

## Project Completion Report Validation

People's Republic of China

Guangxi Integrated Agricultural Development Project

Date of validation by IOE: November 2019

### I. Basic project data

			Approval (US\$ m)		Actual (US\$ m)	
Region	APR	Total project costs	96.8		92.48	
Country	People's Republic of China	IFAD loan and percentage of total	47.0	48.6%	44.96	48.6%
Project number	1555	Borrower	46.4	47.9%	44.58	48.2%
Loan number	855-CN					
Type of project (subsector)	Rural development	Beneficiaries	3.4	3.5%	2.94	3.2%
Financing type	IFAD-initiated and exclusively financed					
Lending terms*	Ordinary terms					
Date of approval	13 Dec 2011					
Date of loan signature	20 Jan 2012					
Date of effectiveness	20 Jan 2012					
Loan amendments	None	Number of beneficiaries	Total 1,300,000 beneficiaries (direct and indirect)		Total 1,339,189 (direct and indirect)	
Loan closure extensions	None					
Country programme managers	Matteo Marchisio Sana F.K. Jatta	Project completion Loan closing date	31 March 2017 30 Sept 2017		31 March 2017 30 Sep 2017	
Regional director(s)	Nigel Brett (current) Hoonae Kim	Mid-term review			13-27 April 2014	
Project completion report reviewer	Fumiko Nakai Mark Keating	IFAD loan disbursement at project completion (%)			100%	
Project completion report quality control panel	Ernst Schaltegger Fabrizio Felloni	Date of the project completion report			15 May 2018	

Source: President's report EB 2011/104/R.21/Rev.1 and Project Completion Report 2017.

\* There are four types of lending terms: (i) special loans on highly concessional terms, free of interest but bearing a service charge of three fourths of one per cent (0.75%) per annum and having a maturity period of 40 years, including a grace period of 10 years; (ii) loans on hardened terms, bearing a service charge of three fourths of one per cent (0.75%) per annum and having a maturity period of 20 years, including a grace period of 10 years; (iii) loans on intermediate terms, with a rate of interest per annum equivalent to 50 per cent of the variable reference interest rate and a maturity period of 20 years, including a grace period of five years; (iv) loans on ordinary terms, with a rate of interest per annum equivalent to one hundred per cent (100%) of the variable reference interest rate, and a maturity period of 15-18 years, including a grace period of three years.

## II. Project outline

1. The IFAD financing for the five-year Guangxi Integrated Agriculture Development Project (GIADP) was approved on 13 December 2011 and became effective in January 2012. The project was completed on 31 March 2017, as scheduled.
2. **Project area.** The Guangxi Zhuang Autonomous Region is located in Western China and comprises one of the poorest provinces in the country. It has an estimated population of 50 million, of which ethnic minorities account for 38 per cent of the total. Out of a total of 1,504 administrative villages in 110 townships with a total population of about 4.57 million in the eight selected counties<sup>1</sup> of the Guangxi Zhuang Autonomous Region, 623 administrative villages in 44 townships were selected as the project area. The total rural population in the project area was about 1.92 million.<sup>2</sup> Forty-four selected townships recorded an average poverty incidence of 6.5 per cent in 2009, which was 3.8 percentage points higher than the national average.<sup>3</sup> The main causes of poverty in the project area noted in the design included: limited resources, poor infrastructure, the low capacity of farmers and frequent natural calamities – mainly flooding and drought.
3. **Project goal, objectives and components.** The project **goal** was rural development and poverty reduction in the targeted areas through scaling up of innovative approaches. Its **main objective** was to increase the revenues of rural men and women through improved agricultural production. There were four expected **outcomes**: (i) improved conditions for rural poor by developing community infrastructure (roads, irrigation and drinking water supply facilities); (ii) increased household incomes through improved access to services and developing of crops and livestock; (iii) increase the production and marketing efficiency of rural poor joining the value chain systems; and (iv) innovative approaches for improving rural habitat sanitation piloted successfully.
4. GIADP had **four components**: (i) community infrastructure development; (ii) agricultural production and marketing support; (iii) rural environment improvement; and (iv) project management.
  - **Community infrastructure development.** This component aimed to develop community infrastructure to strengthen the resilience of targeted communities to climate related calamities, improve their access to markets, information and technical services, and develop commercial agriculture. Project interventions included: (i) lining of existing tertiary and secondary irrigation earthen canals; (ii) construction of safe drinking water supply facilities; and (iii) paving existing village roads with cement. Training of beneficiaries for operations and maintenance (O&M) would also be supported. The county Bureau of Water Resources and Transportation was to implement this component. Detailed design of each activity, by site, would be conducted by local engineers. Environmentally-friendly practices and techniques was to be adopted, while O&M mechanisms for civil works were to be established to ensure sustainability.
  - **Agricultural production and marketing support.** This component aimed at improving access by poor people to services, develop niche crops and livestock, and enhance the value chain of major commodities. It included five modules: annual and perennial cash crop production (two modules); livestock development; improvement of township agricultural stations (including a complementary package for institutional support); and support to farmers'

<sup>1</sup> Beliu, Cenxi, Duan, Leye, Longzhou, Pingle, Tengxian and Yongfu (PCR).

<sup>2</sup> According to the PCR. With regard to the population in the project area, there are some inconsistencies between the President's Report and the PCR. The former stated the total population in the project area was about 1.92 million, whereas the PCR refers to the total rural population being about 1.92 million. It is not clear whether this is because 100 per cent of the population in the selected administrative villages is considered as "rural".

<sup>3</sup> GIADP President's Report, 2011, EB 2011/104/R.21/Rev.1. GIADP design completion report, 2011.

cooperatives (including a complementary package for value chain enhancement).

- **Rural environment improvement.** This component aimed at improving the rural community environment. It covered two modules: biogas system construction and village sanitation improvement. Biogas system construction (module 6) was to reduce the dependence of rural households on firewood and would introduce environmentally friendly practices of waste management. Module activities included the construction of biogas digesters, renovation of kitchens, toilets and animal sheds, and training. The county Rural Energy Office was responsible for implementing this module. Village sanitation improvement (module 7) aimed at piloting an innovative approach towards improving the sanitary conditions of rural habitats. Its main activities, to be implemented by the county Bureau of Agriculture, included sewer construction, installation of septic tanks, garbage collection, and construction of drainage ditches, upgrading village tracks, and training.
  - **Project management.** This component included the establishment and operation of project management offices (PMOs) within existing local government structures at provincial, county and township levels. No new structures would be created. Project support was to include provision of vehicles, equipment, capacity-building, monitoring and evaluation and knowledge management support. Recurrent costs for all PMOs would be covered through counterpart funds. Village implementation groups (VIGs) would also be supported in carrying out their responsibilities under the project.
5. **Target group.** According to the GIADP President's Report, project support was to focus on poor and vulnerable households, representing about 60 per cent of the total population in the project area, while better-off households would not be excluded. Better-off households were to be eligible mainly for community-based and information and technical services activities. Households were to be identified through participatory perceived wealth-ranking methods.
6. **Project costs and financing.** At design, the project cost was estimated at US\$96.8 million, to be financed by IFAD, the Government and beneficiaries. The reported actual total project cost amounted to US\$92.48 million, of which IFAD contributed US\$44.96 million. The Government and IFAD jointly covered project investment costs, including all module implementation costs, vehicles, equipment, materials, workshops, training and technical assistance. Government financed all recurrent costs.

Table 1

**Actual project costs vs planned cost by component (US\$ '000)**

<i>Component</i>	<i>IFAD</i>	<i>Government</i>	<i>Beneficiaries</i>	<i>Total</i>	<i>% of total (actual)</i>	<i>Planned cost</i>
Community infrastructure development	22,308	35,097	2,900	60,305	65.3	56,109
Agricultural production & marketing	17,641	7,208	14	24,863	26.8	27,877
Rural environment improvement	3,271	1,444	28	4,743	5.1	4,318
Project management	1,737	835	0	2,572	2.8	8,559*
<b>Total</b>	<b>44,957</b>	<b>44,584</b>	<b>2,942</b>	<b>92,483</b>	<b>100</b>	<b>96,862</b>

Source: GIADP Project Completion Report, 2018.

\* The design report indicated the cost for "county project management" (US\$6.69 million) and "provincial PMO" (US\$1.869 million) separately.

Table 2

**Actual costs by financier by expenditure category (US\$'000)**

<b>Expenditure category</b>	<b>IFAD</b>		<b>Government</b>		<b>Beneficiaries</b>		<b>Total as per PCR (calculated)</b>		
	<b>Planned</b>	<b>Actual</b>	<b>Planned</b>	<b>Actual</b>	<b>Planned</b>	<b>Actual</b>	<b>Planned</b>	<b>Actual</b>	<b>%</b>
Civil works	22,075	22,089	34,916	34,939	-	-	56,991	57,028	100.1
Buildings	-	-	-	-	-	-	-	-	-
Vehicles, equipment, materials	437	412	40	37	-	-	477	450	94.2
Training, workshops, and studies	3,161	2,295	-	-	-	-	3,161	2,295	73
Modules	17,070	16,300	7,673	7,305	47	42	24,790	23,647	95.4
Value chain enhancement	4,256	3,861	1,483	1,345	-	-	5,739	5,206	90.7
Operations & maintenance	-	-	2,267	968	3,397	2,900	5,664	3,857	68.1
<b>Total (as per PCR)</b>	<b>47,004</b>	<b>44,957</b>	<b>46,379</b>	<b>44,584</b>	<b>3,444</b>	<b>2,941</b>	<b>96,823</b>	<b>92,483</b>	<b>95.5</b>

Source: GIADP PCR 2018, table 12, page 33.

The PCR presents different figures for the actual project cost in different parts of the report. Table 12 in the PCR is used for the above table since they match the table on page vii "project at a glance". Appendix 7 presents in the PCR slightly higher total cost, US\$92,557 million.

7. **Project implementation arrangements.** The Government of Guangxi Zhuang Autonomous Region, through the project leading groups for the overall coordination and supervision of the project and the Department of Agriculture for daily implementation of project activities, with the support of the Department of Finance and other relevant entities, was to have the overall responsibility for project implementation. Project leading groups were to be established by the Government of Guangxi Zhuang Autonomous Region and county governments to provide overall guidance and coordination during project implementation. Each project leading group was led by a senior government official of the same level and composed of representatives from local Department/Bureau of Finance, Development and Reform Commission, and key line agencies, including the Department/Bureau of Agriculture, Poverty Alleviation Office, Department/Bureau of Water Resources, Department/Bureau of Transportation, and Women Federation.
8. The provincial PMO (PPMO) played a key role on project implementation management. It undertook the overall responsibility of the project planning, coordination, management and guidance to the lower levels. PMOs were established also at county level (county PMOs or CPMOs) and township level (township PMOs or TPMOs).
9. Furthermore, a VIG was formed in each administrative village covered by the project. Each VIG was headed by the director of the village committee and composed of 10-14 people, including all the village committee members and five to seven farmer representatives from different household categories of well-being.
10. Implementation of project activities remained with the designated implementing agencies, which included: Bureaus of Water Resources; Bureaus of Transformation; Bureaus of Agriculture; Bureaus of Livestock; and Rural Energy Offices.
11. Across the components, a *modular approach*<sup>4</sup> was taken to allow flexibility during implementation. Some activities were implemented by the project-supported farmer cooperatives.

<sup>4</sup> A module is a small-scale set of interrelated activities (small standard sub-project) aimed at achieving a specific objective that can be implemented independently of other modules and replicated.

12. **Intervention logic.** GIADP was designed to respond to the perceived causes of poverty and the strategic considerations of the Government and IFAD, and to capitalize on the experiences derived from the implementation of previous IFAD-funded interventions in the region. Main opportunities included: (i) increased demand of the rural poor for productive assets; (ii) strong needs of the rural poor to develop commercialized production of cash crops and landrace livestock through improved access to information and technical services and markets; (iii) the rapid development of farmer cooperatives, to which the rural poor have however limited access; and (iv) the promotion of rural habitat improvement by the Government.<sup>5</sup>
13. The project design adopted a combination of improved rural infrastructure and promotion of commercial production (cash crops and links with cooperatives) to address the identified obstacles to economic development. The project was intended to: (i) increase the productive capacity of beneficiaries through newly constructed and improved community infrastructures (irrigation systems, water supply sources, village roads), while also increasing the resilience to natural calamities; (ii) improve access to information about agricultural practices and technology through capacity building and training activities related to agricultural and livestock production; and (iii) improve access to agricultural markets through the establishment of local agricultural stations and the strengthening of rural market linkages providing technical support related to processing and packaging to increase value of produce. Such activities were to help the members of the beneficiary communities to have access to more sustainable agricultural practices.
14. **Changes during implementation.** According to the PCR, the changes to design included the following: (i) significant downscaling of the biogas activities under the component "rural environment improvement"; and (ii) reduction of the budget for training activities. There were also some adjustments to the targets at the mid-term review (MTR), including a reduction of targets for irrigation and drainage canals (in light of the nationwide efforts of the Government of China in developing irrigation and drainage systems in rural areas), an increase in the targets for domestic water systems, and an increase in the targets for rural roads (the latter two due to strong demand). Despite some changes in the targets and budget made at the MTR, an amendment to reallocate the IFAD loan by expenditure category was not necessitated.
15. **Delivery of outputs.** The project outputs delivered against the targets adjusted at MTR under different components are presented in annex 1. The majority of the targets were achieved or surpassed, except for those for training. Downward adjustments to the targets at the MTR were particularly notable for the number of persons trained under components 1 and 3 and the quantity of biogas systems, as noted in paragraph 14. In general, the achievement rates for the targets for training were only 52-75 per cent. According to the PCR, this was because of lower demand given substantial outmigration of young labour for wage incomes. All but one targets for component 2 (agricultural production and marketing support) were met, such as the areas under crop demonstration, livestock demonstration, beneficiaries and staff training.

### III. Review of findings

#### A. Core criteria

##### Relevance

16. **Relevance of objectives.** The project objectives were highly relevant to the needs of the rural poor and to the Chinese Government's Twelfth Five-Year Plan for National Economic and Social Development (2011-2015) which aimed to harmonize growth by enabling poor areas and populations to benefit from the country's economic growth and social development. The project objectives were also relevant

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<sup>5</sup> GIADP project design report.

to the 10-year Rural Poverty Alleviation and Development Programme (2011-2020), which: (i) recognizes rural poverty as a long-term challenge, persisting especially in the poor provinces, border areas, ethnic minority areas and the former revolutionary bases, which are mostly remote and mountainous; and (ii) aims to eliminate absolute poverty and substantially reduce relative poverty by the year 2020. The Government's objective has been to reduce poverty by improving infrastructure, pursuing green agriculture, strengthening marketing and financial services for poor people, encouraging private entrepreneurs and farmers' organizations, developing off-farm economic activities and supporting controlled migration. The GIADP's objectives were also aligned with the country's 13<sup>th</sup> Five-year Plan for National Economic and Social Development (2016-2020) to build a *xiaokang*<sup>6</sup> (moderately prosperous) society in a comprehensive manner and eliminate extreme poverty.

17. The project objectives were aligned with the IFAD's 2011-2015 results-based country strategic opportunities programme for China, which included the following two strategic objectives:<sup>7</sup> (i) poor rural people in targeted areas sustainably use enhanced productive natural and economic assets and improved technology and advisory services in a changing environment and market conditions; and (ii) poor rural people and their organizations are enabled to take advantage of improved market access and financial services for increased income generation and enhanced resilience to risks.
18. **Relevance of project design.** The project applied a modular approach<sup>8</sup> to design, programming and implementation. It intended to pilot and demonstrate innovative measures for poverty reduction. The project components and interventions as designed - including community infrastructure (for irrigation, drinking water and roads), agricultural production and marketing, sanitation and energy saving - were all relevant. The project design remained highly relevant to the context until completion with only a few modifications having been introduced (see paragraph 14). Some minor design issues identified in the PCR included the following: (i) inadequate assessment of institutional capacity in the areas of value chain development and cooperatives support;<sup>9</sup> and (ii) insufficient guidance on cooperative support.<sup>10</sup>
19. **Relevance of targeting strategy.** The project's targeting strategy was a combination of geographical targeting (i.e. selection of counties, townships and villages based on certain criteria) and participatory processes. According to the President's Report, the targeting strategy included the following elements: "(i) eligible counties and townships were identified through a participatory poverty analysis during design; (ii) priority will be given to poor and vulnerable groups, who will be identified through participatory perceived wealth-ranking conducted by VIGs; and (iii) inclusive targeting for community-level activities will be combined with focused targeting for production activities to ensure that benefits accrue to poor households."

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<sup>6</sup> "Xiaokang is a Chinese term which evokes a middle-class society in which most people are moderately well-off, prosperity is broadly distributed and material values and spiritual standards are equally important" (GIADP PCR footnote 7).

<sup>7</sup> The third and last strategic objective was to enhance South-South cooperation and knowledge management provide opportunities for sharing knowledge generated through innovation and for the scaling up of good practices in rural development.

<sup>8</sup> See paragraph 11 and footnote 5 in this PCR.

<sup>9</sup> GIADP PCR paragraph 48.

<sup>10</sup> GIADP PCR paragraph 43: "The PPMO and CPMOs faced challenges to identify appropriate cooperatives. The design was not specific on how these should be selected, and given the relative new character, counties and townships did not follow a structured selection approach, but mostly went for well reputed cooperatives and/or leaders. A pragmatic solution often applied was to have VIGs propose cooperatives in their project area. Yet, no formal due diligence or structured selection took place".

20. The GIADP targeting strategy and approach were relevant to the IFAD's targeting policy and were also well-aligned to the new policy of the Government of China on "accurate targeting"<sup>11</sup> introduced during the project implementation.
21. **Logical framework and indicators.** According to the PCR, while the logframe was adequate and overall activities' outputs were in line with desired objectives, "the major shortcoming was absence of a clear set of indicators to implement and monitor the stated objective of 'scaled-up innovative approaches for rural enhancement'".<sup>12</sup> Furthermore, this PCR also notes that some outcomes and associated indicators could have been better formulated to make the intervention logic clear and facilitate performance assessment.<sup>13</sup>
22. In light of the above, the PCR rates relevance as **satisfactory (5)**, same as the PCR rating.

### **Effectiveness**

23. **Outreach and targeting.** According to the PCR, GIADP reached 6,961 natural villages of 689 administrative villages<sup>14</sup> and a total of 310,000 households (and "at least 150,000" *directly* benefitting households<sup>15</sup>) have benefited from the project activities, accounting for about 66 per cent of the total number of households in the project area. The PCR "project at a glance" (page vii) reports the outreach of almost 1.34 million beneficiaries (245,000 direct and close to 1.1 million indirect).<sup>16</sup> The PCR reports that women were given priority in the implementation of all activities and 78,774 women directly participated in the project activities, accounting for 53.1 per cent of the total and over-achieving the project target of 46.6 per cent.
24. The percentage of beneficiary households by wealth category during the project life is shown in table 3. There seems to be somewhat different figures at project completion point (in PCR figure 3 and paragraph 38) but the provided data indicate an overall trend of increase in the proportion of category C (poor) and decrease of category A (better-off) over time. The PCR explained this trend as follows: (i) at the onset, project implementing agencies were mainly concerned with getting activities delivered and cared less about appropriate targeting (which was flagged in some supervision missions and consequently addressed); (ii) poor households took longer to join project activities given their limited capacities and potentially lower-risk taking; and (iii) Government's efforts for accurate targeting aligned very well with category C definition of the project, and hence added attention to this categories inclusion since 2014.

<sup>11</sup> "Well-targeted poverty reduction" proposed by the central Government requires accurate identification of the poor, villages and households, through the method of scoring several indicators and identified needs of the poor are to be supported with sustainable income generation activities for improved livelihoods for a society without poverty (based on the PCR footnote 8).

<sup>12</sup> GIADP PCR paragraph 47.

<sup>13</sup> For example: outcome 2 ("increased household incomes...") overlaps with the objective ("increased revenue from diversified agricultural production...").

<sup>14</sup> An administrative village comprises a cluster of natural villages under the same administrative local authority.

<sup>15</sup> PCR page vii.

<sup>16</sup> However, it is not clear how the number of direct beneficiary individuals and households can be matched when it is reported that: (i) about half of the benefiting households (150,000 out of 310,000) were those that directly benefited; and (ii) less than 20 per cent of the individual beneficiaries (245,126 out of 1.34 million) were direct beneficiaries.

**Table 3**Percentage of household beneficiaries by category<sup>17</sup>: baseline and over project timeline (%)

Category	Per capita net income	Baseline	2012	2015	2016	PCR (figure 3)	PCR (para 38)
Category A "better off"	>CNY3,000	40.5	44.6	34.5	36.1	36.1	37.6
Category B "vulnerable"	CNY 1,196-3,000	53	50.1	58.7	56.2	56.1	55.3
Category C "poor"	CNY 1,196	6.5	5.3	6.9	7.7	7.8	About 7

Source: GIADP PCR (table 5, figure 3 and paragraph 38).

Note: The numbers in the text in paragraph 38 do not match those in figure 3.

25. According to the PCR, the category A households (better-off) benefited mainly from their inclusion in community activities, such as agro-technical extension, village roads, irrigation facilities, drinking water supply, and value chain enhancement. Crops and livestock production activities mainly benefited the households in the categories B and C.
26. On the other hand, there was an issue with the selection of cooperatives in part due to lack of project guidance. The uptake of this activity was slow<sup>18</sup> and the counties and townships "mostly went for well-reputed cooperatives and/or leaders".<sup>19</sup> While underlining low levels of investment per cooperative (thus, not posing a huge equity question), the PCR flagged this issue for future projects.
27. **Outcome 1: Improved conditions for rural poor by developing community infrastructure.** "Community infrastructures" were mainly village road improvements, drinking water supply systems and irrigation facilities development. As shown in annex III, most of the output targets (as revised at MTR) were met, except for the number of people trained on O&M. The outputs delivered included: (i) 68 km of branch canals (target 41 km) and 178 km of lateral canals (target 203 km); (ii) 150 village collective system and 145 pipeline systems for water (about 100 per cent achievement); and (iii) 421 km of village roads, and 226 km of natural village roads (exceeded the targets). According to the PCR, the targets were adjusted at MTR for different types of the infrastructure, reflecting the needs (for drinking water systems and village roads given the remoteness of the sites) and the relevant Government investment.
28. The achievements on the outcome level indicators were reported as follows: (i) 53 per cent of households reporting increased productivity and improved access to markets at MTR (against the target of 50 per cent); (ii) 18,510 households with improved access to safe drinking water (against the target of 17,500 households); and (iii) 100 per cent of schemes with O&M arrangements in place (against the target of 50 per cent). It is however noted that the target for the number of households with access to safe drinking water (17,500) remained the same as the one at design despite significant increase of the physical target for drinking water systems.
29. Based on the physical progress and the outcome indicators, it can be considered that the outcome 1 was achieved.
30. **Outcome 2: Increased household incomes through improved access to services and development of crops and livestock.** Part of this outcome statement "increased household incomes" will be discussed in the rural poverty impact section later. The focus in this section will be on the extent to which the project improved access by the beneficiaries to services and techniques on crop and livestock production. One of the two indicators for this outcome in the logical

<sup>17</sup> Per capita net income of CNY 1,196 was the national poverty line in 2009. The B-category households (income comprised between CNY 1,196-3,000) were regarded as vulnerable, i.e. they would easily fall back into poverty.

<sup>18</sup> GIADP PCR paragraph 172.

<sup>19</sup> GIADP PCR paragraph 43.



framework was related to the percentage of farmers having adopted recommended technologies and the PCR indicates this was 53.3 per cent at MTR against the target of 85 per cent.

31. Most of the physical targets for crop/livestock production (i.e. hectares of annual and perennial crop scaling-up and demonstration, livestock landrace demonstration and beneficiary training) were surpassed (see also annex III), indicating that the designed activities and the selection of crops by the implementing agencies were well received by the targeted beneficiaries.
32. The impact assessment of GIADP conducted by the IFAD's Research and Impact Assessment Division provides some data on changes in agricultural practices by the beneficiaries. For example, the data show that: (i) beneficiary households use lower level of seeds for crop production (15.9 per cent lower than the control group); and (ii) the farmers in project areas have reallocated their arable lands from growing grain and root crops to higher-valued crops including vegetables and fruits with improved yields on the latter which were promoted by the project. In relation to the data showing lower level of seed use by beneficiaries, the GIADP impact assessment report and the PCR noted that this could be attributed to the training on agricultural production technologies, especially on seed use, and considered it as evidence showing "more effective (or efficient) use of seeds".<sup>20</sup> However, neither report clarifies which crops this is about nor the yield level, without which it is not possible to assess whether and to what extent the use of seeds has become more efficient. The impact assessment shows lower grain and root yield, mixed result for vegetable (lower yield in poor counties, higher in vulnerable counties) and higher fruit yield by beneficiaries (see also paragraph 56).
33. **Outcome 3: increase the production and marketing efficiency of rural poor joining the value chain systems.** For the two indicators for this outcome, the PCR reported as follows: (i) 100 per cent of cooperatives and project value chain enhancement facilities operational (against the target of 90 per cent); and (ii) 96 per cent of members reporting increased marketing at MTR (against the target of 80 per cent). However, in the PCR's view, linkage of these indicators to "production and marketing efficiency" is not clear. It is reported that 13,860 project beneficiaries became members of 43 cooperatives.
34. Lining of existing branch and lateral canals facilitated in improving water use and irrigation efficiency, which resulted in area expansion and crop productivity. The PCR also linked the use of less seeds by beneficiaries than the control group to increased (agricultural) production efficiency, but as noted earlier (paragraph 32) without more detailed and differentiated data on crops and yields vis-à-vis the level of seed use, it is not possible to draw such a conclusion.
35. The qualitative evidence from the GIADP impact assessment indicated that households receiving a combination of project support for agricultural production and marketing along with rural environmental improvement benefited from higher prices for their crops sold, especially for vegetable and fruits. Such result may reflect, at least in part, improved marketing efficiency.
36. **Outcome 4: innovative approaches for improving rural habitat sanitation piloted successfully.** For this outcome, two modules were covered under component 3, namely, biogas system and village sanitation improvement.
37. The project supported the construction of 162 household-based biogas systems and training of 324 beneficiaries in the O&M of the biogas systems and the use of sewage and slurries from the digesters for crops production. While reporting that the construction of biogas systems reduced farmer' demands for fuel wood, the

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<sup>20</sup> For example, GIADP PCR paragraphs 75, 82 (a). The impact assessment report states that the participation of beneficiary farmers in "these training sessions resulted in more effective uses of seeds, which have led to lower seed uses in absolute terms" (page 31).

PCR considers the investment in biogas digesters as "one of the least well performing activities under the project", "mainly due to the changing context, where pig production is centralized to meet food safety standards and hence small units lack input for the digesters".<sup>21</sup>

38. As for village sanitation improvement, the project supported 33 villages with 25.3 km of drainage ditches, 150 waste water septic tanks, 47 garbage collection spots, 129,111 m<sup>2</sup> of inner-village tracks, and training of 5,297 beneficiaries with the knowledge of village sanitation and O&M of the project-built works.
39. The PCR states that the component on rural environment improvement contributed to improve environment around project villages. While this is plausible based on the outputs delivered, there are little evidence to support this claim. Moreover, it is also not entirely clear to what extent "innovative approaches" were "piloted successfully" as per the expected outcome.
40. **In summary**, the project effectively promoted the adoption and cultivation of high-valued crops (i.e. vegetables and fruits) and landrace livestock by providing technical support on best practices related to production and marketing. The combination of improved rural infrastructure and promotion of commercial production (cash crops and links with cooperatives) were found to be appropriate to address the identified obstacles to economic development for the rural poor. Somewhat weaker performance was in the areas of cooperative support, value chain enhancement and village environment improvement. The PCR rates effectiveness as **satisfactory (5)**, same as the PCR rating.

### Efficiency

41. **Timeline.** GIADP had a time lapse of only one month between approval and effectiveness of the loan (markedly lower than the current overall IFAD average of 12.3 months), indicative of satisfactory efficiency for similar type of projects.<sup>22</sup> The project was completed as scheduled.
42. **Disbursement performance and implementation process.** At design, the total project cost was estimated at US\$96.84 million, whereas at completion, expenditure reached US\$92.48 million, an achievement of 95.5 per cent of the total in US\$ terms. This difference is mainly due to the exchange rate between SDR and US\$ and between US\$ and CNY during the project implementation period. The IFAD loan proceeds (in SDR) were disbursed 100 per cent.
43. While the disbursement at completion was satisfactory, some challenges during the implementation period were noted and addressed. According to the PCR, disbursement of funds, particularly for rural infrastructure investments, was slowed down due to lengthy inspection processes. This aspect was identified and addressed by supervision missions, which recommended for the county project leading groups to better interact with the concerned government agencies in order to expedite such processes. The execution rates on the annual budgets were very low during the first two years (2012 and 2013), partly also because they were over-ambitious. However, the last three project years saw an accelerated implementation pace, with most of the planned activities delivered ahead of time. This enabled the project to close on-schedule without loan extensions.
44. **Project management cost.** The actual cost of the project management component was very low at 2.8 per cent, indicative of high efficiency, also substantially lower than 8.8 per cent according to the initial budget. The PCR does not provide explanation as to how this reduction happened.
45. **Economic efficiency.** Cost-benefit analysis method was used for carrying out the economic and financial analysis of GIADP at completion, assuming a twenty-year

<sup>21</sup> GIADP PCR paragraph 100 (b).

<sup>22</sup> As extracted from the IFAD Grants and Investment Projects System database.

analysis period. The economic and financial analysis calculated an internal rate of return of 37 per cent versus a 30 per cent estimated at design. According to the PCR, at farm level, financial models showed increased productivity through better management and improved farming practices, translating into a household income increase from CNY 2,344 at baseline to CNY 2,736 at completion (i.e. 16 per cent increase), and to CNY 8,116 in 2022. However, it is not clear to what extent these financial models are coherent with the impact assessment data, given mixed picture for example on some crop yields.

46. Based on the above narrative this PCR rates efficiency as **satisfactory (5)**, one point higher than the moderately satisfactory (4) rating by the PCR.

### **Rural poverty impact**

47. As part of the IFAD10 Impact Assessment Initiative, GIADP was selected in collaboration with the Asia and the Pacific Regional Division for an *ex post* impact assessment, led by the IFAD Research and Impact Assessment Division of the Strategy and Knowledge Department. The corresponding final impact assessment report was released in April 2018.<sup>23</sup> The impact assessment used a mixed method approach with quantitative and qualitative surveys. A counterfactual group was created using both statistical methods and expert validation with project staff to reconstruct the targeting process used by GIADP when the project was originally designed. This effort resulted in the identification of a set of treatment and control administrative villages in all eight project counties from which household and community surveys were conducted between July and September 2017. In addition, household-level matching was performed to improve the quality of the counterfactual. This process resulted in the dataset used for analysis, which consists of data collected from 892 treatment and 909 control households (total 1,801 households) in 64 treatment and 55 control (total 119) administrative villages.
48. The impact assessment report and the PCR note that “there are a number of data limitations” which make it difficult to draw conclusive statements concerning impact attribution at intervention level, as well as to assess the interactions among subcomponents as well as determining impact on agricultural outcomes and welfare of beneficiary households and communities. The PCR underlined that the distribution of interventions was not homogeneous across all administrative villages<sup>24</sup> and there was a difference in terms of intervention intensity among administrative villages, which would have led to different levels of impact.
49. **Household income and assets.** According to the impact assessment report, there were no significant differences in project impacts on total household income<sup>25</sup> or on any income component between directly benefitting and control households. At the same time, households benefitting directly from the project intervention were found to have a significantly higher level of savings compared to the control households (40.9 per cent higher on average). Differentiated analyses for poor and vulnerable counties<sup>26</sup> indicate positive impact in vulnerable counties both on incomes (22 per cent higher than that of control households, though only significant at 10 per cent level), as well as on savings (65.5 per cent higher),<sup>27</sup>

<sup>23</sup> Garbero, A., Songsermsawas, T. Impact assessment report: Guangxi Integrated Agricultural Development Project, China. IFAD, Rome, 2018.

<sup>24</sup> Some administrative villages received agricultural production and marketing support, others benefitted from infrastructural development only, a third set of administrative villages received agricultural production and marketing support along with infrastructural development, and the rest agricultural production and marketing support along with rural environmental improvement.

<sup>25</sup> Total annual household income was calculated taking the sum of value of crop production, livestock income, livestock product income, wage employment income, and transfer income (e.g. pensions, remittances, etc.).

<sup>26</sup> In the impact assessment, the sample counties were categorized into two groups: poor counties (designated as national poverty counties at project design) and vulnerable counties (relatively better-off) to conduct some differentiated analyses.

<sup>27</sup> GIADP impact assessment report, table 11, table 16.

while no significant impact was observed in poor counties on neither incomes nor savings.

50. The impact assessment found an increased value of crop production of approximately 28 per cent in project households as compared to the control group.<sup>28</sup> The value of fruit crops produced in project households was significantly higher, by 29.1 per cent, which translates to approximately CNY 976 higher per year than the level observed in the control group.<sup>29</sup>
51. Based on information of recalled asset ownership at baseline (before GIADP started) and current asset ownership, a significant impact of the project on durable assets was confirmed. The value of asset indices among treated households (poor and vulnerable counties combined) is higher than that of the control households by 10.7 per cent.<sup>30</sup> A differentiated analysis shows that the treatment households in poor counties had an increase in overall assets by 25 per cent compared to the control group, while the households in vulnerable counties exhibited no significant change in assets compared to the baseline level. The impact assessment report noted that this finding is consistent with the trend in poorer counties that improvements in economic mobility among smallholder households tend to reflect greater investments in durable asset items such as TVs, radios, motorcycles, and other goods. At the same time, in view of no significant project impact on household incomes in poor counties (paragraph 49), a question may be asked on whether these households could have had other sources of incomes to acquire the assets, also given the trend of outmigration.
52. **Human and social capital and empowerment.** The project contributed to enhanced knowledge and capacity of beneficiaries in various areas through training such as agricultural production and O&M of infrastructures and facilities.
53. The project also established and/or strengthened groups and institutions of beneficiaries as follows:
  - (i) VIGs played an important role in social capital formation and empowerment. VIGs not only communicated project information to beneficiaries, but also reported back to the concerned TPMO and CPMO the villagers' needs, concerns and choices for consideration by the project staff. On the latter, the final decision on which project activities identified by beneficiaries were to be submitted for consideration was taken by the VIGs. Of the total 14 members, at least five to six farmer representatives were chosen from the different wealth categories. In some cases, female representatives made up 40 per cent of a VIG. It should be noted that VC leaders are very efficient with regard to mobilizing farmers, organizing them for trainings and monitoring in real time the progress of implemented activities.
  - (ii) The project supported cooperatives and catered to the training of their members in production and marketing. Through these activities, the project built the capacity of smallholders to access markets, pool resources for bulk input purchase, processing and marketing. However, as noted earlier (see paragraph 26), there was an issue with the selection of cooperatives.
54. **Food security and agricultural productivity.** The impact data on diet diversity are not clear or conclusive. According to the impact assessment report, while the results show that there is evidence of a negative impact on dietary diversity among treated households, this is only significant at 10 per cent level.<sup>31</sup> In addition, the qualitative evidence indicated that households in project regions purchase only a small portion of their food from the market and rely mainly on own produced food items. Consequently, the impact assessment report comments that it is not

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<sup>28</sup> GIADP PCR paragraph 78.

<sup>29</sup> GIADP PCR paragraph 77.

<sup>30</sup> GIADP PCR paragraph 79.

<sup>31</sup> GIADP PCR paragraph 80.

surprising that there is not much difference in the dietary diversity between households in treatment and control groups.

55. Beneficiary households were found to have significantly lower grain and root yields by approximately 40 per cent than the control group (i.e. 220 kg/ha and 19.4 kg/ha less, respectively). On the other hand, the former had significantly higher yields of fruit crops by 19.3 per cent, close to 17 kg/ha higher, with concomitant significant increase in value by 29.1 per cent than the control group. The significant impacts on yields and value of fruit crops are of particular importance, as the project focused on promoting best practices of fruit crop production and marketing, especially citrus crops.
56. According to the differentiated analyses for poor and vulnerable counties, there were positive and significant impacts on vegetable and fruit yields particularly in vulnerable counties, where vegetable and fruit yields of the beneficiary households were 47.8 per cent and 22.4 per cent higher than those of control households, which translates to approximately 74.3 kg/ha and 17.1 kg/ha increases in yields in absolute terms, respectively. On the other hand, in poor counties, there were no significant differences in crop yields among households, except for a decrease in vegetable yields.
57. **Institutions and policies.** The project impacted positively on institutions in terms of the quality and effectiveness of service delivery. The experience and knowledge gained by many Government officers and implementing agencies through participation into project implementation and management has contributed to capacity building. The PPMO was well staffed and, in time, capitalized on experience and knowledge gained being thus able to coordinate appropriately with the numerous implementing agencies at county level. During implementation, the provincial project management office played a key role in facilitating knowledge sharing among project counties through peer-to-peer learning.
58. Further, through the construction and support of 28 township technical extension stations, GIADP has improved the capacity of the stations to better serve the increasingly diversified needs of the farming communities, which have enhanced their capacity in terms of internal management and participatory village development planning.<sup>32</sup> Through project support, county agricultural bureaus together with township extension stations carried out 56 experiments of crop production with focus on introducing new crops and new crop varieties and farming techniques to the project area and beyond.<sup>33</sup>
59. The project also supported the establishment of e-commerce platforms and online marketing and trading through social media/WeChat. This was widely adopted by beneficiaries and it helped them access diverse market channels and establish relations with buyers, within and outside their counties and province.
60. **Summary – rural poverty impact.** Overall, there were positive impacts particularly in terms of fruit crop productivity, human and social capital and empowerment (but less with regard to cooperative development), institutions and policies. Positive impacts were identified also in terms of household savings, household incomes in vulnerable counties, and household durable assets in poor counties, but it is not clear to what extent these changes were due to the project. Also for some other indicators, such as agricultural productivity (non-fruit) and diet diversity, the evidence of positive project impact is limited (e.g. impact assessment indicating lower vegetable yields in poor counties, lower grain and root yields compared to the control group). The PCRV rates rural poverty impact as **moderately satisfactory, (4)**, one point lower than the PCR rating.

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<sup>32</sup> GIADP PCR paragraph 64.

<sup>33</sup> Ibid.

## **Sustainability of benefits**

61. The PCR discusses in detail the factors in favour of sustainability of project benefits, including: (i) suitability and appropriateness of technologies introduced by GIADP, i.e. farm production including field crops, livestock and poultry, irrigation canal lining civil works and village roads to local cultural context and farming practices; (ii) technical backup to be provided to farmers by the various agencies at county and township levels, including cooperatives, in pursuit of environment-friendly farm production beyond project completion; (iii) VIGs that were capacitated and strengthened (see also paragraph 53) with a continued role in rural/community development; and (iv) e-commerce platforms and online marketing and trading through social media/WeChat, which is expected to continue to facilitate producers to access markets. With regard to community infrastructure, O&M groups that were established for community-level infrastructure (i.e. irrigation and drainage canals, village road and safe drinking water systems) and training of users would also enhance sustainability. However, it was also recognized that there could be challenges where major repair is needed due to natural disasters such as floods and landslides.
62. The PCR rates sustainability as **satisfactory (5)** same as the PCR rating.

## **B. Other performance criteria**

### **Innovation**

63. The PCR lists the following as innovations in GIADP: (i) promotion of new annual and perennial varieties for agriculture; (ii) clear project management through written guidelines; (iii) organic input to biogas digesters in absence of manure; and (iv) linking production promotion to ecotourism and restaurants. As for (iii), the PCR indicated that the use of peels of persimmons to feed into the digesters in the absence of manure<sup>34</sup> was innovative, even though this activity (biogas digesters) generally under-performed. It is not clear how the preparation of guidelines to guide project management (point (ii)) was considered as particularly innovative, even though they could be useful also for other projects.
64. Furthermore, the combination of agricultural support with rural environment improvement interventions was considered as innovative in the PCR with potential for scaling-up. The impact assessment study found that the administrative villages receiving this combined set of support reported higher yields and value from production of vegetable crops, although it did not explain how this may have been the case and the study also recognized that the sample was small to be conclusive.
65. Other innovations comprise VIGs at village level and the establishment and adoption of e-commerce platforms and online marketing and trading through social media/WeChat.
66. Based on the aforesaid, the PCR rates innovation as **satisfactory (5)** same as the PCR rating.

### **Scaling up**

67. The design of GIADP draws on experience of the first IFAD-funded project in Guangxi and did replicate many proven interventions, hence acted itself as a means of scaling up past successful experience. The PPMO played a key role in facilitating knowledge-sharing among project counties' implementing agencies through peer-to-peer learning, which led to replication and adoption of good practices.
68. The PCR noted that GIADP did not take concrete measures for replication outside the project and that scaling up of successful interventions under GIADP "remains to

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<sup>34</sup> This was due to the changing context, where pig production is centralized to meet food safety standards and small units lack inputs for the digesters (PCR paragraph 100 (b)).

be seen".<sup>35</sup> At the same time, there was an expectation that good practices and lesson from GIADP will be applied in future projects, given that, for example, the PPMO is leading the preparation and implementation of a new World Bank financed rural development project.

69. In view of the above, the PCRV rates scaling up as **moderately satisfactory (4)**, same as the PCR rating.

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

70. The GIADP design noted that the overall socio-economic status of women in the project area was worse than men in terms of education, health and access to technical and information services and in many cases, women were rapidly becoming the main labour for farming activities due to migration of men, in addition to their traditional household roles.<sup>36</sup>
71. The project was successful in its gender focus and inclusion of women. While the high participation of women, 53.1 per cent, can partly be attributed to the increasing migration of men to the cities, it was also noted that project interventions prioritized women and also fit women's demands. Of the total 108,575 farmers trained, 54.1 per cent were women. Women are also reportedly well represented in the project-established management mechanisms, such as VIG and O&M groups. According to the PCR, the women interviewed during supervision missions reported improvements in their livelihoods and empowerment due to increases in income and time gains as a result of project activities, but there is no data or details to support this claim. Hence, apart from the data on women's participation in project activities, there is little evidence for the project's achievement on gender equality and women's empowerment.
72. The PCRV rates gender equality and women's empowerment as **moderately satisfactory (4)**, one point lower than the PCR rating.

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

73. The project was classified as a category B, i.e., it was not likely to have a significant negative environmental impact. The project investment on infrastructures was reported as meeting the national regulations on environment conservation and protection. All village roads were improved using the existing road alignments and no cutting or excavation of new road alignments were made. Some of the infrastructure works contributed to better environmental protection, for example, less soil erosion due to improved irrigation canals.
74. In general, GIADP promoted sustainable natural resources management and environment protection. Good agricultural practices were introduced along the production modules with sustainable and informed use of fertilizer and pesticide. The planting and maintenance of permanent tree crops would enhance organic carbon contents of soil.
75. The project component on rural environment improvement was quite minor (5 per cent) and the sub-component on biogas systems was significantly scaled down, but according to the PCR, biogas digester and village sanitation activities contributed to improved environment around project villages where these were implemented.
76. The PCRV rates environment and natural resources management as **satisfactory (5)**, the same as the PCR rating.

### **Adaptation to climate change**

77. The project design recognized climate-related risks, mainly floods and droughts and considered the following activities as measures to mitigate the risks and increase resilience: improvement and/or development of rural infrastructure, in

<sup>35</sup> GIADP PCR paragraph 102.

<sup>36</sup> GIADP project design completion report, paragraph 44.

particular irrigation facilities, awareness training for technical extension agents and farmers in response to climate changes, adoption of new technologies including water-saving irrigation, development and introduction of drought resistant crop varieties.<sup>37</sup>

78. The project promoted a range of agricultural practices that consider climate change and resource availability, including more efficient irrigation systems, appropriate water use, soil management and input application. New crop varieties and farming practices brought to the project area had gone through strict screening and testing by local agricultural research, extension and administrative agencies and are well adapted to local agro-climate conditions and ecosystems.<sup>38</sup>
79. All village roads were improved using the existing road alignments and no cutting or excavation of new road alignments were made. In addition, these road improvement works included adoption of climate resilient features such as protection of side slopes, construction of cross-drainage structures and side drains.
80. The PCRV rates adaptation to climate change as **satisfactory (5)**, same as the PCR.

### C. Overall project achievement

81. Despite a slow pace in the first two years and notwithstanding many sub-components and the large number of implementing partners involved, the project implementation accelerated and achieved, and often exceeded most of the set targets. The project contributed to improved rural livelihoods through community infrastructure (i.e. drinking water, roads, irrigation) and better access to inputs, technologies and services for agricultural production. The available data indicated GIADP's overall positive impact on household assets and savings and improved productivity of fruits, while mixed or less positive indications or no significant impact on household incomes, vegetable productivity, food security, among other things. The impact assessment report showed that the degree of impact varied between poor and vulnerable (=relatively better-off) counties and between different combinations of interventions. The PCRV rates overall project achievement as **satisfactory (5)**, in line with the PCR rating.

### D. Performance of partners

82. **IFAD.** IFAD consistently provided support to the project. The project objectives and design were relevant, aligned with the Government policies and strategies. Some adjustments made to the design during the course of the project were responsive to the emerging issues and changes in the context.
83. Guidance by IFAD regarding financial management and fiduciary aspects was adequate and useful. According to the PCR, actions and follow-up on withdrawal applications took place within reasonable time limit. The IFAD country office in Beijing supported the GIADP implementation with a stable country team and continued to link the project to technical resources at IFAD headquarters, as required. An adequate number of supervision and implementation support missions were fielded on a regular basis (at least once a year) and provided concrete recommendations for follow-up. According to the PCR, however, a number of technical issues could have been identified in a timelier manner by supervision and implementation support missions.<sup>39</sup>
84. Based on the above, the PCRV rates IFAD performance as **satisfactory (5)** in agreement with the PCR rating.

<sup>37</sup> GIADP project design completion report, paragraph 42.

<sup>38</sup> GIADP PCR paragraph 153.

<sup>39</sup> GIADP PCR page 69. "Those technical issues related to the outreach's quantitative achievement, chronic low disbursement of expenditure IV and the missing key impact indicators in RIMS surveys".



85. **Government.** The Government showed a strong ownership of the project and systematically and actively participated in all supervision missions, providing relevant and timely support to project implementation. Coherence between the annual work plan and budget and implementation was rated low in the first two years due to the slow start-up in activities related to cooperatives and to delays in infrastructure investments, which was later addressed and solved successfully. The participating implementing agencies were effective and efficient throughout, and all recommendations stemming from supervision and implementation support missions were adopted constructively by PMOs to maintain GIADP's overall implementation progress and performance. The Ministry of Finance and its delegated departments and bureaus at provincial and county levels maintained a prudential financial management complying with IFAD rules and regulations. The project leading groups provided good guidance to all the county-level technical agencies and coordinated the matching of funding and project investments to help timely implement the GIADP. Audit reports were timely and complying with required standards.
86. In terms of financial management, the project fully complied with the financing agreement. Funds received were used for intended purposes, and the capacity of most financial personnel in the PPMO and CPMOs was most of the time adequate although, as recorded in supervision missions, some variance in performance across counties was observed, which reflects varying levels of capacity, leadership and workload. Furthermore, the staff turnover rate of in some counties posed an issue with regard to capacity building.
87. Based on the above, the PCRV rates Government performance as **satisfactory (5)**, in line with the PCR rating.

#### **IV. Assessment of PCR quality**

88. **Scope.** The PCR for GIADP contains all the sections of the main body and annexes as mandated by the Guidelines for Project Completion. The sections on project efficiency and effectiveness are in sufficient depth of analysis and provide a holistic assessment of its resilience to various specific risks as well as the overall impact of its initiatives. The PCR main body (53 pages) is significantly longer than the recommended length of not exceeding 30 pages. While the PCRV appreciates the details provided, it is of the opinion that a more concise analysis would convey the findings more efficiently and effectively to the audience. The PCR scope is rated as **satisfactory (5)**.
89. **Quality.** The PCR benefitted from monitoring and evaluation data. The assessment in the PCR is largely supported by the findings from the stakeholder workshop, which was conducted as a part of the project completion process. This has served to validate the reported project achievements. As part of IFAD10 Impact Assessment Initiative, GIADP benefitted from an ex post impact-assessment led by IFAD's Research and Impact Assessment Division, which worked closely with the IFAD country team and the GIADP PPMO to reconstruct the project's theory of change, formulate research questions and develop the impact assessment survey strategy accordingly. However, the time taken by SKD to procure the appropriate firm, to plan the missions in China and supervise the data collection was longer by about 10 months than planned, which caused significant delays in the process of finalizing the report. The PCRV assigns to the PCR a quality rating of **satisfactory (5)**.
90. **Lessons.** The PCR presents many useful and informative lessons on design and implementation. Further, it highlights areas/results which did not work well, and which should be improved in future projects. Additionally, the PCRV finds that it provides valid recommendations for improvement of similar projects in future funded and implemented by Government of China as well as IFAD. The PCRV rates the Lessons section of the PCR as **highly satisfactory (6)**.

91. **Candour.** The PCRV recognizes that the PCR's content and analysis are consistent and candid. The PCR has conducted a good assessment of the main results, highlighting both its positive achievements and weaknesses. Candour is rated as **satisfactory (5)**.
92. The PCRV rates **overall PCR quality** as **satisfactory (5)**.

## **V. Lessons learned**

93. This project was a good example on how a complex, multi-intervention project implemented by several implementing agencies can work. From a review of the project documentation, a strong sense of ownership emerges, both at the institutional and beneficiaries' levels, matched with the close support of a highly competent and stable project team. In addition, establishing a two-way communication channel in the form of VIGs was a successful approach, linking project activities to local realities. These factors, among others, have been instrumental, essential towards GIADP's successful outcome.
94. A missed opportunity emerging from this project review concerns the lack of a clear strategy – along with the allocation of financial resources – for scaling up purposes. GIADP brought forward a number of innovative approaches which should be considered for replication and scaling up. While it is true that a number of these will be integrated in the design of a forthcoming World Bank project, project design should take better into account the possibility of formulating clear strategies and allocate financial resources into the design of its future interventions.

## 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. <i>Four impact domains</i>	X	Yes
	<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	4	-1
<b>Project performance</b>			
Relevance	5	5	0
Effectiveness	5	5	0
Efficiency	4	5	1
Sustainability of benefits	5	5	0
<b>Project performance<sup>b</sup></b>	4.75	5	0.25
<b>Other performance criteria</b>			
Gender equality and women's empowerment	5	4	-1
Innovation	5	5	0
Scaling up	4	4	0
Environment and natural resources management	5	5	0
Adaptation to climate change	5	5	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	5	5	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.

### Ratings of the project completion report quality

	<i>PMD rating</i>	<i>IOE PCRVR rating</i>	<i>Net disconnect</i>
Candour		5	
Lessons		6	
Quality (methods, data, participatory process)		5	
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.

## Major project outputs against the targets

<i>Project activities by component</i>	<i>Unit</i>	<i>Target at appraisal</i>	<i>Target at MTR</i>	<i>Achieved</i>	<i>% of MTR target</i>
<b>1. Community infrastructure development</b>					
(60 CM*60 CM) Branch Canal	Km	51	41	68	165.7
(40 CM*40 CM) Lateral Cana	Km	253	203	178	88.1
O&M Training	Person	78,183	48,239	24,944	51.7
Village Collective System	Number	69	150	150	100.0
Pipeline System	Set	91	143	145	101.4
O&M Training	Person	67,084	19,566	14,622	74.7
Village road	Km	383.5	410	421	102.6
Natural village road	Km	80.8	148	226	152.4
<b>2. Agricultural production and marketing support</b>					
Annual crop demonstration	ha	130	150	237	158.2
Annual crop scaling up	ha	1,300	1,500	5,125	341.7
Annual crop beneficiaries training	Person	20,200	24,000	18,127	75.5
Perennial crop demonstration	ha	240	250	250	100.1
Perennial crop scaling-up	ha	2,400	2,500	3,795	151.8
Perennial crop beneficiaries training	Person	15,840	16,250	24,659	151.7
Landrace Livestock demonstration	household	320	425	5,097	1199.3
Livestock beneficiaries training	Person	640	850	1,371	161.3
Technical Extension construction	Number	18	27	28	103.7
Staff training	person	1,200	1,200	2,291	190.9
Crop experiment	Number	31	37	56	151.4
Training center	Number	5	1	0	0
<b>3. Village environment improvement</b>					
Biogas system	Set	589	162	162	100.0
Beneficiary training	Person	1,178	324	324	100.0
Number of villages implemented sanitation Improvement	Number	37	37	33	89.2
Beneficiary training	Person	5,735	5,735	5,297	92.4

Source: GIADP PCR table 6.

## **Abbreviations and acronyms**

CNY	Chinese Renminbi Yuan
CPMO	County Project Management Office
GIADP	Guangxi Integrated Agricultural Development Project
IFAD	International Fund for Agricultural Development
IOE	Independent Office of Evaluation of IFAD
MTR	Mid-term review
O&M	Operation and maintenance
PCR	Project completion report
PCRV	Project completion report validation
PMO	Project Management Office
PPMO	Provincial Project Management Office
TPMO	Township Project Management Office
VIG	Village implementation group

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