

ICR Review
Operations Evaluation Department

1. Project Data:	Date Posted : 08/16/2000		
PROJ ID : P002402	Appraisal	Actual	
Project Name : Agriculture Sector Support	Project Costs 27.3	30.0	
Project	US\$M)		
	(US\$M)		
Country : Sierra Leone	Loan/ US\$M) 20.3		
	Loan /Credit (US\$M)	23.4	
Sector (s): Agriculture Adjustment	Cofinancing 5.1	6.2	
	US\$M)		
	(US\$M)		
L/C Number : C1501			
	Board Approval	84	
	FY)		
	(FY)		
Partners involved : IFAD	Closing Date 12/31/1987	06/30/1999	

Prepared by : Reviewed by : Group Manager : Group :

2. Project Objectives and Components

a. Objectives

During the 15-year project implementation period, the project was modified twice in response to the changing

priorities and needs of the rural sector .

(1) From 1984 to 1993: The initial objectives of the project were institutional restructuring, financing key agricultural imports, and financing specific investment items in order to the assist the government in addressing sectoral priorities.

(2) From 1993 to 1998: When Sierra Leone regained accrual status in April 1992, after a five-year suspension, the project was formally redesigned and resubmitted to the Board for approval . The primary objective of the redesigned project was to create an enabling policy and institutional environment conducive to a private -sector led recovery of agricultural output. While this was similar to the objectives of the initial project, the redesigned project placed greater emphasis on achieving a positive short -term supply response through improved incentives, the restoration of field agricultural services, and the rehabilitation of feeder roads, rather than through institutional change alone .

(3) From 1998 to 1999: While the formal objectives of the project remained unchanged, the focus was substantially modified and the development credit agreement was amended in order respond more effectively to the acute emergency situation caused by the on -going civil war.

b. Components

The components of the redesigned project (1993-1998) were (a) technology transfer, (b) farm inputs and post-harvest technology, (c) feeder roads, (d) research-extension linkages, and (e) project coordination

and management.

The components of the refocused project (1998-1999) were (a) emergency support to displaced rural families, (b) rehabilitation and institutional support in order to restore the basic functions of the Ministry of Agriculture, Forestry, and the Environment (MAFE), and (c) rehabilitation of research and training facilities .

c. Comments on Project Cost, Financing and Dates

IDA supported 74.4% of project costs at appraisal and 78.0% at completion. IFAD provided 18.7% of project costs at appraisal and 20.7% at completion. Disbursements were suspended three times -- in May 1987 due to the country being in a non-accrual status, in 1993 due to non-compliance with audit requirements, and in 1997 when a military coup overthrew the elected civilian government . Disbursements were restored in June 1998 when the civilian government was returned to power, and the credit was closed on June 30, 1989. The IFAD loan was closed 2 1/2 years earlier on December 31, 1996.

3. Achievement of Relevant Objectives:

The project was implemented under very difficult country circumstances, in particular, an ongoing civil war which led to pervasive insecurity in rural areas (especially in the eastern and southern parts of the country), widespread physical destruction, and instability of the central government . As a result, while the project was successful in implementing some policy and institutional reforms in the early years (the 1980s), the project failed to achieve any of its major objectives, and did not yield any significant development impacts such as increasing food production and rural incomes, or reducing rural poverty . Some initial concrete investments in feeder roads, research institutes, and extension services were not sustained . At project closing, physical facilities were either destroyed or in a state of disrepair.

□4. Significant Outcomes/Impacts:

(1) The government gradually removed the fertilizer subsidy in the 1980s, but private operators found it too risky to get involved in the fertilizer import and distribution business . Many producers also lacked the resources to buy fertilizer at the free market price, or adopted low input, risk minimizing strategies

(2) The project rehabilitated nearly 381 kms of feeder roads under a labor -intensive program implemented with technical assistance from ILO . While this provided rural employment, the program was abandoned when the civil war spread, and the equipment of the implementing agency was looted and destroyed .

5. Significant Shortcomings (including non-compliance with safeguard policies):

(1) The government failed to privatize several parastatals as planned due to the lack of private sector interest because of the lack of political and economic security .

(2) The project was supposed to support the Bank of Sierra Leone in establishing eight rural banks to encourage rural savings and to provide credit to rural entrepreneurs . Only one bank became operational, which was quickly closed when the civil war spread .

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Highly Unsatisfactory	Highly Unsatisfactory	The text of the ICR says highly unsatisfactory, but Table 1 says unsatisfactory.
Institutional Dev .:	Negligible	Negligible	
Sustainability :	Unlikely	Highly Unlikely	The country will have to rebuild its agricultural sector from ground zero once the civil war is over.
Bank Performance :	Satisfactory	Unsatisfactory	According to the ICR, the Bank's performance during the redesign of the project in 1993 was deficient, during the adjustment of the project in 1998 was questionable, and on overall supervision was marginally satisfactory. The Bank was often highly optimistic in assessing the security situation, which led to further commitments with little development impact.
Borrower Perf .:	Unsatisfactory	Unsatisfactory	The text of the ICR says marginally satisfactory, but Table 1 says unsatisfactory. While the performance of the implementing agency may have been satisfactory, the overall performance of the borrower was not. Disbursements were suspended twice, and sufficient counterpart funds were not provided .
Quality of ICR :		Satisfactory	

NOTE:

NOTE ICR rating values flagged with ' * ' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

(1) In order to provide emergency assistance, it might have been preferable to cancel the original operation and

prepare a small, targeted, quick -disbursing operation, rather than amend the existing project .

Procedures for

standard investment operations are too cumbersome for emergency operations .

(2) The simple privatization of state monopolies is necessary but not sufficient to support the development of the

private sector. It is necessary to provide additional support for private sector development, especially in such a risky

environment as Sierra Leone.

(3) In countries like Sierra Leone that are undergoing violent civil crises, the Bank should work in close consultation

and collaboration with other donors in order to ensure a harmonized and coordinated approach to providing

assistance.

8. Assessment Recommended? Yes No

9. Comments on Quality of ICR:

The ICR was prepared as a desk review based on records in the country files, since country circumstances did not

permit an ICR supervision mission. The borrower also prepared its own completion report which is attached to the

Bank's ICR. The report is satisfactory except for several discrepancies in the project ratings between the text of the

ICR and the summary of assessments in Table 1.

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