Implementation Status & Results
Nepal
Project for Agriculture Commercialization and Trade (PACT) (P087140)

Operation Name: Project for Agriculture Commercialization and Trade (PACT) (P087140)
Project Stage: Implementation
Seq.No: 5
Status: ARCHIVED
Archive Date: 09-Jun-2011
Country: Nepal
Approval FY: 2009
Product Line: IBRD/IDA
Region: SOUTH ASIA
Lending Instrument: Specific Investment Loan
Implementing Agency(ies): Ministry of Agriculture and Cooperatives

Key Dates
- Board Approval Date: 04-Jun-2009
- Original Closing Date: 30-Jun-2015
- Planned Mid Term Review Date: 28-May-2012
- Last Archived ISR Date: 09-Jun-2011
- Effectiveness Date: 13-Nov-2009
- Revised Closing Date: 30-Jun-2015
- Actual Mid Term Review Date

Project Development Objectives
Project Development Objective (from Project Appraisal Document)

Project development objective: The objective of the proposed project is to increase aggregate value added in selected commodity value chains in districts supported by the project. This will be achieved by: (i) assisting farmers to engage in profitable market-oriented production so as to improve incomes from agriculture (crop and livestock); (ii) creating and strengthening industry-wide partnerships along the value chain, thus forging linkages between producers, traders, processors, and other stakeholders; and (iii) strengthening the national system of sanitary and phytosanitary (SPS) and food quality management in order to reduce existing obstacles to agriculture and food trade.

Has the Project Development Objective been changed since Board Approval of the Project?
- Yes
- No

Component(s)

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Component Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Rural Business Development</td>
<td>14.04</td>
</tr>
<tr>
<td>Support for Sanitary and Phytosanitary Facilities and Food Quality</td>
<td>1.99</td>
</tr>
<tr>
<td>Project Management and Monitoring and Evaluation</td>
<td>3.57</td>
</tr>
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</table>

Overall Ratings

<table>
<thead>
<tr>
<th>Component</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td>Substantial</td>
<td></td>
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</table>

Implementation Status Overview

The project became effective on November 13, 2009. Based on continuous monitoring the project is performing well although disbursements continue to be low. The project has
made 48 grants under component 1 to date, following a process of review and field verification. Regular monitoring is being carried out and the sub-projects are carrying out activities as per contracts. A second round of grants is due to be made in January 2012 together with the completion of infrastructure works which have been delayed because of attention paid to adequately addressing environmental safeguards. These delays have affected disbursements but are expected to result in better outcomes.

<table>
<thead>
<tr>
<th>Locations</th>
<th>First Administrative Division</th>
<th>Location</th>
<th>Planned</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nepal</td>
<td>Western Region</td>
<td>Tanahun</td>
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<td></td>
</tr>
<tr>
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<td>Western Region</td>
<td>Syangja</td>
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<td></td>
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<tr>
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<td>Sarlahi</td>
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<tr>
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<td>Western Region</td>
<td>Rupandehi</td>
<td></td>
<td></td>
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<tr>
<td>Nepal</td>
<td>Central Region</td>
<td>Rautahat</td>
<td></td>
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<tr>
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<td>Central Region</td>
<td>Parsa</td>
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<tr>
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<td>Western Region</td>
<td>Palpa</td>
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<td>Nawalparasi</td>
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<td>Lalitpur</td>
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<td>Central Region</td>
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<td>Kapilbastu</td>
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<td>Kanchanpur</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nepal</td>
<td>Far Western Region</td>
<td>Kailali</td>
<td></td>
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<tr>
<td>Nepal</td>
<td>Central Region</td>
<td>Kabhre Palanchok</td>
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<tr>
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<td>Mid Western Region</td>
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<td>Central Region</td>
<td>Chitawan</td>
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<td>Nepal</td>
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<td>Bardiya</td>
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## Country and Location

<table>
<thead>
<tr>
<th>Country</th>
<th>First Administrative Division</th>
<th>Location</th>
<th>Planned</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nepal</td>
<td>Central Region</td>
<td>Bara</td>
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<tr>
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<td>Mid Western Region</td>
<td>Banke</td>
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<td>Central Region</td>
<td>Dhanusa</td>
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## Results

### Project Development Objective Indicators

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales of commodities in the value chains supported by the project to increase by 25%</td>
<td></td>
<td>Amount(USD)</td>
<td>19882.00</td>
<td>21262.00</td>
<td>24852.00</td>
</tr>
<tr>
<td>Date</td>
<td>04-Jun-2009</td>
<td>10-Dec-2010</td>
<td>30-Jun-2015</td>
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<tr>
<td>Comments</td>
<td></td>
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</tbody>
</table>

### Intermediate Results Indicators

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of samples submitted for analysis increased by 30%</td>
<td></td>
<td>Number</td>
<td>11560.00</td>
<td>12656.00</td>
<td>15028.00</td>
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<tr>
<td>Comments</td>
<td></td>
<td>Baseline revised</td>
<td></td>
<td>Target revised</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 310 new partnerships involving farmer groups and agribusinesses have received competitive grants</td>
<td></td>
<td>Number</td>
<td>0.00</td>
<td>48.00</td>
<td>310.00</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

## Data on Financial Performance (as of 22-Sep-2011)

### Financial Agreement(s) Key Dates

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan No.</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Closing Date</th>
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</thead>
</table>

### Disbursements (in Millions)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan No.</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P087140</td>
<td>IDA-46030</td>
<td>Effective</td>
<td>XDR</td>
<td>7.20</td>
<td>7.20</td>
<td>0.00</td>
<td>0.00</td>
<td>7.20</td>
<td>0.00</td>
</tr>
</tbody>
</table>
Key Decisions Regarding Implementation
The project has been effective for two years. Based on continuous monitoring the project is performing well although disbursements continue to be low. The project has made 48 grants under component 1 to date, following a process of review and field verification. About 1,500 PCNs were received in response to the second call for PCN. Full project proposals are now being reviewed and grants will be announced in January 2012. Concerns on the implications of using chemicals (Methyl Bromide) for fumigation which is likely to be phased out from production in a few years was raised and the Government has opted for an alternative design so as not to use MB.

Restructuring History
There has been no restructuring to date.

Related Projects
There are no related projects.