



1. Project Data :
OEDID: C2380
Project ID: P010398
Project Name: Second Agricultural Extension Project
Country: Sri Lanka
Sector: Agricultural Extension
L/C Number: C2380-CE
Partners involved :
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2. Project Objectives, Financing, Costs and Components :
Objectives : To increase farmers' income and agricultural production in the non -plantation sector by improving farm productivity, *inter alia*, through promotion of innovative technology.
Components : (a) Strengthening extension services by (i) creating an integrated extension system with a small cadre of better trained staff; (ii) establishing a participatory and cost effective extension methodology involving mass media techniques; (iii) strengthening plant protection and pesticide control divisions of the department of agriculture; (iv) training and (v) an innovative private sector pilot extension program . (b) developing a national seed policy .
Costs & financing : Project costs at appraisal were estimated at US\$ 18.32 million, of which IDA credit financed US\$14.34 million.
 The project was closed one year ahead of schedule, with the final cost of US\$ 10.05 million. About US\$6.0 million of the IDA credit was cancelled.

3. Achievement of Relevant Objectives :
 The project was an innovative attempt to move away from the problematic approach adopted by the previous extension project. However, the project failed to make significant progress towards its main objective of increasing farmer incomes and agricultural production . It did succeed in developing and introducing a new seed policy, but it made limited progress in the attempt to reorient and strengthen the extension service . Integrated extension teams at the field, district and provincial levels were introduced, but they did not perform as well as anticipated; the innovative participatory process was introduced, but could not be institutionalized and failed to provide satisfactory results; the dissemination of innovative technology was limited; there was no progress towards improved research -extension linkages; the use of mass media has been limited; and the private sector pilot program was never implemented . Although the project succeeded in delivering training and related physical facilities, there is no assessment of the impact of the physical investments or the effectiveness of the regulatory activities concerning plant protection and pesticide control.

4. Significant Achievements :
 The approval by the Cabinet of a new seed policy .

5. Significant Shortcomings :
 Limited success in disseminating new technology and lack of progress on moving away from the traditional sytem of top-down, individual line agency approach to extension with focus on personal contacts with farmers . The failure to implement alternative methods of delivering extension which included an innovative private sector pilot program for extension services, use of mass media and a participatory approach to addressing farmer problems . The latter did not work for lack of coordination among the various agencies responsible for addressing the non -extension related developmental problems that emerged from the problem-census approach adopted by the project.

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6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Unsatisfactory	Unsatisfactory	
Institutional Dev .:	Partial	Negligible	The ICR notes the failure to achieve progress on all aspects of institutional development, with the exception of staff training.
Sustainability :	Unlikely	Unlikely	
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Deficient	Unsatisfactory	same
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

1. Any radical change in the organizational structure (of extension services or any other public agency) should be preceded by a coherent national policy. Institutional change should be pursued within the framework of a well thought out strategy that recognizes the views of various stakeholders and potential non -public sector partners in service delivery.
2. The adoption of new technology requires an appropriate enabling policy environment that allows farmers to reap the benefits of the new technology.
3. New methods to deliver services such as agricultural extension need to be properly tested for their feasibility and effectiveness as a pilot program before they are expanded or scaled up. This is particularly true for approaches that are significantly different from the traditional system in place and call for a significant transformation of the behaviour and attitudes of many stakeholders.
4. Efforts to decentralize extension services must carefully consider the impact on the critical linkages with research, which often continue as a national program.
5. Complex inter-institutional coordination activities may be beyond the scope of an individual project management unit, particularly when decision making is decentralized to local or provincial authorities.

8. Audit Recommended? Yes No

Why? The project offers several potentially useful lessons as the Bank's thinking on agricultural extension evolves from the monolithic national structures towards more pluralistic and participatory approaches to delivering extension services.

9. Comments on Quality of ICR :

The ICR provides a clear and insightful description of the implementation experience in this innovative project, and is candid in its assessment of the outcomes.