



1. Project Data

Project ID P113629	Project Name CCARDESA MULTI DONOR TRUST FUND		
Country Africa	Practice Area(Lead) Agriculture and Food		
L/C/TF Number(s) TF-17028	Closing Date (Original) 31-Dec-2018	Total Project Cost (USD) 3,877,609.00	
Bank Approval Date 28-May-2014	Closing Date (Actual) 31-Dec-2018		
	IBRD/IDA (USD)	Grants (USD)	
Original Commitment	5,093,000.00	5,093,000.00	
Revised Commitment	5,093,000.00	3,877,609.00	
Actual	3,877,609.00	3,877,609.00	
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2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) of the CCARDESA MDTF as stated in the Grant Agreement dated June 5, 2014 (p 6) was "to facilitate integrated agricultural research for development within the SADC Region with the aim of contributing to increased productivity of smallholder crop, forestry, fish and livestock enterprises in the region". The PDO formulation was identical in the PAD (para 26), with additional indication "..., as outlined in the CCARDESA Medium Term Operational Plan (MTOP)". The PDO remained unchanged throughout the project period.



This review will assess this project's achievements against the PDO as stated in the Grant Agreement.

"To contribute to increased productivity of smallholder crop, forestry, fish and livestock enterprises in the SADC region" is the main objective, and – as stated in the PDO - this was to be achieved by "facilitation of integrated agricultural research for development within the SADC Region".

b. **Were the project objectives/key associated outcome targets revised during implementation?**
No

c. **Will a split evaluation be undertaken?**
No

d. **Components**
Component 1 – CCARDESA Thematic Programs

(Estimated cost at appraisal US\$13.43 million including US\$0.43 million price and physical contingencies, actual cost US\$1.15 million.)

This component addressed four priority thematic areas developed out of regional challenges identified through a stakeholder consultation process. These themes included: **1) Farmer empowerment and market access** to build the capacity of farmer groups and their national/regional associations, particularly those promoting youth and gender, to participate more effectively in the formulation of the regional research and development (R&D) agenda and to generate knowledge and evidence around enhancing farmer access to markets and key technical/business management services; **2) Research, technology generation, and farmer demand driven advisory services** to generate technologies responding to the identified priority needs of farmers through CCARDESA-financing of competitive sub-grants awarded to partnerships or consortia of sub-regional institutions (e.g. national agricultural research systems (NARS), universities and international agricultural research centers (IARCs)), thereby promoting the principle of subsidiarity in R&D and building capacity of weaker research institutions; **3) Knowledge, information and communication** to increase and improve knowledge and information sharing through more effective use of communication methods, media channels and processes; **4) Institutional development and capacity building** to undertake institutional reform and change processes, to improve R&D planning and programming, and to enable NARS scientists and extension agents to effectively participate in regional research and extension activities through the competitive grants.

Component 2 – CCARDESA Management and Governance

(Estimated cost at appraisal US\$11.52 million, actual cost US\$2.72 million.)

This component focused its support on the management functions (through a small Secretariat) and governance functions of CCARDESA (through a Board of Directors). Component activities included: **(a) Operational costs** including CCARDESA staff salaries and CCARDESA Headquarters costs; **(b) Program management costs** including cost of steering committees, meeting-related expenses, consultant fees, technical staff of CCARDESA Secretariat, indirect costs, travel expenses and other cost related to the implementation of programs; **(c) Capacity building** in administration, financial management/accounting, procurement, and safeguards; **(d) Establishment and maintenance of an M&E system**; and **(e)**



Governance costs for CCARDESA including the General Assembly, and the activities of the CCARDESA Board and its associated committees.

Component 3: Management, Administration and Supervision of the MDTF

(Estimated cost at appraisal US\$1.09 million, actual cost US\$0.3 million.)

In addition to the two core components of CCARDESA, this MDTF also provided a full cost recovery component in the management, administration and supervision of the trust fund incurred by the World Bank. These included staff costs and other variable costs such as travel expenses, indirect costs, consultant fees and meeting-related expenses and other cost items as agreed between the World Bank and contributing MDTF donors.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost

The estimated total cost at appraisal was US\$26.04 million. The actual cost reported in the ICR (Annex 3) was US\$4.18 million, equivalent to 16 percent of the appraisal cost this was due to significantly lower levels of financing than expected at appraisal. No formal changes or restructuring to the PDO and outcome targets were made.

Financing

Out of the US\$42.13 million five-year CCARDESA MTOP total budget, US\$26.04 million (approximately 62%) was to be financed by the MDTF to cover the operational costs during its establishment phase while allowing CCARDESA to leverage resources from other donors or external partners. At appraisal, a core group of development partners (the World Bank, CIDA, DfID, EC and USAID) were funding a range of initiatives in supporting CAADP Pillar IV at the sub-regional and continental levels in Eastern and Western/Central Africa and discussions were held on the perspective of MDTF funding.

The European Commission (EC) was the first to make a firm commitment with EUR 5 million, with an indication of a possible funding increase in subsequent years. Out of this envelope, the MDTF received a total grant of US\$5.093 million.

Despite the substantial financing gap, the MDTF was approved with the anticipation of additional funding over time. No additional funding was granted, partly due to several (and some lengthy) fiduciary investigations as there were suspicion of financial irregularities. At closing, a total of US\$3.88 million was disbursed, approximately 76% of the Grant Agreement allocation.

Borrower Contribution

To build financial sustainability beyond MDTF, 15 SADC Member States agreed in the CCARDESA Charter to create a US\$1.5 million reserve fund financed out of Member State contributions (with an exception for Seychelles). At closing, the commitments were largely completed although the amount was not reported (ICR para.79).



Dates

The MDTF was approved on May 28, 2014 and became effective on June 05, 2014. The MDTF came to close on Dec 31, 2018 as originally proposed at appraisal. A mid-term review (MTR) was initially planned in 2016 but was cancelled as it coincided with the fiduciary investigation between 2016-2018 (see below on Fiduciary Mismanagement and Deficient Internal Control).

3. Relevance of Objectives

Rationale

With 20 percent contribution to the regional GDP (US\$721 billion in 2018), agriculture is the largest private sector and the backbone of the economy for Southern Africa for its primary source of food, employment and income for most of the 345 million people across 16 countries). However, despite the region's abundant land and water resources, agricultural productivity remains below its full intensification potential which is needed to curb the recurring incidence of periodic food deficits and food price crises. Putting in place an institutional mechanism to support agricultural technology generation and dissemination through targeted and integrated agricultural research and development for the region was seen as an effective strategic approach to foster investment, increase efficiency of agricultural R&D, create synergy, leverage spillovers and raise capacity among small and fragmented national systems.

Throughout the MDTF period from appraisal to closing, the PDO of CCARDESA MDTF – to facilitate integrated agricultural research for development (IAR4D) with the aim of contributing to increased productivity of smallholder farm enterprises in the SADC region – was highly relevant to Africa's continental strategic priorities in boosting investment to stimulate agricultural growth and transformation, as reflected in the African Union Malabo Declaration on CAADP in June 2014. The PDO was precisely conceived to support the first five years of the MTOP operation (2014-2018) to implement the Framework for African Agricultural Productivity (FAAP) which was developed as the strategy for CAADP Pillar IV that aimed to revitalize, expand and reform Africa's agricultural productivity and innovation across countries. The PDO was furthermore well aligned to SADC's 15-year Regional Indicative Strategic Development Plan (2005-2020), Regional Agricultural Policy (2014), and the Regional Agricultural Investment Plan (2017-2022), all focusing on deepening the regional coordination and harmonization of agricultural policies and programs for sustainable agricultural growth and food security.

In the context of World Bank's strategy, the CCARDESA MDTF was developed as one of the Bank's MDTF operations with a core group of development partners (CIDA, DFID, USAID and EC) to support CAADP Pillar IV in Africa. The CCARDESA MDTF PDO complemented the Bank's on-going continental and sub-regional efforts to facilitate IAR4D and contribute to increased smallholder farm productivity with a specific focus on Southern African region. The PDO was well aligned to the Strategic Framework for Regional Integration and Cooperation Pillar III of the Bank's Regional Integration Assistance Strategy for Sub-Saharan Africa (2008). This Pillar aimed to coordinate interventions to provide regional public goods for raising agricultural productivity (including research and knowledge-sharing) and regional rationalization of research to strengthen regional knowledge assets and technical capacity. The PDO furthermore responded to the Bank's Africa Strategy (2011) that identified agriculture and regional integration as one of the key directions to create opportunity for growth, target the poor and vulnerable, and create global public goods over its 10-year vision. At closing, the PDO remained relevant to the Bank's Regional Integration and



Cooperation Assistance Strategy for Africa (2017-2023) that emphasized regional approaches to agricultural R&D and innovations across two strategic priorities, namely, to develop functioning regional markets in priority sectors (agriculture, energy, digital and telecom markets, finance, technical skilled labor), and to scale up access to quality public services and entrepreneurship through complementary regional solutions.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

The Project Development Objective was to "Contribute to increased productivity of smallholder crop, forestry, fish and livestock enterprises in the SADC region".

Rationale

Theory of change:

The objective was to contribute to increased productivity of smallholder crop, forestry, fish and livestock enterprises in the SADC region. The project's Theory of Change to achieve this looks as follows: The activities and inputs were facilitation of regional research and development projects; collaborative research and development sub-projects; institutional capacity building; knowledge sharing activities and regional events; operational and institutional support for CCARDESA including a staffed and operational secretariat and governing bodies; Quality control and M&E. These inputs were to lead to the following outputs: research and development technologies tested; knowledge products and platforms established; regional networks established; and regional research and development programs implemented. These outputs were expected to lead to i outcomes such as improved access to and greater uptake of new technologies by farmers in the region; regional alignment of policies and research standards; and integrated agricultural research for development within the SADC region. These were to lead to achievement of the objective; increased productivity of smallholder crop, forestry, fish and livestock enterprises in the region.

Outputs:

- 6 Collaborative research/extension sub- projects under implementation (none of them completed by project closure), compared to a target of 25. Target not achieved.
- In terms of beneficiaries, 4,280 people participated in MDTF training facilitated by CCARDESA, of which 43 percent female (no target number provided), and an estimated 2,232,088 beneficiaries based on outreach of all regional R&D programs, compared to a target of 500,000 beneficiaries. Target achieved, but it is unclear how this has been estimated.



- 18,542 of stakeholders were accessing CCARDESA's information management tool, compared to a target of 9,000 stakeholders. Target achieved. This figure was supposed to be disaggregated by gender, but no figures for female beneficiaries were provided. The number of countries participating were 12, reaching the target of 12.
- 7 SADC countries practicing the principle of inclusiveness in the planning and execution of research projects as a result of CCARDESA's interventions, compared to a target of 12. Target not achieved.
- Number of research proposals written by people trained under CCARDESA increases by at least 50%, by Year 5 (disaggregated by gender). This indicator was not measured. Target not achieved.
- 5 empowerment strategies and policy opportunity that promote development of farmer organizations identified by yr1, compared to a target of 15. Target not achieved.
- 7 non-state actors and private sector organizations involved in the implementation of CCARDESA supported projects, compared to a target of 15. Target not achieved.
- 12 ICT based tools developed and made available to NARS and stakeholders for supporting agricultural production and productivity, compared to a target of 6. Target exceeded.
- 14 user facts sheets/brochures/technical bulletins developed, compared to a target of 25. Target not achieved.
- 7 training programs for researchers, service providers and farmers in the region, drawn-up and implemented, by Year 2 of CCARDESA's operation, compared to a target of 10. Target not achieved.
- 23 project partnerships/ networks identified and developed, compared to a target of 12. Target exceeded.
- 18 CAADP backstopping missions undertaken annually, compared to a target of 20. Target almost achieved.
- 20 consultative workshops on partnerships in year 2, compared to a target of 14. Target exceeded.

Intermediate outcomes:

Integrated agricultural research for development within the SADC region:

- 40 percent of projects funded by CCARDESA generated technologies judged by NARS to have potential for dissemination to farmers (disaggregated by type of technology), compared to a target of 70 percent (in absolute terms, 7 technologies were attributed to the MDTF). Target not achieved.
- 15 percent of validated technologies were made available to NARS and other stakeholders in the region, compared to a target of 90 percent. The ICR states on top of page 30 that in absolute terms, 3 out of 554 technologies generated in regional programs could be directly attributed to MDTF, which is less than 1 percent. Target not achieved.
- Farmers uptake of new technologies – not measured
- Enhanced adaptation of pluralistic approaches – not measured

The ICR provides information regarding the number and percentage of technologies generated through CCARDESA (see above) but has not measured farmer uptake and adaptation of the technologies. The Results Framework lacked relevant indicators to measure this.

Outcome:

The project did not measure or report on the project's main objective of increased productivity of smallholder crop, forestry, fish and livestock enterprises in the region. The Results Framework lacked indicators to



measure increased agricultural productivity. It is therefore not possible to assess the degree of achievement of the project's objective.

Rating
Modest

OVERALL EFFICACY

Rationale

Efficacy is rated Modest both due to low achievement (most targets not met) and due to insufficient evidence, as the project's intermediate outcomes, outcomes and the PDO lacked relevant indicators and their achievements were not measured or reported. Despite the significant setbacks caused by fiduciary irregularities and the subsequent investigations and funding halt, the project managed to produce and deliver some of the planned outputs, and it is plausible that the technologies developed under the MDTF will have the potential to contribute to increased agricultural production in the region. Efficacy is therefore rated Modest, although it is bordering on Negligible.

Overall Efficacy Rating
Modest

Primary Reason
Insufficient evidence

5. Efficiency

Economic and Financial Analysis

At MDTF appraisal: In place of conducting a specific ex-ante economic and financial analysis of MDTF financing for CCARDESA, the PAD (para.78-79) drew on IFPRI/RESAKSS ex-ante economic analysis undertaken in 2011 that demonstrated generally high rates of return for investments in agricultural research in Southern Africa. This analysis was commissioned by SADC and served as the basis for determining a prioritized list of the most attractive agricultural R&D commodity types, ranked by opportunities to contribute to agricultural growth and generate technology spillovers in the SADC region. The PAD (para.81) further cited a meta-analysis study by Alston et al. (2000) that reviewed 294 studies and concluded an average return of 50 percent to agricultural R&D in Africa; and another study by Abdulai et al. (2005) that showed three to four times the regional spillover benefits of investments in African agriculture above the direct benefits in the country of origin. Based on these studies, the PAD then concluded that similar rates could likely apply to the MDTF funded efforts in agricultural research and adoption. In addition, the PAD (para.82) justified the engagement of public sector financing of agricultural R&D as an appropriate vehicle in relation to its nature of public goods.



At MDTF closing: No specific ex-post economic and financial analysis of MDTF were performed at closing either. Instead, the ICR referred to various studies on agricultural R&D investments and technology transfer. These general studies cannot be used to report on the economic and financial efficiency of this project, however.

Given the lack of available information on the ex-ante expected return and the ex-post actual return to the MDTF investments on the generation, dissemination, adoption and farm productivity as a result of CCARDESA

Administrative Efficiency

For the first half of the MDTF, the administrative efficiency suffered from the misuse of funds and deficient internal control. The further expected EC funding was halted due to ongoing fiduciary investigations in the period of 2016-18. As a response to the EC funding halt during the second half of the MDTF and persisting funding challenges in securing pledges from other donors. This led to a significant downscale of the execution of project activities and the MDTF budget for staff salaries was exhausted in March 2017. Of the 22 positions in the organigram, only 6 were filled at the time of ICR mission due to funding constraints.

Conclusion

No MDTF-specific economic and financial efficiency estimations were undertaken at appraisal nor at closing. The MDTF efficiency in administration showed a mixed result, while the misappropriation of fund and internal control flaws posed fundamental problems to the functioning of CCARDESA with limited financing, staffing and implementation of activities. The MDTF’s overall efficiency is therefore rated Modest, bordering on Negligible.

Efficiency Rating

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The PDO Relevance is rated Substantial as it was well aligned to regional strategies and priorities as well as to the World Bank’s strategy for the region. Efficacy is rated Modest due to both a failure to achieve the targets as



well as lack of sufficient evidence. Efficiency is rated Modest as no estimation of the financial viability of the project was done either at appraisal or at closing, and the administrative efficiency was low (fiduciary irregularities led to a halt in funding and subsequent downscaling of activities and a failure to reach targets.

a. **Outcome Rating**

Unsatisfactory

7. Risk to Development Outcome

The ICR (para.96-97) identified two risks to development outcome as follows:

Financial risk: The outlook for CCARDESA sustainability is essentially determined by its financial viability to secure, raise and maintain resources from SADC Member States, donors and partners not only as pledges but as confirmed commitments. At the same time, CCARDESA needs to increase its financial autonomy and build its own financial reserve with a realistic action plan to fill the financing gaps. The first step in this direction was made in 2017, when MDTF financing of staff salaries was depleted and CCARDESA has since relied on its own resources to manage the payroll and reduced the number of staff. In the same year, CCARDESA received increased funding with the SADC Council's decision to raise the contributions from Member States.

SADC commitment risk: As an official subsidiary organization of SADC, the continuation of supportive strategies and institutional priorities from SADC Member States is the key to allow CCARDESA to build on its achievements and generate impact. As the first five-year MTOP (2014-2018) came to an end with the MDTF, the drafting of the next five-year MTOP (2019-2023) took place in March 2019 with the aim to re-focus CCARDESA activities and priorities.

The following two additional risks were identified by IEG:

Governance risk: Following the adjustment of policies and procedures in response to the misuse of funds, the CCARDESA Board has improved the governance and compliance of the Secretariat. The capacity for CCARDESA to continue its mandate beyond MDTF and to regain confidence among the stakeholders therefore depends on the continuous effort to strengthen the internal control systems and governance mechanism to enhance oversight, monitoring, accountability and transparency. This is crucial not only for the strategic level related to decision-making, budgeting and planning, but also for day-to-day operation.

Institutional capacity risk: In supporting the mitigation of financial and governance risks, the functioning of CCARDESA for the next five-year MTOP relies on a prudent HR strategy that considers the financial resource constraint on the one hand, and fills key functions (especially Finance Manager, Finance Officer and Accounting Officer) with qualified and experienced staffs on the other. At present, CCARDESA adopted a lean organization and multi-tasking of staffs, for example, the Finance Manager took over Human Resource functions, Procurement and Administration responsibilities (ICR para.56). However, this approach contributed to high turnover rate of financial management staff since mid-2016 (ICR Annex 5 p.47). Therefore, the ability of CCARDESA to recruit and retain core staffs albeit financial constraint is very important to ensure the institutional capacity and to preserve institutional memory.



8. Assessment of Bank Performance

a. Quality-at-Entry

The design of CCARDESA MDTF incorporated experiences and lessons from similar operations in the region such as the West Africa Agricultural Productivity Program (WAAPP), the East Africa Agricultural Productivity Program (EAAPP), ASARECA MDTF and CORAF MDTF. These included, for example, competitive research grant systems and sub-grant model, regional program implementation, support to demand-driven agricultural technologies, and partnerships between different stakeholders within the value chain.

The structure of CCARDESA MDTF was also adopted from ASARECA and CORAF MDTFs where the funding gap at appraisal was expected to be filled over time after the approval, in an optimistic expectation of commitment from donors. Although the risk of dependency on national programs and donor support was rated moderate in the PAD (Annex 4 p.90), a range of scenarios was not prepared at appraisal to allow for adjustment based on a decreasing level of financing and no reassessment of funding situation was planned until at MTR in 2016. This optimistic expectation of funding and lack of proactive measures negatively affected the sustainability of the MDTF.

The project design was overambitious and unrealistic in its expectation of sufficient funding. In terms of Theory of Change, the first result chain that link technology generation to dissemination through CCARDESA MDTF activities was logical and plausible, but the following chain that link technology dissemination to adoption and ultimately to farm productivity was weak. The Results Framework was weak, ambiguous and lacked relevant indicators to assess achievement of the PDO.

At appraisal, low fiduciary capacity within CCARDESA to manage and increase the volume of funds was flagged as a high operational risk (PAD Annex 4 p.89). However, the proposed mitigation measure to hire a Procurement Officer, a possible hiring of a Finance Manager including provision of training, and a planned biannual fiduciary implementation support mission were inadequate. In addition, no measures for independent and periodic oversight were proposed to improve the fiduciary capacity

The choice of CCARDESA accounting system at appraisal to use and customize the newly acquired comprehensive software package (ORACLE) did not fully consider the small size of the organization leading to underutilization of the package and low value for money.

Quality-at-Entry Rating
Unsatisfactory

b. Quality of supervision



The Bank undertook biannual Implementation Support Mission (ISM) on a regular basis during the first half of the MDTF, before substantially reducing the ISM from 2017 due to de facto halt in activities and uncertainty about the future of the MDTF itself. As the investigation on fiduciary mismanagement and funding halt took place in mid-2016, the MTR was not carried out as planned. This was unfortunate, as a restructuring of the project would have been beneficial given the lack of funding to implement the project as planned.

Despite regular monitoring support and ISM missions during the first half of the MDTF, the misappropriation of funds and the violation of internal control procedures were not detected before they were picked up by the external financial audits in 2015. The ICR (para.94) indicated that the Bank's team underestimated the risks associated with the level of autonomy and oversight within the CCARDESA Secretariat structure and the challenges that this could cause by even relatively small funding size.

The Bank responded to the 2015 audit report with additional resources on financial management and supervision and launched the Bank's financial management review mission in the fall of 2016. The ICR (para.93) reported that lessons learned from one of the MDTFs were incorporated in recommendations for CCARDESA to increase oversight in shifting the audit reporting line from the Executive Director to the Board

The uncertainty of funding from mid-2016 put the future existence and direction of MDTF in question). Although it was decided to substantially downscale CCARDESA MDTF activities and to shift the focus from implementation to facilitation, these adjustments were never formalized through a restructuring and the Results Framework was never updated to streamline activities around a more concrete set of realistic results given the reduced donor funding and the changing MDTF implementation environment.

Quality of Supervision Rating

Unsatisfactory

Overall Bank Performance Rating

Unsatisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The Results Framework lacked relevant Intermediate Results indicators to measure achievement of the objective "increased productivity of smallholder farm enterprises in the SADC region". Furthermore, the two PDO-level indicators primarily focused on the generation and dissemination of improved technologies through NARS and were not adequate to measure the achievement of the objective. Although two supplementary indicators were developed to track the rate of technology adoption and accessibility, they were vaguely defined and not disaggregated by type of farm enterprise.

The definitions of several indicators were unclear (e.g. the "policy opportunity" of empowerment strategies, the "principle of inclusiveness" in the planning and execution of research projects) or incoherent (the target number of stakeholders accessing regional management information system was set as list of SADC



countries, the target timeline for number of regional centers of leadership in agricultural education and training identified was set by end of 2014 instead of 2018).

As the ICR (para.80) noted, "many indicators in the MDTF framework were difficult to measure and attribute – such as contributions to adoption of IAR4D principles and access to technologies". This was one of the major shortcomings of the Results Framework that made the attribution of MDTF's achievements ambiguous as they were inseparable from the partners' interventions through the co-financing and joint implementation of activities.

Besides the M&E framework for MDTF, additional M&E frameworks were developed for individual sub-projects financed through MDTF sub-grants and other donor financing. However, the individual sub-grant frameworks were never completed (ICR para.84).

b. M&E Implementation

M&E implementation was to a large extent impaired by inadequate recruitment and retainment of core staff with appropriate skills and experiences to perform planned M&E activities since the beginning of MDTF and the M&E staffing issue was aggravated by the financial constraint from mid-2016 until closing. Following the Bank's recommendations, CCARDESA M&E tasks were distributed among other core staff members with occasional technical support from consultants or other regional programs such as ASARECA and GIZ.

Due to weak implementation capacity, some indicators were not consistently monitored and measured as outlined in the Results Framework. The tracking of MDTF achievements often relied on the access to M&E system of co-financed partners developed for their respective purposes. This made the CCARDESA-specific M&E data collection and attribution of MDTF achievements difficult or impossible. Furthermore, the project lacked baseline and endline surveys.

c. M&E Utilization

Despite substantial limitation of the availability and quality of M&E data, they were used in reporting to SADC Council of Ministers in the annual meetings as part of CCARDESA accountability.

M&E frameworks from sub-projects were also used to report on results of technology generation and dissemination in MDTF.

M&E Quality Rating

Modest

10. Other Issues

a. Safeguards



At appraisal, CCARDESA MDTF was classified as Category 'B' (partial assessment) as no large-scale, significant, or irreversible environmental impacts were anticipated with any activities associated with the MDTF implementation. However, the implementation of sub-grants financed by the MDTF that aimed to support the generation and dissemination of agricultural technologies might result in potential risks or negative impacts including potentially increased use of fertilizers, herbicides and pesticides (PAD para.99). Two safeguard policies were triggered: Environmental Assessment (OP 4.01) and Pest Management (OP 4.09), and the Environmental and Social Management Framework (ESMF) was developed and disclosed in combination with the Pest Management Plan (PMP) to provide guidance on environmental and social screening of sub-projects (PAD para.100). Although the ESMF and PMP at appraisal were expected to be further elaborated into the Environmental and Social Management Plans (ESMPs) and Integrated Pest Management Plans (IPMPs) during implementation as part of sub-grant funding proposals to document any likely impacts and provide mitigation measures, neither ESMPs nor IPMPs were materialized as planned for all sub-grants.

The ICR reported that no major safeguard issues were identified during the implementation and both the screening and field monitoring of sub-grantees were undertaken with the participation of the Bank's environmental safeguard specialists (ICR para.87). Overall, CCARDESA MDTF safeguard implementation was rated Satisfactory throughout the period in the Implementation Status and Results reports.

b. Fiduciary Compliance

The MDTF implementation faced a major disruption around the mid-point as a result of the fiduciary misconduct and CCARDESA fund misappropriation. Following the flag of potential misappropriation of CCARDESA reserve funds raised by the 2015 financial audits of CCARDESA Secretariat, the CCARDESA Board initiated a forensic audit in May 2016. Up to June 2016, only the first half of the EUR 5 million commitment was released from the EC and the Bank's request for the release of the second tranche, submitted in April 2016, was held under consideration.

The World Bank launched a Financial Management Review (FMR) mission in September/October of 2016 and declared a total of US\$136,519.71 as ineligible expenditures to be refunded by CCARDESA. This amount comprised ineligible expenditures from activities not covered under the MDTF, double claim, irregular payments for staff, and disbursement of one of the seven sub-grantees which was cancelled. The FMR also identified weaknesses in the financial management including undisciplined planning and budgeting, insufficient oversight and due diligence of sub-grant management, inadequate accounting staff, and lack of internal audit. Despite the Bank's expressed commitment to ensure CCARDESA organizational capacity and action plan reforms, the planned second tranche from the EC was never released during the remaining implementation period.

Following the EU commissioned independent Results Oriented Monitoring (ROM) mission completed in September 2017, a relatively positive institutional development outcome to the MDTF investments was reported despite some deficiencies (ICR para.77). However, since the ROM report did not conduct any fiduciary assessment, the EU commissioned a separate verification mission to review the executed MDTF expenditures by the World Bank and CCARDESA. The mission was concluded in December 2018 and found ineligible expenditures and inadequacies in CCARDESA's accounting system. A specific Audit, Risk and Compliance Committee was established in December 2017.



c. Unintended impacts (Positive or Negative)

CCARDESA’s contribution to the operationalization of the SADC Harmonized Seed Policy and the development of its operational modalities has stimulated interest among the private seed companies to utilize the facility of regional variety release and created a potential to leverage greater private sector financing in the seed sector (ICR para.65). CCARDESA partnership with the African Agribusiness Incubation Network (AAIN) in supporting the implementation of AAIN’s business incubation project also fostered initiatives that promote agribusiness and job creation in the agricultural sector (ICR para.66). Furthermore, CCARDESA and its partners contributed to a robust regional response to the Fall Armyworm outbreak in Southern Africa in 2017 through the diffusion of information and networking of researchers to identify solutions and report outbreaks on its ICT platforms (ICR para.69).

d. Other

Gender. At appraisal, the MDTF recognized gender specific roles in agricultural production and marketing among smallholders within the SADC region and aimed to (a) promote services and interventions that ease farm drudgery, improve labor productivity and enhance generating capacity for women; and (b) strengthen knowledge and skills of the NARS in determining gender specific needs, services and opportunities in order to develop relevant gender-responsive technologies (PAD para.62-63). In particular, the PAD (para.64) proposed gender-specific approaches and activities for implementation. These included a review of the gender situation in agriculture in the SADC Member States, advocacy and capacity building programs on gender awareness within the NARS, and information dissemination on best practices in addressing gender issues in technology generation and service provision. Gender mainstreaming criteria was also integrated in sub-project development and screening, in collaboration with the Gender Unit of the SADC Secretariat (PAD para.65-66). However, no information was available on the actual implementation of these planned activities. In terms of Results Framework, only a few PDO-level and Intermediate Results indicators with explicit focus on gender were included, and the lack of a robust M&E system substantially limited the standardized and consistent gender-disaggregated data collection which was essential to systematically measure the impact of MDTF interventions on gender development.

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Unsatisfactory	Unsatisfactory	Relevance of Objectives were Substantial. Achievement of objectives (Efficacy) was low and rated Modest, and Efficiency was Modest (bordering on negligible). Overall Outcome is thus Unsatisfactory.
Bank Performance	Moderately Unsatisfactory	Unsatisfactory	Significant shortcomings in design and appraisal given



uncertainty in donor funding, and significant shortcomings in proactive identification of threats related to fiduciary mismanagement. Although restructuring was recommended and activities were substantially downscaled, no formal restructuring was undertaken.

Quality of M&E	Modest	Modest
Quality of ICR	---	Modest

12. Lessons

The following lessons were drawn based on those in the ICR (p.26-27) with some modification of language:

Robust financial management systems, competent staffing for key management and operational functions, and rigorous internal control measures are crucial to minimize the risk of fiduciary misconduct in an organization with a high level of autonomy. The misappropriation of CCARDESA's own funds during the first half of the MDTF emerged from the inefficient internal check and balance system contributed by the weak recruitment and retaining of key finance staff with suitable experience and leadership, ill-adapted and outdated accounting software, insufficient Board oversight, lack of independent audit review, inadequate due diligence of sub-grant management, absence of risk register, and lack of a fraud and irregularities policy.

Leveraging partnerships and co-financing can be an effective means to contribute to regional R&D capacity building and knowledge sharing. In response to the MDTF financing gap at approval and the funding cut during the second half of its operation, CCARDESA adjusted its position from implementation towards facilitation through partnership formation and co-financing of regional programs and projects through the facilitation of its core staff. This strategic shift not only allowed CCARDESA to leverage additional sources of financing but also strengthened the coordination of agricultural R&D, thereby enhancing the outreach of capacity building and dissemination of knowledge in the region.

Robust governance of regional institutions requires sufficient engagement, capacity and frequency to be effective. Although the CCARDESA Board largely fulfilled its functions, it was dispersed across 15 Member States and its level of engagement did not allow Board Members to fully understand the operations and to exercise sufficiently robust oversight. Stronger governance practices in terms of Board tenure, frequency of meetings, board orientation and recruitment practices would have been useful to allow Board members to understand the organization and make stronger contributions.

13. Assessment Recommended?



No

14. Comments on Quality of ICR

The ICR provided a candid and useful elaboration of important factors, especially those related to the governance, staffing and internal control, that affected the implementation and led to a substantial downscale. The ICR also underlined shortcomings in the project design and implementation, in particular the Results Framework and M&E, that imposed constraints on the measurement and attribution of MDTF achievements. Nonetheless, the review noted some shortcomings including internal inconsistencies in the presentation of Theory of Change, inadequate description and analysis of supplemental indicators, lack of relevant evidence in the efficiency analysis which made the rating justification weak. The ICR did not fully comply with the OPCS Guideline in assigning ratings for the Relevance of PDOs, the achievement of each PDO and the Overall Efficacy. This review therefore rates the quality of the ICR as Modest.

a. Quality of ICR Rating

Modest