1. Project Data:

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<th>Country: Yemen, Republic of</th>
<th>Date Posted: 08/24/2015</th>
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<td>Project ID: P089259</td>
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<tr>
<td>Project Name: Rainfed Agriculture And Livestock Project</td>
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<td>Project Costs (US$M):</td>
<td>33.80 42.71</td>
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<tr>
<td>Loan/Credit (US$M):</td>
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<td>Cofinancing (US$M):</td>
<td>16.70 16.77</td>
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<td>Closing Date:</td>
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<td>Sector(s): General agriculture; fishing and forestry sector (41%); Central government administration (18%); Agro-industry; marketing; and trade (15%); Agricultural extension and research (14%); Crops (12%)</td>
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<td>Theme(s): Rural services and infrastructure (33%); Rural policies and institutions (33%); Rural markets (17%); Other rural development (17%)</td>
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Prepared by: Santhadevi Meenakshy
Reviewed by: John R. Eriksson
ICR Review Coordinator: Christopher David Nelson
Group: IEGPS1

2. Project Objectives and Components:

a. Objectives:

The original Development Credit Agreement (DCA) of September 11, 2006, framed the Project Development Objective (PDO) as follows:

The objective of the Project is to enable poor rural producers to improve their production, processing and marketing systems and protect their assets through the development of farmer based systems of seeds management and promoting productive rural development within the project area and enhance the livestock husbandry and health services for the benefit of poor rural producers nationwide.

The Amendment to the DCA of May 2, 2013 framed the PDO as follows:

"The proposed project would enable poor rural producers in rainfed areas to: (a) improve their production, processing and marketing systems; (b) protect their assets: soil, water, rangeland, seeds and animals; and (c) get organized for the purpose of (a) and (b) above".

IEG adopts the PDO statement contained in the amended DCA since it is the same in substance as the original DCA statement but is clearer and more concise. Moreover, this statement of the PDO is aligned exactly with the formulation of the PDO stated in the Project Appraisal Document (PAD), except that the PAD statement begins with a preamble that the "three-pronged Project Development Objective [(a)-(c)] contributes to the higher development objectives of reducing poverty in rural areas and improving natural resources management" (p.3.).

As explained in Sections 3a and 4 below, IEG assesses efficacy against only two of the sub-objectives (a and b).

b. Were the project objectives/key associated outcome targets revised during implementation?

No
c. Components:
There were four components.

Component 1: Farmer-Based System of Seed Improvement and Management (Approval Cost: US$ 2.92 million and Actual Cost: US$ 3.37 million). The component had three sub-components. They are: (i) Promoting ex-situ and on-farm conservation of local land races within the project area; (ii) Carrying out a program for promoting seed producer groups in the project area; and (iii) Enhancing the capacity of seed producer groups to establish a network for seed delivery and marketing of local land races in the project area.

As part of the June 2012 restructuring, farmer-based seed improvements and management were discontinued, except for activities related to the establishment of seed producer groups to produce quality land race seeds at the farm level and the enhancement of their capacity to establish a network for seed delivery and marketing of local land races.

The component had four sub-components. They are: (i) Enhancing the capacity of the General Directorate of Animal Resources (GDAR) to develop livestock strategies, policies and regulations, and disease control and diagnosis; (ii) Rehabilitation and strengthening of national and regional veterinary laboratories; (iii) Design, construction, and equipment of a live animal quarantine holding ground in Al-Mokha; and (iv) Establishing a public-private partnership based on a contracting system for sanitary mandate and epidemi-surveillance, and promoting accessible delivery of veterinary and animal husbandry services and goods to livestock owners.

As part of the June 2012 restructuring, livestock husbandry and health services were discontinued, except for activities relating to the promotion of accessible delivery of veterinary and animal husbandry services and goods to livestock owners; and (d) the functioning of an epidemi-surveillance network was dropped. In addition, the quarantine facility at Al-Mokha was expanded to handle the increasing volume of imported livestock through this strategically located port.

The component had two sub-components. They are: (i) Enhancing the organizational capacity of poor rural producers at the community and inter-community levels to improve access to public and private services, as well as input and output markets; and (ii) Provision of Poor Rural Producer (PRP) Grants to poor rural producer groups.

Component 4 Project Support Unit (PSU): (Approval Cost: US$ 1.34 million and Actual Cost: US$ 2.22 million)
The component had two sub-components. They are provision of equipment, services and operating costs to support the implementation and management of: (i) Parts A and B of the Project and (ii) Part C of the Project.

Restructuring
The project was restructured thrice, in 08/11/2010, 06/28/2012 and 01/16/2013. While the third restructuring involved modification and enhancement of selected indicators in the Result Framework and Monitoring of the Project, IEG has judged that there was no material difference in the impact of the restructuring on the overall PDO.

d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:

Project Cost:
Total actual project cost was US$ 42.71 million as compared with a total appraised project cost of US$ 33.80 million.

Financing:
The total actual financing was US$ 37.55 million, of which US $ 21.78 million was from IDA and US$ 16.77 was from FAD.

Borrower Contribution:
The Borrower contribution decreased from US$ 4.80 million at appraisal to US$ 4.10 million.

Dates:
The project closed on 09/30/2014 instead of 06/30/2012 as originally planned.

3. Relevance of Objectives & Design:

a. Relevance of Objectives:
Substantial
During conception, the development objective was consistent with GoY’s Second Five-Year Plan (2001-2005) that targeted agriculture as one of the leading sectors for employment-generating economic growth. The PDO was coherent with Yemen's first PRSP (2003-2005), as well as the government’s Second Five Year Plan, which defined
The country’s development challenges as: (a) high population growth, (b) water scarcity, (c) weak human resources, and (d) weak institutional capacity. Extensive consultations were carried out to ensure the objective was relevant to the existing country environment.

At closure, the PDO continued to be relevant with the last CAS (written in FY09) targeted on agricultural productivity increase in rain-fed areas. The FY13 Interim Strategy Note (ISN) covering FY13-14 had as one of its strategic pillars, achieving quick wins and protecting the poor by creating short term jobs, restoring basic services, improving access to social safety nets, and revitalizing the economy.

While the PDO identifies three sub-objectives, IEG will only evaluate in Section 4 achievement of two sub-objectives (a and b), since IEG views the third sub-component (c) as contributing to achieving (a) and (b).

**b. Relevance of Design:**

**Modest**

The project was designed to alleviate rural poverty by targeting producers, including women, operating in the agriculture sector under rainfed conditions, and in livestock activities.

Governorates were chosen on the basis of the incidence of rural poverty and of the importance of rainfed agriculture. Many of the design features, including articulation of the project objectives, were built on studies and projects. The design was founded on a series of studies that were completed in early 2005, such as (a) Farmer-based System of Seed Improvement and Management in Rainfed Areas, (b) Support to Farmer Groups to Implement Farmer-Demanded Subprojects, (c) Public-Private Partnership for Livestock Husbandry and Animal Health Improvement, and (d) Soil Conservation and Water Harvesting. In addition, four World Bank-financed projects that were particularly relevant to the proposed operation were also considered in the design (Agricultural Sector Management Support Project (ASMSP) which closed on June 30, 2000; (ii) Seeds and Agricultural Services Project (SASP) which closed on June 30, 2004; (iii) Groundwater and Soil Conservation Project (GSCP); and (iv) Social Fund for Development (SFD III) (which were ongoing at Appraisal).

The components were appropriately selected to enable achievement of the PDO. For example, Component 3 (Part C) aimed at: (a) strengthening the capacity of farmers to organize themselves; (b) improving rural producers’ access to input and output markets and (c) enabling rural producers to earn incomes that they could reinvest in their production systems.

The original results framework failed to effectively link the outcomes with the PDO, and to capture the on-the-ground reality of the Project. This led to modifications during the restructuring.

4. **Achievement of Objectives (Efficacy):**

The PDO is to “enable poor rural producers in rain-fed areas to: (a) improve their production, processing and marketing systems; (b) protect their assets: soil, water, rangeland, seeds and animals; and (c) get organized for the purpose of (a) and (b) above.”

Though the PDO as stated in Section 2a includes three sub-objectives, IEG assesses efficacy against only two of the sub-objectives (a and b) on the grounds that the third sub-objective (c) largely contributes to the achievement of the two sub-objectives (a) and (b). This contribution was further substantiated by a Beneficiary Survey and a Stakeholder Workshop (Annexes 5-6), which report (under “Comments” for PDO Indicator 4 and paras 60, 95-97 of the main text) that rural producer groups (RPGs) of various types were key to (1) ensuring accountability of the service providers to the poor rural producers and to (2) delivery of a range of benefits.

The ICR does not identify external factors that might have potentially contributed to, or detracted from, achievement of the PDO, with the exception of implications stemming from the severe political upheaval resulting from the Arab Spring Uprising, which affected the overall Regional portfolio during July 2011 to January 2012. However, the effects of these implications were more than compensated by the re-engagement with the Government and subsequent restructuring of the Project. This is the only factor cited by the ICR outside the control of the project that might have affected its outcome.

(a) **Improve production, processing, and marketing systems**

**Two of 5 Output and 2 of 3 Outcome targets achieved or over-achieved- Substantial**

**Outputs**

1) 2,221 functioning rural producer groups (RPGs), associations or networks formed. (Target was 2,527 RPGs. Achieved 87.9%).
2) 230 village rural producer committees created and functioning 1 year after the first subprojects were completed
Target was 230. Achieved 100%).
3) 880 Production sub-projects (Target was 1,720. Achieved 51.2%)
4) 1,233 Marketing sub-projects (Target was 460. Achieved 268.0%)
5) 108 Processing sub-projects (Target was 115. Achieved 93.9%)

Outcomes
1) YR 17,150 revenue/capital per beneficiary (group's members) from (a) production subprojects (Target was YR 20,000. Achieved 86% of target)
2) YR 26,750 revenue/capital per beneficiary (group's members) from (b) processing subprojects was (Target was YR 20,000. Achieved 134% of target).
3) YR 20,300 revenue/capital per beneficiary (group's members) from (c) marketing subprojects (Target was YR 20,000. Achieved 102% of target)

(b) Protect assets: soil, water, and rangeland, seeds and animals
Substantial – Six of 7 Output and 3 of 5 Outcome targets achieved or over achieved (no outcome targets given for sub-categories b-2 and b-3)

Outcomes and outcomes are grouped below by 3 sub-categories:

(b-1) Soil, water, and rangeland
Output
574,275 person/day jobs were generated by these investments. (Target was 25,000 person day jobs. Achieved: 2,697.1 %. According to the comment section of the IO #13, severe escalation in socio-political unrest required changes in the engagement strategy favoring the use of short-term local labor).

Outcomes
17 Ha sustainable land management practices adopted as a result of the project (Target was 140 Ha. Achieved: 297.9 %)
13,443 meters (M) of terraces rehabilitated/reused (Target was 90,000 M. Achieved: 238.3 %)
29.5 Ha of upper catchments re-vegetated (Target was 45 Ha. Achieved: 65.6 %)
52,000 M of wadi banks protected (Target was 20,000 Ha. Achieved: 260.0 %)

Additional outputs for which targets were not identified due to the demand driven nature of the project are: (i) 267 water harvesting structures rehabilitated and/or newly constructed; (ii) 49,691 M3 Walls to protect land against floods; (iii) 388 Ha Land protected; (iv) 810 Ha benefited from irrigation canals; and (v) 110 Irrigation canals constructed (page #17, paragraph #66).

(b-2) Seeds
Output
1) 801,000 Kilograms (Kg) of improved seeds produced by seed producer groups (Target was 580,000 Kg. Achieved 138 %)
2) 2,187 of landraces characterized and conserved (Target was 2,067 land races. Achieved 105.8 %)
3) 5 seed grower associations have contractual arrangements with public or para-public seed certification entities (Target was 5. Achieved 100 %)
4) 70 seed producer groups formed and trained (Target was 90. Achieved 77.8 %)

Outcome
Project is estimated to have improved the yields of 60,000 farmers who used improved seeds and seed technology on a total of 24,000 ha among farmers in Sanaa, Houdaidah, Mahwit and Hajjah Governorates (Page #18 paragraph # 70). The ICR does not provide the source of information or targets at the outcome level.

(b-3) Animals
Output
1) 60,000 clients of veterinary paraprofessionals in project areas (Target was 59,800. Achieved 100 %)
2) 2,400,000 heads of animals/year handling capacity of Al-Mokha quarantine station (Target was 600,000. Achieved 400 %).

Outcome
The ICR does not provide evidence to permit a conclusion on the extent to which small holders’ livestock assets were protected.

5. Efficiency:
Modest Economic Efficiency

The overall Economic Rate of Return (ERR) at closure was 11.2%, while the ex-ante ERR was 17.7%. IEG judged that though the ex-post ERR is lower than what was indicated in the PAD, the upward benefits stream from project implementation in a fragile context was evidenced by: (i) incremental revenues from crop and livestock production activities (component 1 and 2); (ii) erosion control and water conservation; (iii) institutional strengthening of the communities; (iv) preservation of natural ecosystems and biodiversity; and (v) provision of day-jobs to an at-risk population.

Quantifiable benefits were noted as follows.
1) The annual benefit from Component 1 was estimated at YR 562,164,960 or US$ 2.6 million through Farm-Level Income Analysis that estimated the average income increase per hectare
2) Benefits from Component 2 were estimated at 812,142,000 YR (US$3.8 million), using indicative economic results from the Small holder Agricultural Productivity Enhancement Project as there was no was no quantitative data available related to the incremental net benefits per client/herder benefiting from better veterinary services under the Project.
3) Benefits from Component 3 were estimated a total of 141,975,544 YR (US$ 0.7 million) quantifiable benefits according to the economic study conducted for SAPEP and RGP based on RALP economic activities available at SFD.

The remaining four benefits were difficult to quantify in monetary terms and, thus, were not included in the economic analysis, but intangible benefits were noted as follows.
1) Erosion control and water conservation reduced loss of soil productivity
2) Adoption of participatory approaches for local planning and increased ownership and improved control by the communities of the investments that were put into place for their benefit.
3) Improved production of the rain-fed system from conservation and characterization of 2,187 land races
4) 674,275 day jobs were generated for poor rain-fed-agriculture farmers in a context of a fragile and severely conflict-affected nation

Administrative Efficiency

The Project’s implementation progress was steady in spite of very difficult country conditions, and effective operation by the public institutions that delivered services to the farmers was a major factor in this process. These institutions, though marginally supported by the project, in parallel received financial gains from their contractual deliveries. Implementation of the Project accelerated after the Bank’s re-engagement, following a suspension of disbursement from July 2011 to January 2012 and the June 2012 restructuring in response to the government’s request (financing of a larger quarantine facility, dropping some activities not implemented by the Social Fund for Development (SFD), and extension of the closing date by 27 months). The Project Support Unit (PSU) and SFD completed all project activities by the closing date and 99.32 percent of the IDA Credit and 97.63 percent of the International Fund for Agricultural Development (IFAD) loan funds were disbursed (in SDR terms) (p. 12 of the ICR).

6. Outcome:
The overall outcome rating is determined by assessing relevance of objectives and design, efficacy and efficiency. The relevance of the project objective is rated substantial and project design is rated modest. The efficacy of achievement of each of project sub-objectives (a) and (b) is rated substantial. However, efficiency is rated modest. Therefore, outcome is rated moderately satisfactory.

a. Outcome Rating: Moderately Satisfactory

7. Rationale for Risk to Development Outcome Rating:
Continued worsening of the political situation and disruption of the demand based delivery system due to vulnerability of institutional arrangements at the national level, including that of the Social Fund for Development
(SFD), pose substantial risks to the development outcome. Additionally, the linkages between the private sector and communities are likely to weaken because they would require a relatively stable political situation to effectively operate.

**a. Risk to Development Outcome Rating:** Significant

### 8. Assessment of Bank Performance:

**a. Quality at entry:**

Project preparation involved extensive consultation with the beneficiaries. The Bank incorporated lessons from some of the recently closed and on-going projects. Some of the key lessons from these projects were:

i) strengthening the capacity of farmers to organize themselves by offering services to them through a tripartite contractual arrangement among the rural producer group, the project, and the service provider. The service provider, in the case of agriculture and livestock, was the staff from the District Agricultural Offices because the capacity of Non-governmental Organizations (NGOs) or the private sector to provide agricultural advice was limited; and

ii) investing in technologies to increase productivity. In this regard, Component 3 addressed, rural producers’ access to input and output markets and also injected much needed money into the rural economy through its subprojects (financed on a cost-sharing basis), in particular the labor-intensive rehabilitation of terraces and other erosion control structures, to enable rural producers to earn incomes that they could reinvest in their production systems.

The Bank appraised the strengths and weaknesses of the providers, including those of public entities, and developed implementation arrangements so that two-thirds of the activities relied upon a tested agency, while the other third developed relatively weaker entities.

Project design addressed gender and poverty aspects. For instance, livestock-related activities that were predominantly women’s activities, and broken terraces and water harvesting infrastructures that had diminished water assets of the poor.

In retrospect, though risks were clearly identified and mitigation measures were appropriately developed, the Bank overlooked the high possibility of political turbulence which erupted soon after the project was declared effective in 2008. The evaluation arrangements were weak including the lack of an ex-post cost-benefit analysis for the overall project. No baseline was established and the PAD does not provide any information in this regard.

The preparation team fell short of adequately capturing the on-the-ground reality of the Project and linking the intermediate and PDO outcomes with the PDO while designing the original results framework. This required, modification of the PDO indicators during the restructuring.

**Quality-at-Entry Rating:** Moderately Satisfactory

**b. Quality of supervision:**

Supervision focused on development impact and was responsive to the Bank’s FY13-14 Interim Strategy Note. After lifting the suspension of disbursement in January 2012, the Bank re-engaged with the government during implementation and identified opportunities (such as reallocation of funds towards infrastructure works related to water assets).

Eight supervision missions were undertaken with an appropriate skill and specialist mix (ICR, p. vii). During that period, the supervision teams regularly provided detailed Aide Memoires, covering among other things, fiduciary aspects. (see Annex 4).

As part of the 2013 restructuring, the Results Framework was revisited and the PDO indicators were modified to enable monitoring of the achievement of the PDO and the components (details in section 10 a). However, these modifications occurred only 19 months before project closure in September 2014.

**Quality of Supervision Rating:** Moderately Satisfactory

**Overall Bank Performance Rating:** Moderately Satisfactory
9. Assessment of Borrower Performance:

a. Government Performance:
   Government’s performance was very slow towards meeting the Project’s effectiveness conditions. The Project was declared effective only after about 15 months after project approval in September 2007 due to delays in the approval of the government legislative body. Once the Project was approved by the legislative body, the GoY supported implementation arrangements, including appointment of key staff, and initiating restructuring requests. Government ownership was evidenced by providing counterpart funding exceeding the amount agreed during the June 2012 restructuring. Senior leaders were available to Bank missions without fail. Adequate budget was not always provided to some supplier agencies, assessed by the ICR as a “moderate shortcoming” (p.26).

   Government Performance Rating: Moderately Satisfactory

b. Implementing Agency Performance:
   There were two implementation agencies: Ministry of Agriculture and Irrigation (MAI) and Social Fund for Development (SFD). Both were quite committed to achieving the project development objective. Fiduciary performance (FM and procurement) was adequate throughout the implementation period. Auditors were chosen at both agencies as planned, and the auditors in their reports indicated that the processes at both the agencies were reliable. In spite of delays, MAI developed a large quarantine facility and established considerable coordination, for example with local councils, and extensive involvement of international consultants.

   However, SFD was unable to contract out implementation of the micro-finance sub-component to a specialized implementing agency under the IFAD loan. This led to subsequent reallocation of IFAD funds in agreement with the Bank and IFAD.

   Implementing Agency Performance Rating: Moderately Satisfactory

   Overall Borrower Performance Rating: Moderately Satisfactory

10. M&E Design, Implementation, & Utilization:

a. M&E Design:
   The Management Information System (MIS) within the PSU was proposed to serve as a management and monitoring tool. It covered the management side of the components: financial management (FM), procurement, disbursement, budget implementation, and contract management as well as project intermediate outcomes. However, for Component 3, it was monitored through the already established M&E system at SFD that was based on a computerized management information system.

   As part of 2013 restructuring the Results Framework was revisited. The PDO indicators were modified. For example, while one of the key outcomes was to establish a farmer-based seed production system (which is included in the PDO of improving their production systems), the indicator at the outset was “number of kg of improved seeds bought”. After the restructuring, this was replaced by a more appropriate indicator: “number of kg of improved seeds produced by seed producer groups”.

b. M&E Implementation:
   Bank supervision missions reported M&E data obtained from both implementing agencies. An impact assessment study with baseline survey and counterfactual was conducted in the first year of implementation to assess the impact of the subprojects of Component 3, implemented by SFD. It was to measure production performance and agricultural incomes with a double difference method: with and without project; and before and after project implementation. The study was relevant as part of project implementation because the village selection was part of project implementation. The main shortcomings with the above evaluation were that it was: (a) limited to one component (although it was the biggest); (b) not utilized to make a cost-benefit analysis to measure efficiency (e.g. it did not take cost into account); and (c) not supplemented by a similar survey at project completion.

c. M&E Utilization:
   M&E information was oriented towards monitoring of progress by components and re-allocations were made based on progress.

   M&E Quality Rating: Modest
11. Other Issues

a. Safeguards:
   Environment:
   The Project was a category B project and triggered safeguard policy OP 4.01 on Environmental Assessment.
   Potential environmental effects associated with the planned operations were related to rehabilitation of veterinary laboratories, construction of the animal quarantine facility, and the small-scale infrastructure relating to water harvesting and soil conservation. GoY prepared an Environmental Assessment and Management Plan (EA/EMP), which specified the process and criteria for screening for, and monitoring of, environmental impacts relating to small-scale infrastructure projects and separate environmental management matrices, one for the animal quarantine facility and another for the small-scale infrastructure and veterinary laboratories.
   Potential negative impacts were monitored and good practice mitigation measures were implemented, specific to the rehabilitation of veterinary laboratories (by MAI) and small-scale infrastructure (by SFD). Compliance with the EMP was regularly reported through independent environmental audits by SFD. With regards to the animal quarantine facility at Al- Mokha, feasibility and background studies were undertaken, and the design was in line with international standards that covered aspects of good practice measures on environmental and health-related risks in the operation and management of the quarantine.
   Social:
The Project did not trigger social safeguards

b. Fiduciary Compliance:
   Financial Management:
   While the Ministry of Agriculture and Irrigation (MAI), through a Project Support Unit (PSU), implemented Components 1 and 2, The Social Fund for Development (SFD) implemented Component 3. The PSU maintained acceptable FM arrangements in place (qualified staffing; automated accounting system, acceptable FM manual, monthly reconciliation, and timely reporting). The PSU maintained a segregated Designated Account at the Central Bank of Yemen for the related IDA funds (IDA 4220-YEM) and used the traditional SOEs as the main disbursement method beside the Direct Payments and Special Commitments.
   The SFD has adequate FM arrangements in place which were utilized to facilitate the implementation of the Project (qualified staffing, a developed accounting system, and comprehensive tools for internal control, monthly reconciliation, internal audit, and timely reporting). The SFD maintained two segregated Designated Accounts at an acceptable commercial bank in the country for the related project funds (one for each fund: IDA 4220-YEM & IFAD C1170). The SFD used the Interim Financial Reports (IFRs) as the disbursement method for IDA funds, whereas the traditional method of the SOEs was used for IFAD funds. All previous audit reports were submitted to the World Bank and were found acceptable. (p.14 ICR)

   Procurement:
   According to the desk based procurement post-review and most payment reviews of the subject project transactions indicated that funds were claimed for eligible expenditures, properly recorded and reported, and related supporting documents were in order and filed accordingly. The performance of the Project Support Unit (PSU) procurement staff throughout the Project was generally fair, as ratings shifted between satisfactory (S) and moderately satisfactory (MS). The lower ratings were largely because of the disbursement suspension by the World Bank (from July 2011 to January 2012). (p.14 ICR)

   c. Unintended Impacts (positive or negative):
      NONE

   d. Other:
      NONE

12. Ratings:

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<th>ICR</th>
<th>IEG Review</th>
<th>Reason for Disagreement/Comments</th>
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13. Lessons:

A simple project design that promotes active participation of the beneficiaries resulting in a demand-based delivery system is highly appropriate for fragile and conflict states. As such, the subject Project design was relevant for addressing a sustainable rainfed agriculture system in a very dry and water-scarce country, and was effective in addressing this agro system that had been ignored by the GoY and the donor community.

Assess implementation capabilities carefully, including procurement capacity and/or to receive the required training. Bank should undertake stocktaking of skills within the implementing agencies and start redressing them even before the project becomes effective. In more general terms, the Bank should carry out capacity building assessments for the implementing agencies and provide adequate training to carry out the implementation. Capacity should be the critical element for consideration while assigning entities with responsibilities.

Improve monitoring and evaluation designs so that analysis indicated in the project appraisal document (PAD) could be replicated at Completion. M&E design should allow for comparability of analyses and calculation of efficiency at completion. For the subject project, the Bank had developed complex models for cost-benefit analysis at appraisal stage. However, the M&E design did not include evaluation efforts that could replicate the ex-ante analysis, or gather the data to measure efficiency. According to the ICR, the Bank might have assumed that the Mid-Term Review (MTR) mission would be an appropriate time to make a thorough analysis of what was needed for evaluation. However, such an analysis was never undertaken throughout the Project. The focus was on monitoring progress and impact analysis limited to one component, and that was without taking cost into account. A thorough analysis of the requirements for an adequate ex-post evaluation should be undertaken at the Mid-Term Review at the latest.

14. Assessment Recommended? ☐ Yes ☑ No

15. Comments on Quality of ICR:

The ICR provides a summary of project preparation and implementation, thus providing the reader a good idea of project activities and problems faced. Annex #7 provides a Borrower ICR. Stakeholders are well defined. The ICR gives adequate attention to poverty, gender, and social issues. The lessons are derived from project experience.

However, the ICR contains a number of editing errors. For instance, there is a discrepancy between figures reported in the Data Sheet and the main text in paragraph 64 on page 13.

The ICR falls short of candor while reporting in certain sections. For example:

Page #26, paragraph #105 in Section (a) Government Performance: the ICR fails to report clearly on how the counterpart funding exceeded the agreed amount in the said page and to provide reference on the matter in Annex 1.
“Ownership that included providing counterpart funding exceeding what was agreed during the June 2012 restructuring”. This is not supported in Annex 1).

a. **Quality of ICR Rating**: Satisfactory