, comments for this indicator.

⁴¹ PCR paragraph 92.

⁴² PCR paragraph 70.

management issues were settled.⁴³ Since most of the implementation activities took place during the second half of the project, a one-year extension was requested and approved by IFAD on 15 December 2016.

39. **Project cost, disbursement.** MAREP's budget execution, according to the PCR, was below 50 per cent of the annual budget amount for all but three years (2014, 2017, and 2018).⁴⁴ This deviation is explained by the PCR being due to slow rate of implementation discussed earlier from which the project had difficulty in recovering from. The PCR also comments that "Annual Work Programme and Budgets were not realistic and thus not achievable", even after putting PMU at a fully operational mode from 2014. The total programme cost was less than 75 per cent of the total budgeted amount. Utilization rate of the IFAD financing was 85 per cent (in the loan currency) and 65 per cent for CDB. Government contribution is reported to have been 91 per cent against the planned amount.
40. **Project management.** According to supervision reports summarised in the PCR, during the "phase one" (2011-2013), programme management was ineffective, and poor management, high staff-turnover were primary reasons for the delayed implementation and unsatisfactory progress on a number of outputs and outcomes. At completion, the programme management component absorbed 33 per cent of total programme expenditure. Even considering that project management cost in small island states can be on the high side, this proportion was high and significantly higher than originally estimated budget (at 20 per cent). The programme management component was reported to comprise investment costs (50 per cent), which reportedly included salaries of specialists/consultants, office equipment, vehicles and on-the-job training of staff,⁴⁵ and operating expenses (remaining 50 per cent). The PCR⁴⁶ presents the figures on "investments in products and services delivered to the beneficiaries" and "operating costs of MAREP" to derive an efficiency measure for MAREP. According to this, at completion, the programme spent US\$0.35 to deliver US\$1 of investment. In comparison, at mid-term this measure was US\$0.91 of expenses for US\$1 of investment and this was deemed less efficient compared to similar IFAD-financed projects. The PCR concludes that at the end of the project this amount had dropped significantly "showing an improvement in efficiency in the remaining implementing period of MAREP". However, importantly, the reported data take no account of what benefits were generated against the costs.
41. **Cost per beneficiary.** The cost per direct beneficiary⁴⁷ estimation is not straightforward due to contradicting figures reported for the total number of beneficiaries. The design calculation of the cost per beneficiary assumes the total number of direct beneficiaries to be affected by the project as 12,360 with total cost of the project of US\$7.5 million, which makes this figure US\$607 per beneficiary. If the data for direct beneficiaries reported in the PCR (2,777) and the actual cost is used, the cost per beneficiary would go up to US\$2,207 per beneficiary.
42. In view of the significant implementation delays occurring through the first half of the programme period, with the second component implemented only during the last two years of implementation, as well as the exceedingly high management expenditures ratio, PCR rates the efficiency as **moderately unsatisfactory (3)**, which is one point below the rating in the PCR.

Rural poverty impact

43. Some of the impact-level data presented in the PCR were derived from the impact survey conducted in 2018.⁴⁸ A review of the impact survey report reveals that the

⁴³ The Business Specialist was hired and the RIF that was funded by the CDB became fully operational.

⁴⁴ PCR paragraph 100.

⁴⁵ According to the comments on the draft PCR by the Latin America and Caribbean Division.

⁴⁶ Details regarding its calculation are presented in Appendix 10 instead of the internal rate of return.

⁴⁷ Total actual cost (US\$6.13 million) of the programme divided by the total number of direct beneficiaries.

⁴⁸ Final report: consultancy service to conduct the impact survey for MAREP (dated 30 September 2018).

data contained therein are not particularly usable or reliable, with flaws in the methodology, including the following:

- A sample of 850 households was randomly drawn from the 50 communities covered by MAREP, out of the total of 8,053 households. It therefore appears that this was random sampling from *all* resident households in the 50 communities, regardless of their involvement with the programme.
- The impact survey data is compared with the baseline survey conducted in 2015 (and in some cases, also population census of 2011). At best, this comparison would show a general trend and situation for some parameters (e.g. hungry season, household assets) - but nothing to do with the programme.
- The number of total respondents for many specific questions is extremely small (out of 850 sampled) and it is not explained why so. And yet, the percentage is used to draw assessment (see table below).

Table 6
Selected impact survey data and PCRV comments

Impact survey questions	Yes	No	No response	Total	PCRv comment
Training for employment received in the past 5 years	97	421	-	518	Supposedly general information (not MAREP specific). Not clear why the total is not close to 850.
MAREP sponsored training	29	68	-	97	
Business started after receiving MAREP sponsored training	2	19	-	21	The total number (and the affirmative response) is extremely small. Given that two respondents for "yes" were both men, the PCR concluded that "only male headed households reported starting a business after receiving MAREP sponsored training"
Household that gained employment after the training was received	8	13	-	21	Based on the percentage, the PCR states that among 850 households surveyed, "38.1% of households said they gained sustainable employment after MAREP sponsored trainings". This seems to be misinterpretation.
Household members' income increased as a result of participation in MAREP training	9	12	-	21	Using the data, the PCR reports that 42.9% said that their household experienced an increase in income due to participating in MAREP sponsored trainings. As above, this is a misleading conclusion.
Household starting business after receiving any form of MAREP support other than training	4	269		273	It is not clear whether the 273 respondents to this question did receive any form of MAREP support other than training – or did not receive any support from MAREP.
Business increased in production or sales due to MAREP's support	2	2	-	4	Extremely small number of respondents.
Household income increased due to MAREP's technical assistance in accessing more markets	1	1	-	2	Same as above.
Members of the household that are members of any community-based organization	29	274	3	306	
Members of households that participated in the organization as a result of MAREP's encouragement/influence.	5	21	280	306	

Source. MAREP impact survey report, 2018 and PCRv review.

44. **Household income and assets.**⁴⁹ As explained in the table above, the following PCR statements are found to be misleading and based on misinterpretation: (i) 38.1 per cent of the respondents said they gained sustainable employment after MAREP sponsored trainings; and (ii) 42.9 per cent indicated an increase due to the programme. For both questions, the percentage is calculated out of mere 21 respondents (when the sample size was 850).

⁴⁹ The logical framework goal indicator was *percentage of households that increase their index of assets ownership*. However, no target was specified even after MTR amendments.

45. Based on the survey data on main source of income, the PCR makes an observation that "much of this household income originated from ventures outside of MAREP's target areas" and went on to say that "the business development training received in MAREP allowed them to venture in other areas where they saw business opportunities or that the employment creation was in dynamic sectors of the economy (such as construction and tourism) that are outside of the scope of MAREP, yet the project allowed these rural poor to link to these sectors". However, there was no clarity provided to explain this outcome, making the statement rather speculative. It should also be recalled that the sampled households were not necessarily MAREP beneficiaries.
46. With regards to household assets, the survey results indicated that the number of households owning these assets increased when compared with the baseline data, but the difference reported is small. As commented earlier (paragraph 42), these data would be only an indication of the general picture, given the sampling methodology.
47. The PCR reported (as output-level data) that 358 new agricultural and non-agricultural jobs were created (109 per cent achievement against the target of 330). However, PCR Appendix 4 shows that more than a third of these (138) were the jobs "created from farm access roads". It is not clear whether these were jobs associated with the construction/rehabilitation of the roads (thus one-off).
48. According to the PCR, 42 enterprises (against the target of 30) were able to increase their volume of sales, but it gives little sense of how and to what extent such increase occurred. The output indicators for improvement of agricultural crop and livestock farms, as well as increased income for farmers, significantly fell short of the respective targets. Only 10 per cent of farms experienced an increase in income from livestock and farms upgrade.
49. **Food security and agricultural productivity.** The PCR refers to the impact survey results and suggests an improvement on food security, given that only 13.9 per cent of the survey respondents indicated that they experienced a first hungry season against 22 per cent baseline.⁵⁰ Here again, the data are only an indication of the general picture and would not tell anything about the programme contribution in this regard.
50. As mentioned earlier, the PCR states that the programme constructed/rehabilitated 17 farm access roads and two bridges to enable increased agricultural production and access to farm lands in many rural communities, but there is no evidence to support the impact on agricultural production and productivity.
51. **Human and social capital empowerment.** According to the PCR narrative, 722 rural youth beneficiaries (506 females; 216 males) were enrolled or participated in vocational skills training, with 482 graduating and certified and 191 of them (against the target 480) eventually became employed or self-employed during the period of project implementation.
52. The PCR describes MAREP's gains in human and social capital and empowerment as "promising" referring to 62 strengthened organisations out of the 101 that were engaged.⁵¹ However, the basis of 62 is not clear, as the PCR simply explains "62 rural organizations are active groups supported (strengthened) in 2017".⁵² In general, the PCR fails to explain what is meant by "human and social capital and

⁵⁰ It also states that there has been an improvement with regard to the duration of first hungry season, saying that "between 10 to 17 per cent of households indicated that their hungry season experience lasted between 3-6 months" compared to "10 to 22 per cent" in the baseline survey. However, this interpretation is misleading as it does not present an overall picture and it depends on where the bracket is set. For example, if we say 3-5 months instead of 3-6 months, then the impact survey would be considered worse (10-16 per cent versus 4-10 per cent in the baseline survey).

⁵¹ Outcome 1.

⁵² PCR Appendix 4.

empowerment", what kind of "rural organizations" for what purpose and how impact in this domain may have been manifested.

53. **Institutions and policies.**⁵³ There is no discussion under the heading of this impact domain but it is possible to glean some relevant information from other sections and the IFAD Latin America and Caribbean Division provided additional information.⁵⁴ It is said that the programme influenced the Grenada Investment Development Corporation and other institutions to broaden the orientation from (almost) exclusive urban areas to rural businesses.⁵⁵ Furthermore, MAREP was reportedly the first programme in Grenada to include support for transportation cost, child care, etc. to facilitate the youth participation in vocational training – although the participation rates still remained low.⁵⁶
54. **Summary.** Overall, there is limited evidence/data that would support the PCR assessment of rural poverty impact as moderately satisfactory, also in view of limited achievements of outputs and outcomes. This PCR rates this criterion as **moderately unsatisfactory (3)**, one point below the PCR rating.

Sustainability of benefits

55. The PCR refers to the supervision report of 2017 describing the following main elements that *should* provide a scope for sustainability: (i) direct implementation by beneficiaries - a process of empowering beneficiaries to take ownership of their projects; (ii) strengthening of community-based organizations to improve the functions and operations of the respective groups; (iii) Negotiation Rounds & Sustainability Workshop aimed at creating linkages among beneficiaries and stakeholders for strategic alliances and market opportunities; (iv) projects under the small-scale revenue generating window of the RIF, which built on existing activities of the beneficiaries, have a better chance of sustainability than groups that were formed by beneficiaries mainly to access RIF funding and who proposed activities in which they had little experience; and (v) information on related services, markets and additional support, alliances and other professional services were developed and shared with beneficiaries. The PCR also mentions that most groups that participated in MAREP received business development training with a follow-up phased out training. However, there is little evidence on whether and how these elements have indeed reflected on the sustainability prospect at completion. For example, for the points (i) and (ii), this PCR found little evidence for the programme's impact on empowerment of beneficiaries and their organizations.
56. While sales agreements between the enterprises/groups and market outlets (e.g. supermarkets, restaurants, hotels) could be a positive factor for sustainability as noted in the PCR, these were small in number, even if they were newly facilitated through the programme support. The PCR also raised a question on the sustainability of business activities under the RIF funding which only started in the final year. The PCR was hopeful, though, that the launching of the next IFAD-financed programme⁵⁷ may bring an opportunity to further support these businesses until they reach full sustainability. According to the final supervision mission report in November 2017, there was no written exit strategy in place and PCR does not discuss it.
57. This criterion is assessed as **moderately satisfactory (4)**, the same as the PCR rating.

⁵³ This section is missing in the PCR but was rated in the PCR rating matrix (Appendix 3).

⁵⁴ As part of the comments on the draft PCR.

⁵⁵ MAREP PCR paragraph 99, complemented by the comments on the draft PCR by the Latin America and Caribbean Division. According to the comment, the Government has recently created a rural development unit comprising two projects, a project funded by CDB and the Climate-Smart Agriculture and Rural Enterprise Programme financed by CDB and IFAD, acknowledging that rural development requires specific policies and that programmes need to coordinate and develop operational synergies.

⁵⁶ MAREP PCR paragraph 40.

⁵⁷ SAEP- Climate-Smart Agriculture and Rural Enterprise Programme.

B. Other performance criteria

Innovation

58. According to the PCR, "MAREP could not make use of all its potential for innovation due to the protracted preparation period and the changes at the management levels". At the same time, the PCR presented the following as innovations: (i) inclusion of the Life Skills Training into the Vocational skills training implementation strategy, which is expected to enhance the capacities of the trainees as well as their chances to become employed;⁵⁸ and (ii) the involvement of the Grenada Investment Development Corporation in the technical support of rural businesses⁵⁹ which developed tools for market tracking for production planning, record-keeping on relevant cost and market information, quality standards and requirements of the different market outlets. Furthermore, according to the PCR, many RIF-financed projects were innovative, such as honey, poultry, goat or pig rearing using a technological approach that had not been applied before by poor farmers, as well as agro-processing activities or services linked to the tourism industry. Nonetheless, the Rural Finance Innovation Fund and the link with diaspora and remittances innovations that were expected to generate innovations at design did not take place at all.
59. The PCRV rating for this criterion is **moderately satisfactory (4)**, same as the PCR.

Scaling up

60. The PCR presents no discussion on scaling-up. It only refers to the design of a new IFAD-financed project which has taken on some of the experience under MAREP.⁶⁰ Replication or incorporating lessons from one project to a new project financed by IFAD would not be considered as "scaling-up", which is defined by IFAD as "the extent to which IFAD development interventions have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and others agencies."
61. On the other hand, it is reported that the life skills training has been scaled up by the Government and other agencies. Furthermore, according to the IFAD comments on the draft version of this PCRV, other development partners such as the World Bank have increased the support in the rural sector, but even if this was the case, it is difficult to conclude that this is a result of scaling up of MAREP.
62. The PCRV rates this criterion **moderately satisfactory (4)**, which is the same as the PCR.

Gender equality and women's empowerment

63. According to the PCR, the most part of the targeting strategy was implemented in line with the criteria set out in the design for poverty and gender equality and that the project management unit monitored gender mainstreaming by implementing partners and stipulated the requirements in the memorandums of understanding. MAREP had a gender officer for part of the programme period (till mid-2016) and conducted "closing the gap" gender analysis in rural organizations to identify affirmative actions towards gender equality in respective organizations. However, the PCR also states that programme had challenges in achieving expected balance across the different MAREP services. On the one hand, women's participation in vocational skills training⁶¹ and the proportion of women in the "beneficiaries of vocational skills training employed or self-employed" was higher. But on the other

⁵⁸ According to the PCR, "the contents embraced a broad range of topics that completed the remedial training that is basically geared to achieve the required level in English and mathematics."

⁵⁹ This innovation influenced the design of the next IFAD operation, the SAEP.

⁶⁰ It refers to the involvement of the Grenada Investment Development Corporation in technical support to rural businesses – but supposedly financed by the new project.

⁶¹ It was said to be difficult to get young men engaged in vocational skill training and fewer fisher folk seem to have participated in MAREP's services than those with an interest in agriculture. This point was also raised by the MTR.

hand, male participation in rural organizations, as well as the RIF was higher than women. The PCR cautions that though the project made efforts to overcome these unbalances, most of the instruments depended on the willingness of beneficiaries to demand the services. But the PCR also noted that monitoring and evaluation (M&E) did not pick up in time certain differences between male and female participation in order to make adjustments in the targeting strategy.

64. MAREP reportedly exceeded the target for gender advocacy - publicly held events to sensitize youth on social issues such as gender, youth and poverty (5,158 rural youth sensitized against the target of 500, thus, more than 1,000 per cent achievement).⁶² It is noted that the figure 5,000 of 5,158 was simply based on the number of wrist bands distributed to youth at the events⁶³ and there is no information on how such advocacy activities may have contributed to what outcomes or how it may have been related to other activities. Furthermore, the PCR data indicates that while 36 rural organizations "have identified and implemented gender equity affirmative action", only six of them have seen an increase in female leadership.
65. Overall, the PCR provides very little information on the programme performance on gender equality and women's empowerment. In fact, the basis of the PCR rating of moderately satisfactory is not clear. The available data of some relevance to gender (discussed above) are very patchy and no information/evidence is presented with regard to women's economic empowerment, increased influence on decision making at household or group/community level or gender transformation. The PCR refrains from rating this criterion.

Environment and natural resource management

66. The PCR has an appendix titled "environmental assessment", but more than four pages of this five-page annex is a general description concerning the environment, natural resources and climate change in the country. In fact, this part is almost, if not entirely, identical to an annex in the project design report for the latest project (Climate-Smart Agriculture and Rural Enterprise Programme - SAEP).⁶⁴ With no clear linkage to the general description, the annex concludes that "the environmental impact of MAREP could be assessed as neutral/positive, since it had a limited impact on increasing agricultural production and the application of environmental screening in all proposals as well as the promotion of climate smart agricultural practices". The PCR then rates the criterion as "moderately satisfactory", without a solid basis. The PCR refrains from rating this criterion.

Adaptation to climate change

67. As in the case of the criterion on environment and natural resource management, the PCR has little discussion on this and yet, rates it as "moderately satisfactory". The PCR refrains from rating this criterion.

C. Overall project achievement

68. MAREP's development goal was to contribute to the reduction of rural poverty and vulnerability of rural young unemployed or self-employed men and women in 50 rural communities in Grenada and Carriacou. The programme development objective was to increase the income of rural young unemployed or self-employed men and women.
69. There were a number of people and groups who benefitted from the programme support, such as through vocational skills and other training, technical and financial support for enterprises. The programme also supported the construction/rehabilitation of farm access roads and bridges, which would have benefited the

⁶² This output was not included in Annex III.A but is recorded as output 1.4 in the log-frame.

⁶³ MAREP 2015 annual progress report.

⁶⁴ SAEP final project design report, Appendix 12 compliance with IFAD policies, Annex 1 social, environment and climate assessment procedures review note.

rural communities. However, from the onset the programme was plagued with poor management and a slow rate of implementation, also affected by the fiscal austerity measures introduced in the country, and it was difficult to fully compensate for the delays. The PCR concluded that "full potential of benefits of the programme could not be realised at this juncture". More fundamentally, it is likely that the implementation challenges and performance issues were also due to complex and weak design, without clear conceptualization on linkages between different activities and without clear intervention logic. On the other hand, there were also challenges, including those associated with Grenada being a small island developing state, such as lack of qualified staff.

70. Based on the assessment on different evaluation criteria, the PCRV assesses the MAREP's overall achievement as **moderately unsatisfactory (3)**. This is one point below the overall rating in the PCR.

D. Performance of partners

IFAD

71. According to the PCR, IFAD conducted nine supervision missions during the life of the project and took an active role in examining the issues and challenges that MAREP faced. Supervision missions included meetings with PMU and senior staff at the implementing Ministry, stakeholders, and beneficiaries. It is noted that the duration of many of these missions was relatively short, including the MTR that lasted only for a week (19-26 November 2015) or some supervision missions with the duration of five days.⁶⁵ At the same time, on the whole, these supervision and/or implementation support missions were fairly regular and frequent, including two supervision missions in a year in the initial period.⁶⁶
72. Discussions between the Government and supervision missions and recommendations and follow-up actions contributed to solving some programme issues, for example, by addressing the programme management unit staffing issues, which severely affected the implementation especially in the initial years.⁶⁷ And yet, the PCRV finds that an important shortcoming in the IFAD performance was in terms of weak programme design and its inability to address the design weaknesses and implementation issues in a decisive way. The MTR was quite self-critical in terms of the programme design as well as previous supervision missions.⁶⁸ The MTR report identified a number of fundamental issues as part of "lessons learned", but these observations do not seem to have been translated into useful recommendations, which were mostly of operational nature rather than for restructuring with strategic thinking.⁶⁹ While the preparation of the PCR is in principle the Government's responsibility, IFAD might have provided more support to effectively accompany the process of designing the impact study and preparing the PCR to make sure the minimum information and standards. Relatively high turnover of the country programme managers (at least five) as well as the participation of different consultants in these missions might have also constrained IFAD from providing consistent and effective guidance and follow-up.
73. The PCR states that the level of collaboration between IFAD and CDB (which fielded missions at the same time as the IFAD missions) has been valued by the project management unit. The collaboration with CDB is still continuing into the new project SAEP.

⁶⁵ 2013 (18-22 November), 2014 (19-23 May), 2017 (6-10 November). Based on the data in the Oracle Business Intelligence.

⁶⁶ For example, in both 2012 and 2013, two supervision missions were fielded. Together with implementation support/follow-up missions, there were at least two missions fielded by IFAD in a given year.

⁶⁷ Supervision missions aide-memoires, 21-30/10/2012, 27/06-04/07/2013, 18-22/11/2013.

⁶⁸ The MTR noted that IFAD missions were primarily focused on the delivery of prescribed procedures and their compliance regardless as to whether the implementation strategies were still the best way to orient implementation.

⁶⁹ For example, the MTR criticizes the programme design as being complex, but there is little in the recommendation that would address this issue. Also, the MTR suggested revisions in the logframe but the changes were mostly in the targets and the poorly formulated indicators still remained.

74. The rating is **moderately satisfactory (4)**, in line with the PCR rating.

Government

75. **Project management and coordination.** According to the PCR, IFAD supervision missions before MTR consistently found programme management to be ineffective in the implementation of the agreed actions. This was explained by "failure in time management and weak planning and multitasking capacities". The new team after MTR was faced with the overwhelming task of having to deliver the project's objectives in half the time anticipated in the design report. According to the PCR, the new project management team functioned at a high standard. However, overall, the team was unable to make progress on several outputs and required an extension in order to make progress on some of the outputs and outcomes, and even with an extension, the IFAD loan disbursement reached only 85 per cent. Although the design made provisions for participatory planning, both M&E and Annual Work Programme and Budgets were not prepared in a participatory way, according to the PCR. Implementation partners and beneficiaries were not usually included in the formulation of these processes.

76. MAREP worked with numerous partners based on memoranda of understanding and, according to the PCR, "these implementation arrangements worked reasonably" in the latter part of the programme, but the partner public institutions were also affected by the structural adjustment programme and the timeliness of support was an issue.

77. **Baseline survey and M&E systems.** At the MTR, the programme's M&E system was not functioning properly. The next year, it was reported that M&E process was in place and began to facilitate the analysis of progress on indicators. However, the system was not fully utilised by PMU and the project steering committee and did not become fully operational. Due to the backlog in registration of data in a central database and the turnover of staff, MAREP suffered throughout project implementation with coherency of data and exact targets being met. The PCR noted that nonetheless the PMU produced progress reports on time and of good quality. If that was really the case, it was not reflected in the PCR. As discussed in this PCR, the reliability and significance of some of the data presented in the PCR supposedly based on the M&E systems can be questioned.

78. **Counterpart resources.** The structural adjustment programme adversely affected the implementation of MAREP and the MTR noted that the "fiscal austerity framework was making it difficult for the Government to meet its full counterpart funding obligations." There were reports that shortfall and/or delays in the availability of counterpart funding affected the implementation of activities.⁷⁰ Nevertheless, by completion, the Government contributed counterpart funding stipulated in project financing agreement in the amount of 91 per cent of the planned commitment.

79. **Financial management.** According to the supervision missions, the IFAD team, in most part, was satisfied with the reliability and transparency of MAREP financial management system. Its internal control was adequate and generally functioned effectively and programme audits were done on a timely manner. At the same time, there were some delays in the payments processing.

80. This criterion is rated **moderately satisfactory (4)**, in line with the PCR rating.

IV. Assessment of PCR quality

81. **Scope.** The report chapters and annexes in most parts ostensibly follow the format and headings in the PCR guidelines⁷¹ but some issues are not discussed sufficiently or the content does not match the headings. For example, the section covering

⁷⁰ For example, 2015 supervision mission report.

⁷¹ Project Completion Guidelines, 2015.

innovation, replication and scaling-up does not discuss replication or scaling-up. The annexes on project internal rate of return, environmental assessment, stakeholder workshop findings, etc. do not have adequate corresponding contents (e.g. see paragraphs 66-67). The section "programme outcomes and impacts" covers only some of the impact domains, but not other additional evaluation criteria mentioned in the PCR guidelines (e.g. natural resource and the environment, gender equity and women's empowerment). Scope is rated **moderately unsatisfactory (3)**.

82. **Quality.** Overall, the PCR lacks consistent and credible data and analysis to inform assessment, for example, on effectiveness and rural poverty impact. The data presented in different parts of the report are confusing and difficult to interpret. There were flaws in the methodological approach of the impact survey but the resulting questionable data are used to support some of the claims in the PCR. Quality is rated **moderately unsatisfactory (3)**.
83. **Lessons.** Lessons presented in the PCR appear to be relevant and reasonable, but not described in a comprehensive manner and not always derived from the PCR assessment. For example, the lesson section discusses the importance of a clear theory of change, but the earlier section of the report mainly discusses the number of indicators and the targets, and not internal coherence. The rating is **moderately satisfactory (4)**.
84. **Candour.** Although overall narrative tone of the PCR is neutral, the performance is not objectively assessed. Weaknesses and failures, which have arisen during implementation, have not been explained in detail. The report is in most parts descriptive and does not provide in-depth critique of less positive results. The main text does not include the ratings by criteria, but most criteria are rated moderately satisfactory in Appendix 3 without adequate justifications. Candour is rated **moderately unsatisfactory (3)**.
85. **Overall PCR quality.** Overall quality of the PCR is rated as **moderately unsatisfactory (3)**.

V. Lessons learned

86. Key lessons extracted from the PCR comprise the following:
 - A clear theory of change, a manageable number of indicators and realistic targets are important in providing clarity to programme implementers.
 - MAREP design relied too heavily on wage employment opportunities and lacked focus on youth and on market-oriented support services. Focus on youth with entrepreneurship drive with a comprehensive support package during the crucial stage of business start-up would have been much more effective.
 - MAREP supported a very wide range of businesses (agriculture: small ruminants, bee keeping, poultry, pigs, irrigation and farm inputs; non-agricultural: upholstery, tourism, etc.), spreading its resources thinly.
 - Most activities were carried out directly by the PMU and the coordination with the key institutional partners and their level of ownership of the programme objectives was in general weak. As such future projects should seek performance-based arrangements with implementing partners such as the Grenada Investment Development Corporation or the Ministry of Agriculture to ensure their full appropriation of the programme's objectives and the attainment of goals, while reducing operational costs and allocating more resources to technical support.
 - Limited access to credit or collateral has been a critical barrier to success for poor rural entrepreneurs. For this target group more hand holding was required in preparing and submitting loan applications and collaborations must be developed with institutions that are willing to be flexible and agreeable to lending to the poor.

- Other forms of access to financial resources (e.g., involving performance grants) to the rural poor who have no assets for collateral and no credit history, but who have a valid small business idea need to be explored.

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	The extent to which IFAD development interventions have introduced innovative approaches to rural poverty reduction.	X	Yes
Scaling up	The extent to which IFAD development interventions 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

<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, 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 (PCRVR) rating</i>	<i>Net rating disconnect (PCRVR-PMD)</i>
Rural poverty impact	4	3	-1
Project performance			
Relevance	5	4	-1
Effectiveness	4	3	-1
Efficiency	4	3	-1
Sustainability of benefits	4	4	0
Project performance ^b	4.25	3.5	-0.75
Other performance criteria			
Gender equality and women's empowerment	4	n.p.	n.a.
Innovation	4	4	0
Scaling up	4	4	0
Environment and natural resource management	4	n.p.	-
Adaptation to climate change	4	n.p.	-
Overall project achievement ^c	4	3	-1
Performance of partners ^d			
IFAD	4	4	0
Government	4	4	0
Average net disconnect			-0.

^a 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.

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

^c This 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, scaling up, environment and natural resources management, and adaptation to climate change.

^d The 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 PCRVR rating</i>	<i>Net disconnect</i>
Scope	-	3	
Quality	-	3	
Lessons	-	4	
Candour	-	3	
Overall rating of the project completion report		3	

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

A. Performance of outputs (from PCR)

FIRST LEVEL RIMS RESULTS			Unit	Cumulative 2011-2017		
Results		Design Appraisal ¹		Actual	% of Design Appraisal	
Total Outreach	People receiving project services	Num	4,250	3,850	91%	
		<i>M</i>	2380	2,309	97%	
		<i>F</i>	1,870	1,541	82%	
	Groups receiving project services	Num	155	136	88%	
	Communities receiving project services	Num	50	50	100%	
Components	Sub Component					
HSCB	Social Infrastructure	Other social infrastructure constructed/rehabilitated	Num	16	12	75%
MAED	Policy and Community	Government officials and staff trained	Num	12	113	942%
			<i>M</i>	5	70	1400%
			<i>F</i>	7	43	614%
HSCB	Policy and Community	Community groups formed/strengthened	Num	118	123	104%
		People in community groups formed / strengthened	Num	441	2,124	482%
			<i>M</i>	247	1,263	511%
			<i>F</i>	194	861	444%
		Apex organisations formed / strengthened	Num	5	4	80%
MAED	Enterprise development and employment	People trained in income generating activities	Num	1,200	324	27%
			<i>M</i>	720	160	22%
			<i>F</i>	480	164	34%
HSCB	Enterprise development and employment	People receiving vocational training	Num	600	634	106%
			<i>M</i>	360	209	58%
			<i>F</i>	240	425	177%
MAED	Enterprise development and employment	People trained in business and entrepreneurship skills	Num	600	424	71%
			<i>M</i>	360	212	59%
			<i>F</i>	240	212	88%

¹ Updated at MTR

B. Performance of outcomes (from PCR)

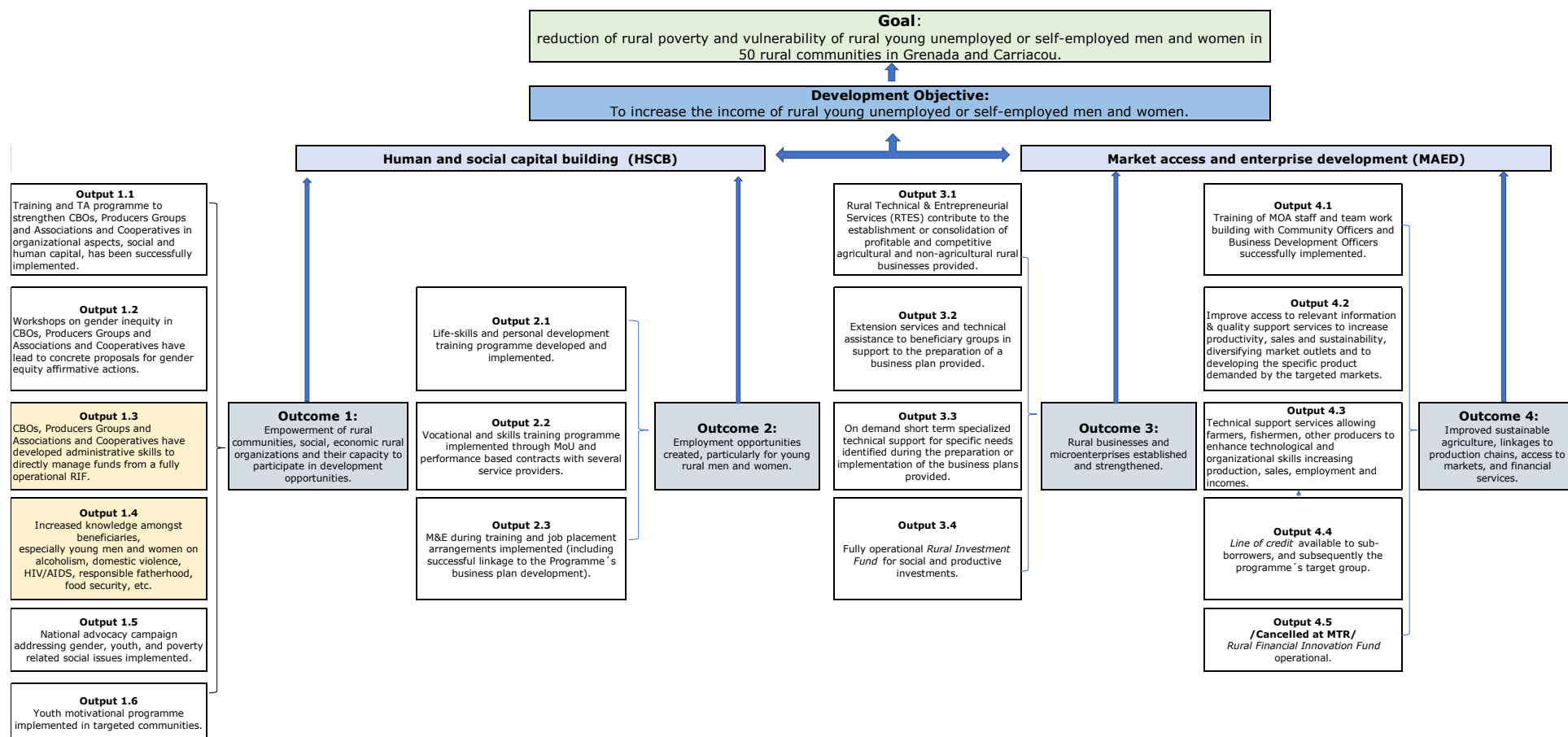
Outcomes	Indicator	Target (MTR)	Achievement (in absolute numbers)	Achievement (%)
Purpose.	By the end of Programme implementation 4,250 poor and vulnerable rural beneficiaries (56% male and 44% female) in the priority areas will rise above the poverty line set at EC\$ 5,842/ per capita per annum, and the vulnerability line EC\$ 7,302/per capita per annum.	4250 beneficiaries rise above poverty line and vulnerability line	2777	65%
Outcome 1:	70% of the 125 engaged rural organisations have strengthened their membership, human and social capital.	125 engaged	101	80%
		88 strengthened	62	70%
	40% of the 125 engaged organisations have increased their assets by year 6	50	29	58%
	60% of the 125 rural organisations have identified and implemented gender equity affirmative actions by year 6.	75	36	48%
	5 coops/ associations have increased membership among the target population as well as the services they provide to the programme target population by year 5.	5	4	80%
Outcome 2:	80% of the 600 beneficiaries (60% male/40% female: especially young single mothers) of skills/vocational training have become employed in jobs or have become self-employed by year 6.	480	191	40%
		(288 males, 192 females – VST employed or self-employed)	(59 males, 132 females)	(20% males, 69% females)
Outcome 3:	250 micro-enterprises have increased assets through Programme support and 80% of them experienced additional increases in assets, by	250 micro-enterprises	94	38%
	80% of new micro-enterprises are active after 1-2 years of activity.	200 micro-enterprises	94	47%
Outcome 4:	30 new enterprises linked to the value chains.	30 new enterprises	76	253%
	120 existing subsistence microenterprises have prepared and implemented business plans to become profitable businesses increasing production, sales and employment on sustainable basis, by year 6.	120 micro-enterprises with a business plan	23 (3 females)	19%

Changes at MTR in the targets and justifications

Original Indicator	Revision at MTR	Justification for change
<p>Outcome 1: 70% of the 210 attended rural organizations have strengthened their membership, human and social capital and 40% have increased their assets by year 6.</p> <p>60% of the 210 rural organizations have identified and implemented gender equity affirmative actions by year 6.</p>	Reduce target number of rural organizations from 210 to 125	It was agreed that the target of 210 organizations from 50 communities was never realistic, since the first 20 communities engaged only included 26 organizations. Additionally, it became known that a number of identified groups in the national database were non-functional, religious or political.
<p>Outputs 1.2 to 1.5: At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development by year 4.</p>	At least 500 young rural men/women have registered and/or participated in vocational training, agriculture, business, educational seminars and/or community development activities by year 4.	Registration and/or participation are more measurable and thus a SMART indicator, when compared to motivation and interest.
<p>Outcome 2: 80% of the 1,500 beneficiaries (60% male/40% female: especially young single mothers) of skills/vocational training have become employed in jobs or have become self-employed by year 6.</p>	80% of the 600 beneficiaries (60% male/40% female: especially young single mothers) of skills/vocational training have become employed in jobs or have become self-employed by year 6.	Budget was never adequate to train 1,500 beneficiaries. The primary reason being that the costs of VST increased due to increased demand by development partners and others.
<p>Output 2.2: 900 young men and 600 young women from targeted communities have fulfilled vocational or skills training through MOU and contracts with several service providers.</p>	360 young men and 240 young women from targeted communities have fulfilled vocational or skills training through MOU and contracts with several service providers	
<p>Output 3.1-3.4: 550 new jobs created in non-agricultural businesses by year 5.</p>	330 new jobs created in non-agricultural businesses by year 6.	Due to the reduced number of trainees the original target of 550 is unlikely to be achieved.
<p>Outcome 4: 50 new enterprises linked to the value chains and 200 existing subsistence microenterprises have prepared and implemented business plans to become profitable businesses increasing production, sales and employment on sustainable basis, by year 6.</p>	Target for new enterprises reduced to 30 and for existing subsistence microenterprises reduced to 120.	Reduced number of trainees will reduce the number of potential new businesses.
<p>Output 4.1 -4.3: 1,000 farmers with contracts with GMNIB by year 5.</p>	300 farmers with contracts and selling to GMNIB by year 5.	1,000 contracted farmers was never a realistic target. GMNIB is not currently issuing contracts for purchase of agricultural produce.

Source; PCR.

MAREP - schematic presentation of expected outputs, outcomes and components



Abbreviations and Acronyms

CDB	Caribbean Development Bank
GREP	Grenada Rural Enterprise Programme
HSCB	Human and Social Capacity Building
IFAD	International Fund for Agricultural Development
MAED	Market Access and Enterprise Development
MAREP	Market Access and Rural Enterprise Development Programme
M&E	Monitoring and evaluation
MTR	Mid-term review
PCR	Project completion report
PCRV	Project completion report validation
PMU	Programme management unit
RIF	Rural Investment Fund
RIMS	Results and impact management system
SAEP	Climate-Smart Agriculture and Rural Enterprise Programme
SDR	Special Drawing Rights
USD	United States Dollar

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