

## Project Completion Report Validation

### Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP)

Socialist Republic of Viet Nam

Date of validation by IOE: December 2019

## I. Basic project data

			Approval (US\$ m)		Actual (US\$ m)	
Region	Asia and the Pacific	Total project costs	45,679		41,260	
Country	Socialist Republic of Viet Nam	IFAD loan and percentage of total	22,000	48,2%	20,444	49,5%
IFAD loan number	I-901-VN	IFAD grant	0,500	1,1%		
IFAD grant number	I-C-1458-VN					
Trust loan number	E-21-VN					
Type of project (subsector)	Rural development	Spanish Trust Fund	10,001	21,9%	6,890	16,7%
Financing type	Loan and grant	Borrower (Indonesian Government)	6,159	13,5%	4,946	12,0%
Lending terms (IFAD loan)	Highly concessional	N/A				
Date of approval	19 September 2013	N/A				
Date of loan signature	27 November 2013	Beneficiaries	7,019	15,3%	8,980	21,8%
Date of effectiveness	27 November 2013	Other sources (N/A)				
Loan amendments	None	Number of beneficiaries	Direct 90 000 Indirect 1 674 493			
Loan closure extensions	None	Project completion date			31.12.2018	
Country programme managers	Thomas Rath	Financing closing date			30.06.2019	
Regional director(s)	Nigel Brett (current) Hoonae Kim	Mid-term review			02.10.2016	
Project completion report reviewer	Ernst Schaltegger	IFAD loan disbursement at project completion (%)			91%	
PCRV quality control panel	Eoghan Molloy Fabrizio Felloni	Date of the project completion report			30.06.2019	

Source: Project Completion Report (2019).

\*\* Ordinary loan terms: interest is borne on the principal amount outstanding at the IFAD reference interest rate as determined semi-annually by the Executive Board. Ordinary loans have a maturity period of 15 to 18 years including a grace period of three. The Government of Indonesia requested an extension of the grace period from three to five years, consistent with the length of the project implementation period.

## II. Project outline

1. **Introduction.** The Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP) was approved by IFAD's Executive Board in August 2013. Total project financing was US\$45,68 million, funded by an IFAD loan of US\$22,00 million, an IFAD grant of US\$0,50 million, a Spanish Trust Fund loan of US\$10,00, a contribution of the Government of Viet Nam of US\$6,16 million and a share of the beneficiaries of US\$7,02 million. The project financing agreement was signed on 27 November 2013, with project implementation starting immediately thereafter. The project completion date was 31 December 2018.<sup>1</sup>
2. **Project area.** The SRDP was implemented in the two provinces of Ha Tinh and Quang Binh in Central Viet Nam. Quang Binh had a population of 853,004, while the population of Ha Tinh was 1,229,197. The project focussed on upland areas because of: (i) their relative poverty; (ii) their significant populations of ethnic minorities; (iii) the prevalence of degradation and extreme climatic events; and (iv) the lack of business orientation within upland communities, despite the potential that exists for market-oriented agricultural enterprise development. The project area in Quang Binh included 20,600 poor households, of which 4,300 from ethnic minorities, and 9,200 were near poor. In Ha Tinh, the project communes included 19,100 poor households and 21,500 near poor households.<sup>2</sup>
3. **Project context.** Since the 1986 decision of the Government of Viet Nam to introduce a wide-ranging set of reforms known as *Đổi Mới* (renovation), the economy has sustained strong economic growth. From 2001 to 2012, the Gross Domestic Product (GDP) growth rate averaged 6.3 per cent, which has resulted in rapid poverty reduction. The poverty rate at appraisal stood at about 21 per cent. Due to this growth, almost 30 million people had been lifted out of poverty since the 1990s. These achievements had been accompanied by structural shifts in the economy, with an increase in the GDP proportion of industry and construction and a reduction in that of agriculture from more than 40 per cent in 1990 to about 20 per cent in 2011. The proportion of the labour force engaged in agriculture also dropped from more than 80 per cent in the 1990s to less than 50 per cent in 2012.
4. **Project objective and components.** The goal of the project was to sustainably improve the incomes and reduce the vulnerability of rural poor households in targeted upland areas of Ha Tinh and Quang Binh. The development objective of the project was to invest in climate-smart, socially equitable and profitable rural development models that promote pro-poor market linkages and value chains and more competitive rural businesses.
5. The project had four components:
  - a. **Market-led development planning.** This component built on the market-oriented socio-economic development planning (MoSEDP) process that had been introduced in many communes in the project area.
  - b. **Rural financial services.** This component supported more inclusive financing for market-oriented, climate-smart agriculture and agribusiness investments, and leverage financing for productive investments in farm and off-farm activities from existing credit lines. It financed the establishment of women's savings and credit groups (SCGs) in the new communes covered by the project.
  - c. **Market and value chain investment.** This component supported the operationalization of environmentally sustainable and profitable pro-poor value chains and market linkages. In addition, the component financed the

---

<sup>1</sup> IFAD. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP), Project Completion Report, Rome, 30 June 2019.

<sup>2</sup> IFAD. Proposed loan and grant to the Socialist Republic of Viet Nam for the Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP), President's Report, Rome, 20 August 2013.

establishment of a community fund to provide co-financed investment for climate-smart agriculture production, public infrastructure facilities and public-private partnerships (PPPs).

- d. **Project management.** The project management arrangements are outlined below. Component costs and percentages of the total cost at appraisal and completion are shown in Table 2.
6. **Target group and targeting.** The targeting approach was a combination of area targeting and direct household targeting. The Project Design Report states these targeting principles: *“The project’s target groups include: (i) rural poor households with land and labour; (ii) unskilled employed rural people; (iii) rural people who lack production land but have the desire and capacity of doing business; and (iv) ethnic minorities who lack income, skills and other factors of production. It is noted that in some areas, ethnic minorities have an observable dependency syndrome, due to prolonged reliance on government subsidies. Such groups will require additional training and specially designed interventions to enable their participation in the project..... Other actors that will benefit from the project include (i) the households (key farmers) who have the possibility to promote agriculture production in commercial ways; (ii) agriculture businesses that find the common interest in promoting agriculture product in a commercially viable way...”*
7. **Financing.** Total project cost was US\$45,7 million, with an IFAD loan of US\$22 million and an IFAD grant of US\$0,5 million, which together amounted to 49,3 per cent of project cost. Foreign financing was complemented by a Spanish Trust Fund of US\$10,0 million. The Government of Viet Nam and the beneficiaries contributed US\$13,2 million 28,8 per cent of project cost.

Table 1  
**Project costs (in US\$ million)**

	Approval (1)	% of total	Actual (2)*	% of total	Disbursement rate (2/1) *
IFAD loan	22,000	48,2%	20,444	49,5%	91%
IFAD grant	0,500	1,1%			
Spanish Trust Fund Loan	10,001	21,9%	6,890	16,7%	69%
Government	6,159	13,5%	4,946	12,0%	80%
Beneficiaries	7,019	15,3%	8,980	21,8%	128%
<b>Total</b>	<b>45,679</b>	<b>100%</b>	<b>41,206</b>	<b>100%</b>	<b>90%</b>

Table 2  
**Component costs (in US\$ million)**

	Approval (1)	% of total	Actual (2)*	% of total	Disbursement rate (2/1) *
Component 1	6,239	13,7%	4,641	11,2%	74%
Component 2	4,359	9,5%	3,603	8,7%	83%
Component 3	27,254	59,7%	26,692	64,7%	98%
Project Management	7,826	17,1%	6,324	15,4%	81%
<b>Total</b>	<b>45,679</b>	<b>100%</b>	<b>41,260</b>	<b>100%</b>	<b>90%</b>

Sources: (1) Project Design Report (2012), (2) Project Completion Report (2019)

8. **Implementation arrangements.** The SRDP management in each province was set up at three levels: province, district and commune. Ha Tinh and Quang Binh Provincial People's Committees (PPCs) were the project coordination agencies and also the project owners. They established Project Steering Committees (PSCs), which assisted the PPCs in leading government agencies, mass organizations, the private sector and communities at all levels to ensure achievement of the project objectives. The Project also established Provincial Agri-business Advocacy Committees composed of representatives of farmer organisations, the private agri-business sector, financial institutions and relevant provincial agency officers. Moreover, the Project created Value Chain Facilitation Units within each PPMU. These units, with national and international technical support, undertook studies and consultation/engagement with provincial and district agencies to identify and quantify potentially viable market and value chains interventions. Quarterly, inter-provincial PPMU meetings were held to enable cooperation in identification of shared technical assistance providers. One tier lower, the Commune People's Committees were accountable for the project implementation at the commune level. To the extent possible, project implementation was decentralized to the Commune People's Committees, based on the commune MoSEDP, such as infrastructure and value chain development.
9. At the district level, the District People's Committee was responsible for coordination of the project activities and integration with the organizational structures and mandates of the line agencies and mass organizations. The District People's Committee chairperson (or vice-chairperson) was responsible for the coordination of project activities. The above suggests that all essential project implementation functions were systemically embedded in existing governance structures.
10. **Intervention logic.** The Project Completion Report (PCR) devotes a section to the internal logic of SRDP. While the President's Report<sup>3</sup> and the Project Design Report<sup>4</sup> do not mention a theory of change, the PCR visualizes a model displaying the logic of the SRDP intervention (Paragraph 49 of the PCR). It depicts a development hypothesis where chain-based collaborative groups (CGs) are benefitting from the support of both public and market services, ultimately facilitating sales to market players. This model is similar to the one developed by the Springfield Centre, the authors of M4P approach ("Making Markets Work for the Poor").<sup>5</sup> M4P is a market systems development approach in which potentials are exploited and constraints against the participation of the poor in such systems are analysed and corrected in a systemic mode. It is considered today as a state-of-the-art methodology for market systems development.
11. **Delivery of outputs.** The PCR does not separately display the delivery of outputs. Instead, it describes in detail the achievement of outputs and outcomes in its Paragraphs 55-89. The outputs achieved in the three operational components are measured by a total of 50 quantitative magnitudes, of which only 14 are referring to initial target values. The Project Design Report provides a possible explanation of this rather unusual pattern by stating that: *"In order to end up with a single and compatible system, the MIS will be set up centrally at programme start-up and refinements introduced in the light of experience during the first year. It will be based on the Logical Framework, which will be modified together with the MIS during implementation to adjust the project to changing circumstances"*. This

---

<sup>3</sup> IFAD. Proposed loan and grant to the Socialist Republic of Viet Nam for the Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP), President's report, Rome, 20 August 2013.

<sup>4</sup> IFAD. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces, Final Project Design Report, Rome, September 2013.

<sup>5</sup> The Springfield Centre (2015) The Operational Guide for the Making Markets Work for the Poor (M4P) Approach, 2nd edition funded by SDC & DFID.

makes the comparison between planned and achieved somewhat difficult, at least at output level.

12. **Changes and developments during implementation.** According to the PCR, no major changes to the design have been made by the project during implementation. However, as highlighted by the 2018 supervision mission report,<sup>6</sup> a minor change related to two indicators of the Project Objective was changed after the mid-term review (MTR) in 2016. Firstly, "20,000 poor households engaged in profitable enterprises supported by the project" was agreed to change to "20 000 poor, near-poor, and medium households engaged in profitable activities supported by the project". Secondly, the "at least 100 new commune level enterprises operating at project completion" was changed to: "at least 100 new commune level collaborative groups, cooperatives, and enterprises operating at project completion". The reformulations do, however, only confirm the subtleties of the targeting strategy of the project, i.e. a confirmation of the pro-poor approach without excluding other relevant value chain participants (Paragraph 6).

### III. Review of findings

#### A. Core criteria

##### Relevance

13. **Relevance of objectives.** The PCR notes that the SRDP's intervention and approach on micro-finance, inclusive value chain development and focused targeting to the upland poor and ethnic minority people were relevant to the Government of Vietnam and provincial policies and strategies. The project was consistent with: (i) the Agricultural Restructuring Strategy and the National Target Program on New Rural Development (NTP-NRD) as well as to the needs of beneficiaries; (ii) strong leadership and commitment from the local governments PPCs and PSCs in decentralization, piloting, institutionalizing and scaling-up innovations.
14. SRDP was also consistent with IFAD's Country Strategic Opportunities Program (COSOP)<sup>7</sup> in Viet Nam, 2012-2017, in all three strategic objectives. These were: (i) Enable poor rural provinces to carry out market-led, pro-poor rural development; (ii) Improve access of poor rural people – particularly women – to commodity and labour markets; and (iii) Enhance the capacity of poor rural households to adapt to climate change. It is noteworthy that the COSOP, and then prominently also SRDP, built on the International Panel on Climate Change 4th Assessment, which characterized Vietnam as a "hotspot of key future climate impacts and vulnerabilities in Asia", due to high population concentrations in the Mekong and Red River Deltas.<sup>8</sup>
15. **Value chains for the poor.** The Project Design Report indicates facts and figures that underline the relevance of opening markets for the rural poor. In Viet Nam, 70 per cent of employment is created by household micro-enterprises, which generate about 31 per cent of GDP and are often rurally-based (57 per cent). Enabling these enterprises to grow and integrate is an essential part of value chain development in Viet Nam.
16. The Project Design Report<sup>9</sup> observes that there has been marked previous success in achieving the goals of the Improving Market Participation of the Poor Project in Ha Tinh Province and in the recently completed Decentralised Programme for Rural

---

<sup>6</sup> IFAD. Viet Nam. Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces Supervision Report, Rome, 16/11/2018.

<sup>7</sup> IFAD. Socialist Republic of Viet Nam, Country strategic opportunities programme, Rome, April 2014.

<sup>8</sup> Roshan Cooke, Regional Climate and Environment Specialist for the Asia and Pacific Region International Fund for Agricultural Development (IFAD), [ro.cooke@ifad.org](mailto:ro.cooke@ifad.org).

<sup>9</sup> IFAD. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces, Final Project Design Report, Rome, September 2013.

Poverty Reduction in Quang Binh Province. Both have delivered a strong positive impact on project investment at commune and village levels, increasing the participation of beneficiaries and enhancing the ownership of local authorities. They have introduced the concept of poverty reduction with market orientation and have introduced the local stakeholders to market and value chain development, promoting market linkages and the collaboration between private sector and larger scale farmers. This is indicative of SRDP's determination of objectives to build on tangible precursor experience in both project province.

17. **Adequacy of project design.** As Paragraph 9 observes, the design of SRDP was consciously embedded. The project implementation modality through the existing systems at commune, district and provincial levels was relevant to implement activities in an efficient manner. The implementation modality helped to integrate inputs from various sources through MoSEDP, and enhanced the capacity of local agencies at these levels to achieve the expected results (PCR). In hindsight, there is not much to say against such a design that indeed appears to be "naturally integrative".
18. **Project adjustments during implementation.** The fact that neither loan closure extensions nor loan amendments were necessary, and that a 90 per cent overall disbursement rate was achieved, may hint at a good degree of relevance, in both objectives and design, and that quality at entry was conducive for a seamless project implementation. The Project Completion Report Validation (PCR/V) rates relevance as *satisfactory (5)*, at par with the Programme Management Department (PMD) rating.

### **Effectiveness**

19. The IFAD Evaluation Manual<sup>10</sup> defines effectiveness as "*the extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.*" Measuring this "extent" is normally done by assessing the effective magnitudes of the objective or outcome-related indicators in the original, or the MTR-adjusted, logical framework, where applicable. Measuring output indicators is also important to monitor project implementation and performance, but these are constituting "lower-levels of the result chain"<sup>11</sup> and therefore fall short to provide full evidence of effectiveness. These remarks are deemed necessary here because the PCR measures effectiveness by relegating a number of outcome indicators of the original and MTR-adjusted logical framework *to output level*. On the other hand, they have all been considered in the PCR, which is assessing a big number of output-related indicators that only partially had initial or MTR targets (i.e. 14 out of 50 indicators displayed in the PCR, see Paragraph 11). This is to be kept in mind in this section of effectiveness as it could blur stringent comparisons between the planned and the achieved values at the appropriate logical levels.
20. **Objective 1: Market-led development planning.** MoSEDPs have covered all communes instead of only those from the pilot districts. By the end of the project, all 421 communes in Quang Binh and Ha Tinh prepared annual MoSEDP plans and identified investment priorities, instead of only 262 communes from the seven pilot districts. The targets were at least six financially viable provincial level Public-Private value chain initiatives to operational in each province. With 24 initiatives attained at completion, this indicator was also overshot.
21. As the PCR remarks, there was not any significant evidence that various resources from the government regular budget, national and donors' programmes (including SRDP and NTP-NRD) were combined to finance investment priorities. Therefore, MoSEDP's holistic feature was left unconfirmed. Integration of climate change

---

<sup>10</sup> Independent Office of Evaluation of IFAD. Evaluation Manual, Second Edition, Rome, 2015.

<sup>11</sup> Ibidem.

adaptation varied among commune MoSEDP plans. On one hand, a large number of effective climate smart practices and investments were made during project life, and some MoSEDP plans included more adaptive value chain products. On the other hand, the MoSEDP planning manuals of both provinces provided no instructions for climate-smart adaptation and the related content did not appear on some MoSEDP plans of both project communes and non-project communes. The cited supervision report of November 2018 made analogous critical remarks.

22. **Objective 2: Rural financial services.** The related outcome indicators were the creation of two Micro-finance institutions (MFIs), one in each province, less than 5 per cent non-performing loans in new SCG portfolio and at least 355 new women's SCGs. While no new MFI was set up, the loan portfolios with existing MFIs of SCGs had zero per cent un-performing loans, and the number of new Sustainable Development Goals finally was 449 (PCR).
23. The project indeed favoured a rapid development of SCGs and SCG members. The 449 new SCGs counted 5,417 members at completion, and 74 village savings-loan associations (VSLAs) with 1,348 members were established, double the number of women's credit/loan groups and their members in the project area. This was possible as funding support went together with capacity building for SCG members and Women's Development Funds (WDF) staff. 638 training courses for members (35,597 turns) and three study tours (270 group heads, WDF and Women's Union staff) have been organized to improve their capacity and guide implementation. However, the PCR is aware that the quality of the expected outcome, defined as "increased and more inclusive financing for market oriented, climate smart agriculture and agri-business investments" was questionable. The relatively small size of WDF loans was insufficient to finance climate-smart agriculture or agri-businesses effectively.
24. **Objective 3: Market and value chain investment.** The PCR sums up the performance of Component 3, observing that both targets at the outcome level have been delivered. 19 provincial Value chain Action Plans (VCAPs) against 12 and 283 commune VCAPs against 100 have been prepared and approved by the local government for implementation in Quang Binh and Ha Tinh. Some value chains have received financial and technical support from SRDP, including seafood, livestock, herbs, citrus, mushroom, and peanut production. Market leverage and value chain investments were operated smoothly through credit and savings associations (CSA) and PPP activities in Quang Binh in the whole project life and in Ha Tinh until 2017, which thereafter suffered delays. The component outcome, defined as "environmentally sustainable and profitable pro-poor value chains and market linkages operational", has been delivered with moderately satisfactory quality.
25. The PCR provides evidence of achieved outcomes and also transparently exhibits some downsides, concluding on a rating of moderately satisfactory in terms of effectiveness. The fact that the outcome and output levels of the original logical framework were somewhat blurred in the final PCR analysis induces this PCRV to rate SDRP effectiveness as well as *moderately satisfactory (4)*.

### **Efficiency**

26. The effectiveness lag of SRDP was two months only. This is much lower than the Asia and Pacific regional average of 11,4 months reported in the evaluation of IFAD's regional strategy (EVEREST). The project achieved a reasonable disbursement rate in USD, at 90 per cent. A higher disbursement rate is reported from Quang Binh, with 100 per cent, while Ha Tinh achieved 81 per cent. At MTR, in October 2016, Quang Binh Province displayed a disbursement rate of only 31 per cent while Ha Tinh stood at 42 per cent. The first supervision mission report assessed disbursement progress of the IFAD and Trust Fund loans as satisfactory.

Thus, SRDC seems to have suffered less from implementation lags before MTR, which are relatively common in IFAD-funded operations.

27. **Project management costs.** According to Table 2 in Paragraph 7, the ratio of project management costs to total cost is 15.4 per cent. This is not uncommon in projects with high support intensities to populations mostly constituted by rural poor.
28. **Total project cost per beneficiary household.** The PCR displays differentiated per beneficiary household cost. Average costs per household and per beneficiary are deemed much better than the cost ratios in similar IFAD projects in Viet Nam. The project costs per household, per poor/near-poor household and per beneficiary were respectively US\$481, US\$1,283 and US\$117.
29. **Economic rate of return.** The PCR calculates quantifiable benefit streams directly related to the project interventions that have been created by four key investments, namely: (i) 16 per cent for the WDF; (ii) 41 per cent for the CSA; (iii) 19 for infrastructure investments; and (iv) 44 per cent for PPPs. At aggregate level and with a discount rate of 12 per cent over 20 years, the economic internal rate of return is 20.1 per cent, exceeding the set target by 18 per cent.
30. The PCR exhibits an efficiency rating of moderately satisfactory, mostly driven by the overall disbursement rate of 90 per cent. PCR rating concurs and rates this criterion as well as *moderately satisfactory (4)*.

### **Rural poverty impact**

31. Data used in the PCR in support of the project's claims of rural poverty impact are taken from two sources, namely the Results and Impact Management System (RIMS) and the baseline and end surveys, respectively. There is no evidence that the baseline and end surveys systematically included control groups. To a very limited extent, the PCR compares data from project and non-project communes (Paragraphs 35, 39 and 47). On the other hand, it is true that the Executive Board approved the RIMS methodology including its updates, which explicitly did not include control groups.
32. According to the PCR, the project reached 85,654 households at the end of 2018, equivalent to 81.1 per cent of the total number of households in the 90 project communes (representing 116 per cent completion against the target of 70 per cent total households. In total, 32,160 households were poor and near-poor, accounting for 37.5 per cent of the total households reached by the project (55.7 per cent in Quang Binh and 24.6 per cent in Ha Tinh). The project also reached a reasonably high number of ethnic minorities' households in Quang Binh, with 3,274 households or 9.2 per cent of the total number of households reached in Quang Binh, or 4 per cent of the two provinces. With an average of 4.3 people per household in Quang Binh and 4.0 people per household in Ha Tinh at completion, the project reached about 352,236 persons, representing 112 per cent completion against the target of 314,020 persons.
33. The PCR itself goes at some lengths with respect to targeting, in its Paragraphs 38-41 and 127-135. According to the design, the area was selected due to: (i) the relative poverty of upland communes/districts; (ii) significant populations of ethnic minorities in upland areas; (iii) degradation and extreme climatic events in upland areas; and (iv) the lack of business orientation within upland communities, despite potential for market oriented agricultural enterprises. The selection of 90 project communes from 16 districts were largely based on the criteria above presented. In the case of Ha Tinh, 21 poor communes from 3 upland districts were prioritized for selection and investment. The other communes were from lowland areas, with high incidence of extreme weather, but lower poverty rate. Among 50 selected target communes in Ha Tinh, 10 had less than 20 per cent poor and near-poor households in 2013. Stuck between the low poverty rates in the selected communes and

demanding requirements of the market-based approach, local authorities found it difficult to ensure 50 per cent poor and near-poor participation in the project interventions.

34. At project completion, the goal indicator target for poverty reduction was exceeded by 16 per cent. The provincial statistics showed an 18 per cent reduction in the prevalence of poor and near-poor households in the 90 targeted communes in Quang Binh and Ha Tinh between 2014 and 2016 (from baseline to mid-term), growing to a 46 per cent reduction by 2018 (project end line). Poverty reduction was more rapid in the project communes than in the non-project communes from the same districts (a 22 per cent decrease compared to a 14 per cent decrease respectively from 2014 to 2018), despite higher concentration of poverty in the targeted area before the project. In 2013, the rate of poor and near-poor households in the project communes was 48 per cent compared to 27 per cent in the non-project communes. In view of these facts and figures, it can be surmised that SRDP was inclusive of poor, near-poor and ethnic minority households, but by far not exclusively focusing on them.
35. **Household incomes and assets.** The PCR presents ample data on household income and assets and reflects on observed variabilities. Most households benefited from improved income and had more assets. However, the set target for income improvement of the poor was reached in only one province. In Ha Tinh, the project contributed to increase income and assets of 50,023 households, including 25 per cent poor and near-poor households. Only 34 per cent of poor households from the project communes earned 25 per cent income increase or more, which was lower than the set target (70 per cent). According to the PCR, this was partly attributable to the fact that a lot of poor households had elderly, small kids, sick or disabled members and no labour to get involved in the project production activities.<sup>12</sup>
36. The RIMS data reflect positive changes to household assets from the baseline to the end line surveys. Specifically, the changes involved floor materials, cooking fuels, e.g. environmentally friendly fuels such as gas and biogas, home appliances and vehicles, such as refrigerators and motorcycles, farming equipment and farming machinery, and safe water and toilets. Unfortunately, the RIMS instrument did not provide disaggregated data by poverty category for the asset measurements above, so it was impossible to judge the change in assets of the poorer target groups.
37. **Food security and agricultural productivity.** Although the logical framework does not contain indicators related to food security and agricultural productivity, the PCR presents relevant data. In Quang Binh, the number of households suffering from one hunger period a year decreased from 12.8 per cent to 6.1 per cent, and of those who had two hunger periods a year decreased from 1.7 per cent to 0.3 per cent from 2014 to 2018. Analogous indicators for Ha Tinh were 23, 8, 1 and 1 per cent. The average length of food shortage decreased from 5.9 months to 5.0 months in Quang Binh, and from 3.3 months to 3.0 months in Ha Tinh. The RIMS data of 2014 and 2019 from Quang Binh showed a reduction of malnutrition among under-5-years-old children, in particular chronic malnutrition.
38. The PCR reveals that *rice production* increased at a higher rate in the project area than in the non-project area (5 per cent versus 4 per cent, respectively) and that it was equally driven by yield and area extension. As rice was the key food crop for local people, the PCR assumes that increasing rice production may have contributed to improvement of food security mentioned above. The PCR data mentioned above, however, do not infer significant differences between non-project and project areas. With *rice yields*, the differences become close to zero

---

<sup>12</sup> Monitoring and Evaluation (M&E) systems of SRDP Quang Binh and Ha Tinh, end-of-project household surveys, PCR interviews and discussions.

(2.4 per cent against 2.2 per cent yield increases in project and non-project communes, respectively).

39. **Human and social capital and empowerment.** The PCR rates the formation of human and social capital as satisfactory. Individual and household capacity was improved through technical and market skill training, and vocational training for farm and non-farm careers. Almost 24,000 farmers in Quang Binh and 22,500 in Ha Tinh were given agricultural and vocational training. At the same time, training on market and business skills, group formation and operation were provided. Key farmers took part in the training of trainers to qualify for re-training and instructing CG members.
40. Social capital was built through effective community and group networks, in which the poor and near-poor and women were supported. They made up a large proportion in CGs, i.e. 50 per cent of general CGs, and 57 per cent of CSA-supported CGs. More importantly, they were offered an equal opportunity in decision making and implementation and in income allocation to members. In case the poorer members were not able to pay counterpart contribution to form the co-financing fund, the non-poor ones offered the balance in advance and the amounts would be paid back against the profit earned at the end of the cycle. It worked like a social support net for disadvantaged groups (poor, women, etc.) to participate in the project interventions.
41. **Institutions and policies.** The PCR perceives positive impacts in the domain of institutions and policies in three main areas: MoSEDP formulation and implementation, growing economic organizations, and institutional capacity of local agencies. Thanks to project support in testing and capacity building at all levels, the commune MoSEDP planning process has been institutionalized and rolled out to all communes and wards in the two provinces. The application of this process has: (i) enabled more active participation of the poor and near-poor households and women in setting priorities for investments; (ii) created a high level of consensus and trust between the beneficiary community and the Government; (iii) facilitated integration and better use of resources for development of prioritized value chains and adoption of climate change adaptation solutions; and (iv) facilitated private sector investment with the target households and their groups, thereby enabling these households to produce and sell their products more conveniently.
42. In the community, the formation and operation of SCGs and VSLAs in villages with regular support from the WDF and the Women's Union, has created a new habit of savings and using effective capital resources for women, poor, near-poor and ethnic minority households. Thanks to these groups and the Women's Union network, it has become easier for women to access additional capital from different banks. The application of value chain development tools and financing instruments (e.g. VCAP, CSA, PPP, Community development fund, and WDF) in formation of climate smart, socially equitable and profitable rural development models that promote pro-poor market linkages, value chains and enhanced rural business competitiveness has brought about very useful lessons and experience. Specifically, based on the SRDP experience, Ha Tinh PPC has issued a number of policies to encourage participation of value chain actors in commodity production and business at larger scales, higher added value and sustainability.
43. The above assessments suggest that the project was generally inclusive of poor and near poor households and contributed to more rapid reduction of poverty prevalence. Although below the design targets, there is some evidence of income and assets increases (although with some attribution challenges). Instead, evidence on food security is not conclusive. There is information to state that SRDP fostered the formation of human and social capital and had a bearing on institutions and policies, thanks to the application of the MoSEDP planning and

implementation process. Weighing all impact domains, the poverty impact of SRDP is rated *as satisfactory (5)*, in agreement with the rating provided by PMD.

### **Sustainability of benefits**

44. **Exit strategies.** Whether a project is conscious of sustainability issues is inter alia given by the presence or not of exit strategies. The MTR mentions these explicitly, but in a prospective manner, inferring that the exit strategy "*will need to address the institutionalisation and financing of key project activities*". To some extent, the PCR details a number of specific measures involving, for instance, the Department of Agriculture and Rural Development with regards to VCAPs. It insists that the project's exit strategy for different investments needs to be implemented early with a specific roadmap, combined with appropriate and systematic capacity building activities organized for these agencies in order to take over and maintain the results. This is indicative of such exit scenarios having largely remained on a strategic or intentional level at project completion.
45. **Social sustainability.** The PCR concluded that SRDP was highly supported by local authorities, smallholder farmers and value chain actors. Thanks to the application of MoSEDP, the participation of especially the poor and near-poor households, has been enhanced, thus creating a high consensus in the society. Community-based farmers groups have received good response from the beneficiaries, especially from women and poor households.
46. **Financial and economic sustainability.** SRDP has established 449 new SCGs with 5,417 members and 74 VSLAs with 1,348 members, and doubled the number of women's credit/loan groups and their members in the project area. In relation to WDFs, the operation in both project area and non-project areas, they represented an 11-per cent growth in group numbers and 18-per cent growth in membership from 2015 to 2018. As of 31 May 2019, the WDFs were operating in 73 communes in Quang Binh and 146 communes in Ha Tinh, with zero-per cent non-performing loans and good operational self-sustainability.
47. The development of MFIs was progressing well. Both provincial WDFs recruited consultants to deal with procedures to re-incorporate as micro-finance institutions, and the full applications were submitted to the State Bank of Viet Nam by the end of June 2019. The issuing of certificates is still pending.
48. **Institutional sustainability.** The commune-level MoSEDP has been institutionalized by Quang Binh and Ha Tinh. Value chain approaches and results are being followed-up and supported by the Government through the ongoing Agricultural Restructuring Strategy and Plan and NTP-NRD. The WDFs were registered as social funds and are being supported by PPCs and the Provincial Women's Union of the two provinces to transform into MFIs. The PCR however reveals some shortcomings, such as the non-approval of provincial and district VCAPs in Quang Binh by the PPC and the District People's Committee, with the possible consequence that local agencies might lack a legal basis to follow up. Moreover, certain cooperatives supported by PPPs are still performing from moderately satisfactory to moderately unsatisfactory with regards to profitability and business management capacity.
49. **Technical and commercial value chain viability.** Most enterprises benefiting from the PPPs and CSA-funded CGs are generating good profits and creating secure jobs and income for young and linked farmers. Technically, the introduced techniques are relatively simple, which farmers can practise by themselves after training, and services are more accessible from local extension agents, key farmers and enterprises.
50. The PCR goes at length in analysing the sustainability of SRDP's benefits. It concludes that the project is sustainable from a social dimension, and moderately sustainable in terms of economic, technical, environmental and institutional

dimensions. On the basis of the facts and figures presented, this PCRV concurs and rates sustainability as *moderately satisfactory (4)*.

## **B. Other performance criteria**

### **Innovation**

51. The Project Design Report foresaw that the approach taken by SRDP was specifically oriented towards the implementation of successful innovations, through a more-rigorous, better capacitated market and value-chain oriented approach for up-scaling of innovations. It considered it imperative that all interventions would need to have a neutral or positive effect (“no regrets” approach) on the ability of communities to adapt to climate change induced events and catastrophic climatic occasions.
52. The MTR rates innovation as moderately satisfactory. With the notable exception of the introduction of the system of rice intensification, integrated pest management training and some community-based investments in improved water use efficiency, the project had not yet developed a broad suite of climate change adapted technology, nor had established effective systems for broad scale smallholder learning and adoption of such technology.
53. The PCR is more forthcoming in the assessment of innovations. It perceives the key innovations of SRDP in four areas: (i) MoSEDP planning and implementation; (ii) inclusive agricultural value chain development; (iii) micro-finance institutions; and (iv) agricultural extension delivered by lead enterprises and key farmers. Regarding value chain development, some successful models have been built by the project, such as the ones for medicinal plants (*Solanum procumbens*), maize for cattle feed, mushroom and orange value chains. From the PCR, it is however not clear what the truly innovative elements were in these areas.
54. Given the accumulated innovation record at the end of SRDP, the PCRV rating of innovation is *moderately satisfactory (4)*, one point below the PMD rating.

### **Scaling up**

55. The PCR provides compact evidence of up-scaling avenues to other provinces in Viet Nam, which are not confined to fellow IFAD operations. It mentions four areas:
  - a. SRDP has successfully scaled up the commune MoSEDP practice to all 421 communes/wards of the two provinces in compliance with the PPC’s decisions to institutionalize its manuals. In Quang Binh, a new commune MoSEDP manual following the medium-term planning instruction from the Government was issued since 2018.
  - b. Inclusive value chain development models have high potential for replication in these two provinces and nation-wide through the NTP-NRD and ARP, which are supported by the central and provincial governments. The inclusive value chain development for local commodities supported by IFAD-funded projects is now being scaled up through the national “One Commune One Product” Program throughout the country.
  - c. **Micro-finance institution:** The WDF has been supported by IFAD in 11 provinces. In Ha Tinh and Quang Binh, the Fund enjoyed rapid expansion for the last few years thanks to consecutive IFAD projects and donors. The WDFs in Quang Binh, Ha Tinh and Ben Tre have become the largest credit schemes among the 11 provinces supported by IFAD.
  - d. **Enterprise to Farmers and Farmers to Farmers extension:** These innovative agricultural extension practices have been adopted by 11 IFAD-supported provinces. At international level, a south-south collaboration/study tour was organized by IFAD and regional networks with countries where farmer association also work with farmer to farmer models.

56. This PCRV opts for a scaling-up rating of *satisfactory (5)*, which corresponds to the PMD rating.

### **Gender equality and women's empowerment**

57. **Visibility of women.** Women have a distinct visibility in the COSOP, the President's Report and the Project Design Report. In these foundation documents, they are amply considered, in contexts such as savings and credit groups for women and the Women's Unions in both provinces, which were, and still are, recognized entities for the furthering of women's rights and interests in public matters.
58. All supervision reports, including the second in project life dated October 2015,<sup>13</sup> kept meticulously track of the involvement of women in project activities, by systematically reporting gender-differentiate data. The cited report remarks that the target of 30 per cent overall women's participation was already exceeded by that date.
59. **Women's role in general and influence in decision-making.** RIMS data show an increase in the percentage of land use right certificates with names of both husband and wife from the baseline to the end line surveys (from 38 per cent to 57 per cent in Quang Binh and from 16 per cent to 67 per cent in Ha Tinh for residential land, from 43 per cent to 56 per cent in Quang Binh and from 14 per cent to 53 per cent in Ha Tinh for farm land), as opposed to those bearing the name of husband only. The PCR also notes that more women's participation than men's in group and community activities were observed in the baseline survey and kept growing until the end line survey. The percentage of responses that: (i) the wife participated in training courses increased from 64 per cent to 71 per cent in Quang Binh, and from 83 per cent to 92 per cent in Ha Tinh; (ii) the wife more often participated in village meetings, which increased from 43 per cent to 59 per cent in Quang Binh, and from 85 per cent to 94 per cent in Ha Tinh.
60. The above confirms that gender inclusion and women's empowerment were pursued systematically from the start of SRDP, and that there is strong evidence of tangible achievements. In agreement with PMD, the PCRV rates this criterion as *satisfactory (5)*.

### **Environment and natural resources management**

61. The President's Report and the Project Design Report state that SRDP-supported activities did not have adverse impacts on the environment. According to the PCR, a number of project-supported technical solutions have been helping to improve the environment and natural resources such as: (i) increasing forest plantations thanks to forest land allocation and issuance of land use certificates in Quang Binh; (ii) closed systems in shrimp cultivation where waste waters are not discharged directly to the environment but treated within the system thanks to application of sedimentation treatment ponds; (iii) probiotics production as bio-mattress in intensive and semi-intensive animal production systems (e.g. chicken and pigs) helping to reduce odour and disease sources.
62. Other techniques by the project included: (i) the planting of mangroves in coastal areas to prevent saline intrusions and make use of crab farming; (ii) the application of the system of rice intensification contributing to minimize chemical fertilizers, save water and rice seeds; (iii) the re-use of agricultural and forestry waste and by-products for mushroom cultivation to reduce environmental pollution, create jobs and income for households; and (iv) intercropping between short-term crops (turmeric and medicinal plants) and fruit plantation (oranges and grapefruit)

---

<sup>13</sup> IFAD. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor (SRDP) Project in Ha Tinh and Quang Binh, Supervision report, Rome, October 2015.

in the upland areas to reduce water evaporation, increase soil fertility and increase income for households.

63. The good practices mentioned above have a considerable aggregate weight. Consequently, both PMD and this PCRV rate this evaluation criterion *as satisfactory (5)*.

### **Adaptation to climate change**

64. **Climate risk awareness and analysis.** The COSOP published in March 2012 used the term "*climate-smart*" in the context of Viet Nam, which was then explicitly taken up in the President's Report and the Project Design Report of SRDP. Climate-smartness is indeed one of the conceptual foundations of the project, together with the paradigm of agricultural value chain development for the poor.
65. Ha Tinh and Quang Binh are located in the North Central Coastal Region, which is frequently affected by natural disasters and climate change. In addition to the efforts of the PPCs and provincial departments, the SRDP project has helped households in the project area, especially the poor, near-poor and women to increase their ability to adapt to climate change by: (i) ensuring higher participation of these beneficiaries in the climate smart MoSEDP planning process to define needs and priorities for support; (ii) improving infrastructure development in production areas; (iii) supporting the households to access capital and farming technologies and techniques to diversify sources of income and livelihood, and (iv) participating in economic groups (CGs, SCGs, Cooperatives) and connecting with lead enterprises to increase the competitiveness of products (PCR).
66. **Climate change relevant project activities.** Already the MTR noted that, while income diversification was an important climate change adaptation approach, those diversified production systems should be built off sustainable farming practices, which was not yet the case in 2016. These would include crop rotations, sustainable hillside agroforestry systems, forage integration into annual and perennial cropping systems, particularly leguminous forages, bio-fertilizers and reduced soil tillage. The PCR indirectly concurs by stating that many climate-smart innovations, such as drought-resistant plant varieties, drip irrigation and short-term intercropping in orange or pomelo plantation are still in small scale. It also observes that the MoSEDP planning manuals of both provinces provided no instructions for climate-smart adaptation, and the related content did not appear on some MoSEDP plans of both project communes and non-project communes. It is unclear whether there was simply a mistake in MoSEDP writing or the climate smart-value chain products and techniques were selected just by chance. In addition, certain new agricultural varieties introduced by the project in Ha Tinh have failed to adapt to local climate and soil conditions, such as New Zealand rabbits (introduced by Hanoi Food company), gac (*Momordica cochinchinensis*) and ca gai leo (*Solanum procumbens*). Therefore, the PPC and local agencies (Department of Agriculture and Rural Development) still need more comprehensive and breakthrough solutions to enhance climate change adaptation capabilities and resilience in agricultural production.
67. Given the above, the PCRV rates the adaptation to climate change of SRDP as *moderately satisfactory (4)*, in accordance with the PMD rating.

### **C. Overall project achievement**

68. SRDP is a project that has successfully brought together concerns of integrating rural poor, women and ethnic minorities into agricultural value chains while simultaneously promoting climate-smart solutions in primary production and food processing. It consciously perceives itself as a first upscaling opportunity from precursor initiatives in both provinces as highlighted in Paragraph 16. Thus, SRDP ventured in areas that were not entirely new.

69. This may have been one of the reasons why SRDP was not plagued by otherwise quite common implementation lags in incipient IFAD operations. Another contributing factor was that SRDP was embedded in SRDP institutional structures, from provincial, via district to commune levels. There was strong leadership and commitment from the local governments PPCs and PSCs in decentralization, piloting, institutionalizing and scaling-up innovations (Paragraph 13).
70. The overall outreach to the poor, near poor, minorities and women was higher than the targets. On the other hand, the PCR is reasonably cautious in assessing effectiveness and efficiency as moderately satisfactory while aggregate rural poverty impact is perceived as satisfactory
71. Taken all aspects together, the PCR rating of the overall project achievement is *satisfactory (5)*, which is identical to the PMD rating.

## **D. Performance of partners**

### **IFAD**

72. **Supervision and implementation support.** IFAD has conducted five supervision missions (including the MTR mission) to Ha Tinh and Quang Binh, and one implementation support mission to Ha Tinh. These missions have been highly appreciated by the PSC, PPMU and provincial departments, helping them to identify issues/bottlenecks and propose solutions to address these. In particular, IFAD's support in terms of funding and technical advice to the Women's Union in development and implementation of WDF's strategic business plan is really helpful.
73. According to the PCR, IFAD has been recognized by PPMU in terms of responsiveness and timeliness with regard to provincial requests in procurement reviews, annual work programme and budget reviews, loan administration, and PPP proposals. Training on economic and financial analysis for investments, policy dialogues, a number of learning route events either organized or facilitated by IFAD have taken place. IFAD has also assisted Ha Tinh and Quang Binh in addressing difficulties related to withdrawal applications and resource allocation from the Government of Viet Nam.
74. The PCR raises some shortcomings of IFAD performance. IFAD might have needed to pay greater attention to: (i) missing climate change adaptation and agricultural expert in all IFAD's supervision missions leading to insufficient advice and support to PPMU and local agencies; (ii) the lack of a specific roadmap and technical support for testing and institutionalizing the innovative Farmer to Farmer and Enterprise to Farmer agricultural extension within and beyond IFAD's funded Projects; and (iii) insufficient guidance, training and follow-up with PPMU in setting targets for project outreach right from the start and on how to record and monitor exactly the number of persons and households benefited from the Project.
75. SRDP is a project rich in documented evidence, supported by meaningful data and information, which the PCR is able to convey. Considering the overwhelmingly good performance of IFAD with regards to SRDC, this PCR rates IFAD's performance regarding SRDP as *satisfactory (5)*. PMD suggest the same rating.

### **Government**

76. **Central government support.** The PCR assesses Government performance as moderately satisfactory. Central agencies, especially the Ministry of Planning and Investment and the Ministry of Finance, together with Ha Tinh and Quang Binh PPC, actively participated in and effectively contributed ideas to the Project preparation stage, design and approval. In the course of implementation, representatives from these ministries also provided useful advice to the PPC and PPMU for effective implementation. Counterpart funding at the first three years was satisfactory.

77. However, since the fourth quarter of 2016, the budget allocation from the Government of Vietnam has been delayed and insufficient to the approved annual work programmes and budget. In the case of Ha Tinh, because of limit in the official development assistance budget allocation, the province did not receive any budget from IFAD and the Government of Vietnam for the 2018 annual work programme and budget implementation. Therefore, the borrower could not comply satisfactorily with the covenants of the loan agreement. The issues were strongly associated with the newly passed Public Investment Law and Medium-Term and Annual Public Investment Planning, effective from 2015, which required approval of the official development assistance budget plan by the National Assembly. Thanks to efforts from the Ministry of Planning and Investment and the Ministry of Finance, as well as Ha Tinh and Quang Binh PPC/PPMU, the problem has been partly solved thereafter.
78. **Baseline survey and M&E systems.** The fact that the PCR was able to draw extensively on baseline and impact survey, as well as RIMS data, goes also to government performance. The M&E system would have benefited from the inclusion of control groups in the baseline and end line surveys, respectively. There are no hints in the PCR that this was the case. Including control groups helps in strengthening insight on whether observed changes can be attributed to the project.
79. In view of the otherwise effective M&E system, the adequate reporting, audit compliance, procurement procedures and implementation capacity over project life, this PCR rates government performance related to SRDP as *moderately satisfactory* (4).

## IV. Assessment of PCR quality

### Scope

80. The PCR contains all chapters, sections, and annexes as per the Guidelines for Project Completion Review (2015) and provides substantive and relevant content. With more than 150 pages, the PCR is particularly extensive in providing supportive data. *This PCR rates the scope of the PCR as satisfactory (rating 5).*

### Quality

81. The PCR is a document that builds on documented evidence and refers to it systematically. The 57 footnotes regard reference documents or provide additional explanations. Financial and other quantified information do not exhibit contradictions. A downside is the lack of solid evidence for project attribution, which could have been corrected by comparing more systematically data from SRDP and non-SRDP communes. This PCR thus rates PCR quality as *moderately satisfactory* (4).

### Lessons

82. The PCR pointedly remarks that "*The SRDP implementation has actually been a learning by doing process, inheriting lessons from previous projects and at the same time adding new ones*". This could infer a lesson in a more generic sense: *a project able to read and to apply previous lessons may be well suited to generate new ones*. The PCR pertinently lists prerequisites for successful project management, such as commitment, leadership and experience, *but also greater decentralization and empowerment to district and commune levels, together with strengthening of accountability of these agencies*. The last factor certainly was one of the determinants of success. This PCR rates the lessons criterion for the PCR as *satisfactory* (5).

### Candour

83. **Narrative objectivity and candour of results reporting.** The PCR considers SRDP to be a good project; its narrative is positive without giving in to

triumphalism. Quite the opposite, it notes facts and trends with critical restraint as reflected in the ratings. The PCRV rating of candour is *satisfactory (5)*.

## **V. Final remarks and lessons learned**

### **Lessons learned**

84. This PCRV suggests the following lessons to be taken into account:
  - a. Banking on previous lessons pays and provides a credible foundation to also venture into more innovative paradigms, such as, in the case of SRDP, the combination of pro-poor value chain development with climate smartness.
  - b. The above however depends on the availability of novel expertise, in terms of technical and methodological approaches, which was not always at hand.
  - c. Working in a country that pursues a genuine and long-term decentralization agenda down to the most relevant level, the communes, is in fact very much in tune with the guiding principles of IFAD.
  - d. The lesson c. above may be an instigator to the following question: *is it possible at all to fight rural poverty without the strategic ingredient of honest decentralization?*

## 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	5	5	0
Effectiveness	4	4	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	5	5	0
Innovation	5	4	-1
Scaling up <sup>2</sup>	5	5	0
Environment and natural resources management	5	5	0
Adaptation to climate change	4	4	0
<b>Overall project achievement<sup>c</sup></b>	<b>5</b>	<b>5</b>	<b>0</b>
<b>Performance of partners<sup>d</sup></b>			
IFAD	5	5	0
Government	4	4	0
<b>Average net disconnect</b>			<b>-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.

<sup>1</sup> An overall project performance rating was not provided by the PMD; the arithmetic average across the four components was computed by the PCRVR evaluator.

<sup>2</sup> This criterion read as "Potential for scaling up" in the PMD rating matrix.

### Ratings of the project completion report quality

	<i>PMD rating</i>	<i>IOE PCRVR rating</i>	<i>Net disconnect</i>
Candour		5	
Lessons		5	
Quality (methods, data, participatory process)		4	
Scope		5	
Overall rating of the project completion report		5	

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**

SCGs	Savings and credit groups
CGs	Collaborative groups
COSOP	Country Strategic Opportunities Programme
CSA	Credit and savings associations
GDP	Gross domestic product
MIS	Management information system
M4P	Making markets work for the poor
MFI	Micro-finance institution
MTR	Mid-term review
MoSEDP	Market-oriented socio-economic development plan
NTP-NRD	National Target Program on New Rural Development
PCR	Project Completion Report
PCRv	Project Completion Report Validation
PMD	Programme Management Department
PPC	Provincial people's committee
PPP	Public-private partnership
PSC	Project steering committee
RIMS	Results and impact management system
SRDP	Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces
VCAPs	Value chain Action Plans
VSLAs	Village savings-loan associations
WDF	Women's development fund

## Bibliography

- International Fund for Agricultural Development. 2019. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP), Project Completion Report, Rome, 30 June 2019.
- \_\_\_\_\_. 2018. Socialist Republic of Viet Nam. Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces Supervision Report, Rome, 16 November.2018.
- \_\_\_\_\_. 2015. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor (SRDP) Project in Ha Tinh and Quang Binh, Supervision report, Rome, October 2015.
- \_\_\_\_\_. 2014. Socialist Republic of Viet Nam, Country strategic opportunities programme, Rome, Aril 2014.
- \_\_\_\_\_. 2013. Socialist Republic of Viet Nam, Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces, Final Project Design Report, Rome, September 2013.
- \_\_\_\_\_. 2013. Proposed loan and grant to the Socialist Republic of Viet Nam for the Sustainable Rural Development for the Poor Project in Ha Tinh and Quang Binh Provinces (SRDP), President's report, Rome, 20 August 2013.
- The Springfield Centre. 2015. The Operational Guide for the Making Markets Work for the Poor (M4P) Approach, 2nd edition funded by SDC & DFID.
- Independent Office of Evaluation of IFAD. 2015. Evaluation Manual, Second Edition, Rome, 2015.
- Roshan Cooke, Regional Climate and Environment Specialist for the Asia and Pacific Region International Fund for Agricultural Development (IFAD), [ro.cooke@ifad.org](mailto:ro.cooke@ifad.org).