

## Project Completion Report Validation

**Smallholder Commercial Agriculture Project – *Projet d’Appui à la Petite Agriculture Commerciale (PAPAC)***  
**Democratic Republic of Sao Tome and Principe**  
**Date of validation by IOE: September 2020**

### I. Basic project data

			Approval (Euro m)**		Actual (Euro m)	
Region	West and Central Africa Division	Total project costs	7.4*		6.8	
Country	Sao Tomé and Principe	IFAD grant and percentage of total	4.5	61%	5.0	74%
Grant numbers*	2000000840; 2000001546	Government of Sao Tome and Principe	0.7	9%	0,4	6%
IFAD project ID	1100001687	French Development Agency	0.5	7%	0.4	6%
Type of project (subsector)	Rural development	Beneficiaries	0.8	11%	1.0	14%
Financing type	Debt Sustainability Framework	Co-financing	0.9	12%	0	0
Lending terms <sup>†</sup>	Not applicable					
Date of approval	29 September 2014					
Date of loan signature	Not applicable					
Date of effectiveness	29 September 2014					
Grant amendments*	0	Number of beneficiaries (households)	4,750 households comprising 18,500 persons		In total, 4,335 households and 17,340 persons	
Grant closure extensions	0					
Country programme managers <sup>1</sup>	Emime Ndhokubwayo (current);	Grant closing date	30 September 2020		31 December 2019	
Regional director(s) <sup>2</sup>	Nadine Gbossa (current ad interim)	Mid-term review			9 October 2017	
Project completion report reviewer	Tullia Aiazzi	IFAD grant disbursement at project completion (%) <sup>3</sup>			112.2%	
Project completion report quality control panel	Eoghan Molloy; Fabrizio Felloni	Date of the project completion report			29 June 2020	

\* IFAD's contribution comprised two grants, each of the same amount, one approved in 2014 and one in 2016.  
\*\*All budget figures in the Project Completion Report (PCR) are in Euro, hence the use of this currency in this document as well.

Source: Smallholder Commercial Agriculture Project, Project Completion Report, 2020.

<sup>1</sup> Previous Country Programme Managers: Vincenzo Galastro.

<sup>2</sup> Previous Regional Directors: Ides De Willebois; Perin Saint Ange; Sana Jatta; Martin Lisandro.

<sup>3</sup> Although 100 per cent of IFAD's grant was disbursed in special drawing rights (XDR), fluctuations in the XDR/EUR exchange rate meant that this amounted to 112.2 per cent of the appraisal amount in EUR.

## II. Project outline

<b>Country &amp; Project Name</b>	Democratic Republic of Sao Tome and Principe, Smallholder Commercial Agriculture Project (PAPAC).
<b>Project duration</b>	Total programme duration: six years; Date of effectiveness: 29 September 2014; Completion date: 31 December 2019; Extension granted: none; Effectiveness lag: 0 months; Time from entry into force to first disbursement of funds: 3 months.
<b>Project goal, objectives and components</b>	<p>PAPAC overall objective was to continue the work undertaken by two previous IFAD-funded projects in reducing rural poverty and food insecurity. Its specific objective was to provide 4,750 of the country's most vulnerable rural households with sustainable opportunities to access income from fair trade of their plant and animal products in niche export markets and the domestic market. Components included:</p> <p>(i) Development of family plantations for the already supported cacao, coffee and pepper value chains managed by four export cooperatives;</p> <p>(ii) Construction of productive infrastructures and consolidation of producer organizations linked to the cooperatives;</p> <p>(iii) Introduction of new income-generating opportunities, namely adapted micro-irrigation techniques and pork and poultry production through contract farming;</p> <p>(iv) Coordination, management and monitoring and evaluation (M&amp;E).</p>
<b>Project area and target group</b>	The project operated in both islands, extending actions to new drier and wetter areas, targeting poor young and women-headed households. Components 1 and 2 would comprise 80 per cent of participants, half of whom expected to be new cooperative members. Component 3 interested 20 per cent of participants, generically vulnerable households that had not benefitted, or not sufficiently yet, of the project.
<b>Project implementation</b>	The Ministry of Agriculture, Fisheries and Rural Development was responsible for project oversight, establishing and chairing a steering committee. This comprised the Ministry of Planning and Finance, the Ministry of Foreign Affairs and Cooperation, the Ministry of Commerce, the autonomous region of Principe, the National Federation of Smallholders, the Chamber of Commerce, and a gender- and island-balanced representation of PAPAC direct beneficiaries. The Project Management Unit (PMU) was responsible for coordination, disbursement, procurement, capacity development, infrastructure development and M&E. The cooperatives were responsible for the execution of activities with their members.
<b>Changes during implementation</b>	The newly introduced poultry and porcine productions were closed before project end due to their non-viability. The project closed nine months earlier than planned, because of unavailability of the foreseen additional co-financing. These changes led to the reduction by the Mid-Term Review of the overall number of targeted beneficiaries and to internal budget revisions.
<b>Financing</b>	Project costs at approval were EUR7.4 million. Two successive IFAD Debt Sustainability Framework grants were approved, for a total of EUR4.5 million; final IFAD disbursement was EUR5 million, representing 74 per cent of total final cost and 112.2 per cent of the initial commitment. The Agence Française de Développement (AFD) provided a parallel grant disbursing EUR 0.4 million, or 6 per cent of total project costs and 82.4 per cent of the initial commitment. The Government contributed EUR0.4 million or 6 per cent of project costs and 59.4 per cent of the initial commitment. Beneficiaries' contribution, at EUR1 million, represented 14 per cent of total project cost and 121.1 per cent of the initial commitment. The planned co-financing of EUR0.9 million did not materialize, which led to a final project cost of EUR6.8 million, 93 per cent of initial budget.

Table 1  
**Project costs (Euro millions)**

<i>Funding source</i>	<i>Appraisal</i>	<i>% of appraisal costs</i>	<i>Actual</i>	<i>% of actual costs</i>	<i>% disbursed</i>
IFAD grant	4.5	61%	5.0	74%	112.2%
Government	0.7	9%	0.4	6%	59.4%
Beneficiaries	0.8	11%	1.0	14%	121.1%
AFD	0.5	7%	0.4	6%	82.4%
Co-financing	0.9	12%	0	0	0
<b>Total</b>	<b>7.4</b>	<b>100%</b>	<b>6.8</b>	<b>100%</b>	<b>93%</b>

Source: Smallholder Commercial Agriculture Project, Project Completion Report, June 2020.

Table 2  
**Component costs (Euro millions)**

<i>Component</i>	<i>Appraisal</i>	<i>% of appraisal costs</i>	<i>Actual</i>	<i>% of actual costs</i>	<i>% disbursed</i>
A. Development of family plantations	2.2	29%	2.06	30%	95%
B. Consolidation of producer organizations	3.1	41.6%	2.4	35%	78%
C. Introduction of new intervention areas	0.6	8.7%	0.29	4%	45%
D. Coordination, management and M&E	1.5	20.7%	2.1	31%	137%
<b>Total</b>	<b>7.4</b>	<b>100%</b>	<b>6.8</b>	<b>100%</b>	<b>93%</b>

Source: Smallholder Commercial Agriculture Project, Project Completion Report, June 2020.

### III. Review of findings

<b>PCR finding</b>	<b>Rating</b>
<b>A. Core Criteria</b>	
<b>Relevance</b>	
<ol style="list-style-type: none"> <li>The overall PAPAC strategy was found to be relevant to both national and IFAD priorities. In addition, the proposed technical approach of three-level vegetation coverage were assessed to be highly pertinent for sustainable soil, water, and biodiversity conservation.</li> <li>The internal logic between components and foreseen activities was also found to be consistent with the specific objective. The Project Design Report identified the target population in the most vulnerable households, namely young households and women-headed households, as well as those households that had already participated in the previous projects but had not emerged out of poverty yet. However, due to the fact that no specific measures were explicitly planned to reach out to the intended target, as shown in the 2015 baseline study, although variations existed, household members of the four cooperatives tended to have more assets, also in terms of education, and higher incomes – except for the coffee producing households - than non-member households.</li> <li>Furthermore, although the project design aimed for an inclusive value chain development, in practice most activities focused on quantitative and qualitative aspects of the production to the neglect of actions aimed at improving the cooperative's access to markets and their internal organizational set-up and functioning. In this regard, the Logical Framework also presented some weaknesses. These were not addressed by the supervision mission nor updated</li> </ol>	4

<b>PCR finding</b>	<b>Rating</b>
<p>when the mid-term review significantly reduced the number of beneficiaries for Component 3.</p> <p>4. Overall, the PCR analysed in great detail the relevance of the project and its strengths and weaknesses. The PCRV agrees with the assessment and confirms the rating as <i>moderately satisfactory</i> (4).</p>	
<b>Effectiveness</b>	
<p>5. The PCR discussion of project results was clear and detailed. Component 1 over-achieved most of its targets, exception made for the number of strengthened or newly established producer groups, 78 against 95 planned. It was however noted that the strong emphasis on quantitative results led the coffee-producing cooperative to neglect the quality of the produce and to undermine the trust-based relationship with the foreign buyer. Also, cooperative leaders estimated that a third of total production was not sold through the cooperatives. If this behaviour was to be expected, it would have been useful to explore the causes and possible mitigating measures.</p> <p>6. Component 2 also over-achieved the targets in terms of number of participants in capacity development events, which included production and harvesting issues, infrastructure maintenance, organization and accounts management, and marketing. Unfortunately, not sufficient information was available on various aspects of the trainings to allow a more detailed analysis of outcomes. Two market studies out of four were completed and participation was enabled in three out of five fairs. With regard to marketing, although the cooperatives have solid relationships with their buyers, the project missed the opportunity to diversify market outlets.</p> <p>7. Component 3 delivered only on the micro-irrigation sub-component; although it did not manage to scale up the acquired know-how, this result has a strong potential to enhance small-scale producers' resilience to the increasingly longer dry seasons. Regarding the poultry and pork contract-farming schemes, similar to the mid-term review the PCR noted the failure of the marketing approach due to the withdrawal of the identified buyers and challenges in procuring feed from abroad. At the same time, both productive activities proved highly interesting for poorer households and landless youth, which suggests there is potential for fine-tuning the value chain model.</p> <p>8. Overall, despite the identified weaknesses, PAPAC over-achieved most of its targets. Hence, the PCRV agrees with the PCR's assessment of the project effectiveness and confirms the rating as <i>satisfactory</i> (5).</p>	5
<b>Efficiency</b>	
<p>9. The PCR accurately analysed the project cost breakdown by contribution and component and noted a good collaboration and synergy among the different donors in providing in parallel the necessary financial resources. Moreover, the XDR/Euro exchange rate evolution entailed a larger disbursement by IFAD and a partial compensation of the gap represented by the missing co-financing initially planned. Another positive aspect of project management was the procurement set-up, which had to take into due account the specific context of very limited numbers of suppliers. Overall, the adopted mechanism was adequate and enabled a smooth implementation of project activities.</p> <p>10. The PCR also analysed in detail the ratio between investment and recurring costs, which was calculated to be 2.59; when compared with IFAD standard value of 2.33 after reallocation, PAPAC was somewhat weak. The final over-spending - 137 per cent - of the initial allocation to Component 4 was largely due to the fact that the PMU staff size was not adjusted to match the project reduced budget once the financial gap was acknowledged.</p> <p>11. Another identified weakness concerned the limited scope of M&amp;E mechanism, which did not produce useful data at the producer associations and household level. The decision to cancel the mid-term and final impact analysis further aggravated the lack of reliable data on targeting and impacts.</p>	4

<b>PCR finding</b>	<b>Rating</b>
<p>12. The project internal rate of return, 13.9 per cent, was marginally higher than what planned at project design (13 percent) and showed that the project was economically viable.</p> <p>13. Overall, the PCRV agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).</p>	
<b>Rural poverty impact</b>	
<p>14. For this criterion, the PCR relied on first-hand data collected through interviews, PMU documents and studies and on the impact assessment by the Research and Impact Assessment Division of IFAD, which was considered robust. Overall, impacts were identified as follows:</p> <ul style="list-style-type: none"> <li>• a clear positive impact on participating household net incomes, approximately 45 per cent higher than for control group households; pepper producers recorded the highest incomes, and coffee producers the lowest;</li> <li>• capacity development impacts for producers were achieved but only regarding production and harvesting techniques; the qualitative survey found that social cohesion had improved within the communities through the establishment of the producer associations;</li> <li>• enhanced food security and diet diversification for participating households were assessed as statistically valid; effects on resilience and capacity to recover after external shocks differed and were not statistically significant;</li> <li>• agricultural production and productivity increased, to different degrees depending on the crop, exception made for organic coffee that saw yields drop significantly due to a variety of factors, climate included;</li> <li>• impacts on institutional aspects of cooperatives and producer groups were limited due to the limited attention given to these aspects during implementation;</li> <li>• regarding impacts on access to markets, the process for the recognition of the protected geographical indication label was close to completion at project closure; the coffee value chain was facing a serious marketing crisis due to the withdrawal of its unique buyer, and required in-depth rethinking; and at households level, cooperative members spent more time to take their produce to the collection centres than control households who were selling their production in their immediate neighbourhood.</li> </ul> <p>15. The PCRV agrees with the PCR's assessment and confirms the rating as <i>satisfactory</i> (5).</p>	5
<b>Sustainability of benefits</b>	
<p>16. The PCR analysed the various dimensions of sustainability and the likelihood of risks impacting on various aspects.</p> <p>17. Institutional sustainability is considered weak for the four cooperatives, due to the limited development of a sense of membership and deeper engagement by members in the entire value chain, in particular for pepper.</p> <p>18. Conversely, technical sustainability was strongly addressed by the project, through its investments in production and processing infrastructures and to some extent, in their maintenance by the members themselves. A moderate risk was identified in the limited technical knowledge within the Cooperatives on some issues and the minimal engagement with the relevant Governmental services for long-term technical support.</p> <p>19. The social responsibility approach adopted by some cooperatives in support of members was assessed as a key factor in strengthening social sustainability. The PCR however considered it closely linked to the cooperatives' institutional strength, thus somewhat at risk.</p> <p>20. Economic and financial sustainability were assessed as 'tangible' by the PCR and closely related to the impacts on incomes and livelihoods. Nevertheless, serious</p>	4

<b>PCR finding</b>	<b>Rating</b>
<p>risks in this regard were identified in the limited diversification of buyers and in the fluctuations of international commodity prices, which should be addressed through careful management of cooperative resources.</p> <p>21. Finally, the national context and stakeholders' commitment were considered important elements contributing to ensuring an enabling environment for the sustained well-functioning of the cooperatives and the value chains.</p> <p>22. The PCRV agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).</p>	
<b>B. Other performance criteria</b>	
<b>Innovation</b>	
<p>23. The PCR identified as innovative the establishment of a coffee-promoting event called "café club"; and the on-going discussion within CEPIBA, the pepper and vanilla exporting cooperative to include producer members among cooperative shareholders. It also reported the efforts of CECAQ-11, the quality cocoa exporting cooperative, to diversify its clients and the study-tours to Cameroon, hardly innovations, while it did not mention here the successful introduction of the micro-irrigation system. At the same time, what was expected to be an innovative approach to poultry and pig value chain through a contract farming model proved to be unsuccessful.</p> <p>24. The PCR lists the quality cocoa exporting cooperative's innovative introduction of a scoring system proposed by members to assess the individual performance of each and everyone, against seven objective indicators. The aim is to ensure that only producers who achieve a minimum score can maintain their membership.</p> <p>25. The PCRV agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).</p>	4
<b>Scaling up</b>	
<p>26. The PCR analysis did not really address the theme of scaling-up, considering that the text under this heading seems to belong more to Innovation and Project Implementation. There is no indication in the PCR analysis that any of PAPAC's activities or experiences have actually been scaled up by other partners or programmes. On the other hand, the PCR identified a number of PAPAC's successful experiences that would merit attention in future projects, although there is no indication of commitments, or pathways to ensure that such experiences would be scaled up. The project itself sought to scale up the piloted livestock and irrigation activities under component 3, but did not succeed in doing so. In the conclusions section of the PCR, it is recommended that these practices instead be scaled up by the government, but there is no indication that the government is committed to accepting or implementing this recommendation in the absence of project support. Meanwhile, in the lessons learned section of the PCR, it is recommended that the certification of Sao Tome and Principe products be further scaled up, but here again, there is no indication of how this activity is expected to be scaled up, nor indeed, by whom.</p> <p>27. The PCRV did not find evidence in the PCR of commitment by any of the stakeholders to adopt or contribute to diffuse specific experiences, approaches or lessons learned from PAPAC. Thus, the PCRV assesses the criterion as <i>moderately unsatisfactory</i> (3), one point lower than the PCR.</p>	3
<b>Gender equality and women's empowerment</b>	
<p>28. Women represented 35 per cent of all cooperative members, with a strong variability across organizations; and 25 per cent of the cooperative management board members. Additional evidence of benefits for women included increased incomes and control, improved self-confidence, more opportunities to 'be heard', new knowledge and improved capacity to invest in plantations.</p>	4

<b>PCR finding</b>	<b>Rating</b>
<p>29. The PCR, however, noted that the project lacked a proper gender strategy, had no gender focal point and was not pro-active in supporting women to face specific gender-biased challenges.</p> <p>30. This PCRV agrees with the PCR's assessment and confirms the rating as moderately <i>satisfactory</i> (4).</p>	
<b>Environment and natural resources management</b>	
<p>31. Taking into account the main threats identified in the social environmental and climate assessment procedures at project inception, the PCR noted that the project had not triggered or expanded any practice that could have a negative impact on the natural resources base and management. On the contrary, the project promoted production techniques that strengthened the resilience capacity of ecosystems in the project areas and the sustainable management and conservation of water, soil and biodiversity.</p> <p>32. The PCRV agrees with the PCR's assessment and confirms the rating as <i>satisfactory</i> (5).</p>	5
<b>Adaptation to Climate Change</b>	
<p>33. The archipelago is facing climate variability that generated an intensification of torrential rains and an extension of the dry season. Although no data exist on the impacts of climate change on the export products, including cocoa, coffee, pepper, producers saw the extended dry period as one major constraints for pepper cultivation.</p> <p>34. The PCR noted that among the environmentally sustainable techniques introduced by the project, only micro-irrigation directly contributed to strengthen both the ecosystem resilience to climatic hazards and the farming household strategies vis-à-vis climate change. However, the project only achieved the pilot testing phase and did not contribute to a broader diffusion of the technique.</p> <p>35. The PCRV agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).</p>	4
<b>C. Overall Project Achievement</b>	
<p>36. PAPAC was the third IFAD-funded grant, with other partners, that led over 25 years to the development of three export-oriented value chains. By project closure, the two cocoa-focused cooperatives had achieved economic and financial autonomy, whereas the coffee and pepper-focused cooperatives were still facing some challenges. The planned innovative contract-farming for poultry and pigs did not prove viable.</p> <p>37. The PCR recognized the strong impulse given to the production steps of the promoted value chains, through capacity building and enhancement of production and processing capacity. This paid in terms of incomes increase and food security improvement for producers. However, the ambitious target of poverty-reduction for the most vulnerable households was not addressed during project implementation. Nor were sufficient information or data collected at the level of producer groups and the mid-term and final impact assessments were not conducted. This means that little information was available on the profile of cooperative membership and its evolution over time and on impacts at the household and intra-household level.</p> <p>38. Also, the PCR considered that the project missed the opportunity to strengthen cooperatives and producers' groups as institutions, and their marketing strategies by diversifying access to markets.</p> <p>39. On the other hand, the project approach had positive effects on the natural resource base in the interested areas, by promoting cropping practices that contribute to the conservation of water, soil and bio-diversity, and strengthen producers' resilience against climate change.</p>	4

<b>PCR finding</b>	<b>Rating</b>
40. Overall, the PCR agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).	
<b>D. Performance of Partners</b>	
<b>IFAD</b>	
41. The PCR noted that IFAD carried out all planned supervision missions, including the Mid-Term Review, and that all provided useful recommendations.	4
42. At the same time, the PCR observed that IFAD's focus on production prevented sufficient attention to be given to cooperative management and diversification of markets and to the managerial challenges faced by two cooperatives. Also, the PCR regretted that the 2018 Supervision mission decided not to carry out a proper study of the project's impacts and that the Supervision missions systematically over-rated 'targeting', which prevented more attention being given to the issue during implementation.	
43. The PCR agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).	
<b>Government</b>	
44. The PCR based its assessment on the lack of Government's compliance with the financial commitments which resulted in the final delivery of 42 per cent of the initially planned contribution. At the same time, the PCR noted that the Steering Committee did adequately commit to its tasks and provided adequate oversight of the project.	4
45. The PCR agrees with the PCR's assessment and confirms the rating as <i>moderately satisfactory</i> (4).	

#### IV. Assessment of PCR quality

<b>PCR finding</b>	<b>Rating</b>
<b>Scope</b>	
46. The PCR adequately analyses the entire project, from the Project Design Report to the final steps in implementation. The report also brings to bear in the analysis, new analysis on design and additional information on implementation that had not been raised in any other available report. Overall, the scope of the PCR is rated as <i>highly satisfactory</i> (6).	6
<b>Quality</b>	
47. The PCR is a thorough and critical assessment of the project. Its quality is overall good, albeit somewhat uneven, in terms of depth of analysis, detail of evidence pursued and brought to bear, formulation of lessons learned and recommendations. A few weaknesses were identified nevertheless: <ul style="list-style-type: none"> <li>the lack of explicit discussion of the rationale underpinning the rating for each criterion;</li> <li>in a few instances, for example in the discussion of incomplete information on capacity development events or the lower number of participation in fairs and market studies, the reporting of a performance gap without exploring its causes;</li> <li>the PCR does not analyse the criterion of 'scaling-up' and its assessment of 'innovation' is less robust than other sections; similar lack of clarity was noted in the discussion of the different types of sustainability; this may be due to lack of understanding of what was expected under each heading.</li> </ul>	4
48. While the PCR was generally of good quality, given the very specific above-mentioned shortcomings, the quality is rated as <i>moderately satisfactory</i> (4).	



<b>Lessons</b>	
49. The PCR draws several relevant and interesting lessons to be learned related to project approach, M&E, project financial management. Although the listing of each lesson under the respective heading might be debatable, i.e. a lesson on access to land for youth seems to belong more to project approach than to M&E, all identified lessons appear to be worth considering by IFAD across its many value chain development projects and beyond. The PCRV rates the PCR lessons as <i>highly satisfactory</i> (6).	6
<b>Candour</b>	
50. The PCR is fully candid about weaknesses and gaps in the project design and implementation, while being very careful at maintaining an objective and objective analytical approach of the available evidence. The PCRV rates the PCR's candour as <i>highly satisfactory</i> (6).	6
<b>Overall rating of the project completion report</b>	
51. Given the generally good quality of the PCR, with the exception of the points described above, the PCR is rated as <i>satisfactory</i> (5).	5

## V. Final remarks

<b>Issues for IOE follow up (if any)</b>
There are no issues for IOE to follow up, but it is worth noting that, despite the weaknesses listed above, this PCR is remarkable for being very candid and constructively critical of the project.

## Definition and rating of the evaluation criteria used by IOE

Criteria	Definition *	Mandatory	To be rated
<b>Rural poverty impact</b>	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"> <li>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.</li> </ul>		No
	<ul style="list-style-type: none"> <li>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.</li> </ul>		No
	<ul style="list-style-type: none"> <li>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.</li> </ul>		No
	<ul style="list-style-type: none"> <li>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.</li> </ul>		No
<b>Project performance</b>	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
<b>Other performance criteria</b>			
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
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>
<b>Overall project achievement</b>	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
<b>Performance of partners</b>			
• 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<sup>a</sup>

<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>
<b>Rural poverty impact</b>	5	5	0
<b>Project performance</b>			
Relevance	4	4	0
Effectiveness	5	5	0
Efficiency	4	4	0
Sustainability of benefits	4	4	0
<b>Project performance<sup>b</sup></b>	4.25	4.25	0
<b>Other performance criteria</b>			
Gender equality and women's empowerment	4	4	0
Innovation	4	4	0
Scaling up	4	3	-1
Environment and natural resources management	5	5	0
Adaptation to climate change	4	4	0
<b>Overall project achievement<sup>c</sup></b>	<b>4</b>	<b>4</b>	<b>0</b>
<b>Performance of partners<sup>d</sup></b>			
IFAD	4	4	0
Government	4	4	0
<b>Average net disconnect</b>			<b>-1/12=0.08</b>

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

<sup>b</sup> Arithmetic average of ratings for relevance, effectiveness, efficiency and sustainability of benefits.

<sup>c</sup> 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.

<sup>d</sup> 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>
Candour	n.a.	6	n.a.
Lessons	n.a.	6	n.a.
Quality (methods, data, participatory process)	n.a.	4	n.a.
Scope	n.a.	6	n.a.
Overall rating of the project completion report	n.a.	5	n.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.

## **Abbreviations and Acronyms**

AFD	Agence Française de Développement
IOE	Independent Office of Evaluation
M&E	Monitoring and Evaluation
PAPAC	Smallholder Commercial Agriculture Project (from French Projet d'Appui à la Petite Agriculture Commerciale)
PCR	Project Completion Report
PCRv	Project Completion Report Validation
PMU	Project Management Unit

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