



<b>1. Project Data:</b>		<b>Date Posted :</b> 06/15/2001	
<b>PROJ ID:</b> P005810		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name :</b> Nat.agric.sect.mgmt	<b>Project Costs (US\$M)</b>	22.00	16.23
<b>Country:</b> Yemen	<b>Loan/Credit (US\$M)</b>	14.40	9.38
<b>Sector(s):</b> Board: RDV - Agricultural extension and research (80%), Central government administration (20%)	<b>Cofinancing (US\$M)</b>	3.00	5.05
<b>L/C Number:</b> C2299			
	<b>Board Approval (FY)</b>		92
<b>Partners involved :</b> Netherlands Government	<b>Closing Date</b>	12/31/1999	06/30/2000
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
Ridley Nelson	Andres Liebenthal	Alain A. Barbu	OEDST

**2. Project Objectives and Components**

**a. Objectives**  
The original objectives were to: (a) develop the management basis for a modern agriculture sector by upgrading staff, strengthening policy analysis, modernizing management, and improving links between departments; and, (b) strengthening research training and extension and research /extension linkages to accelerate the development and adoption of appropriate technologies . Following a restructuring, the second objective was somewhat revised and became: "to strengthen the management capacity of key staff in the Agricultural Research and Extension Authority (AREA), train and provide technical assistance in agricultural research ...."

**b. Components**  
(a) planning and administration in the Ministry of Agriculture and Irrigation, including policy planning, commodity analysis, M&E, budget and personnel management, and human resource development; (b) agricultural research, including management and organization support, and priority research programs; (c) extension and training, including setting up the National Agricultural Training Center and the Multi -Media Center.

**c. Comments on Project Cost, Financing and Dates**  
The project was formally restructured in May 1995 mainly due to slow initial implementation . The IDA credit was reduced from US \$14.40 million to US \$9.38 million.

**3. Achievement of Relevant Objectives:**  
Overall the objectives of the project were partially achieved . With respect to the main objectives : (a) systems were developed and computerized for financial management and budget control, and a project programming, appraisal and monitoring system was developed . These resulted in improved budget management and monitoring . However, while the tools provided the needed information the ICR notes that they have yet to become part of the resource management process; (b) the project was successful in raising skill levels, however training achievement was distorted due to the selection of politically favored candidates and the operation of this component was suspended; (c) the Rapid Impact Program achieved more focus on farming systems work and on rainfed and livestock systems and developed a problem-solving approach on applied research and demonstrations done in partnership with farmers and the extension service .

**4. Significant Outcomes/Impacts:**  
The Rapid Impact Program for Research and Extension established a program of field demonstrations and trials in partnership with farmers initially starting with existing technology and later with innovations . This shifted research towards a farming systems approach . Coordination with extension was improved . There is no evidence of production outcomes presented in the ICR but it is probably too early to expect that . With respect to outputs, a project accounting system was developed and the ministry accounts computerized . A number of working papers were produced for policy planning and preparation of policy options for a reform agenda - the Aden Agenda . A restructuring proposal was developed which provided the basis for the restructuring of the Ministry of Agriculture and Irrigation in 1995. A national research strategy was produced in 1997 and a medium-term research plan in 1998. Once staff had returned from overseas training, a national extension strategy, a system of program budgeting and a joint research/extension team concept was operationalized in three pilot extension areas .

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

There were significant delays in implementation related to procurement and inadequate authority at the appropriate levels. There were questions over political commitment as evidenced by the failure to meet the resource allocation requirements and by the distortions in the training management system. The training system is reported as not being in use as designed. In some cases, political factors overrode technical needs in decision making. A brief but disruptive civil war in 1994 caused problems with implementation. Quality at entry was rated by the ICR unsatisfactory partly because the project was unduly complex. The new financial management information was used to improve budget structure and several redundant projects were closed but that progress was reversed in 2000.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome:</b>	Satisfactory	Moderately Satisfactory	While, after a slow start, there were significant input achievements, there is limited evidence in the ICR of technology outputs or outcomes. There were significant shortcomings in achievement of objectives including substantial early delays which raise questions about efficiency. The important training component was eventually halted.
<b>Institutional Dev .:</b>	Modest	Modest	
<b>Sustainability:</b>	Likely	Likely	This is a marginal call given the level of dysfunctionality of the civil service. However, external support is anticipated under a follow-on project, another donor is expected to provide strong support for capacity building in the sector, the needed budget restructuring is underway and supported by IDA through annual public expenditure reviews, and there is an IDA-supported civil service reform program underway.
<b>Bank Performance:</b>	Satisfactory	Satisfactory	Quality at entry was unsatisfactory due to lack of realism, however supervision was fully satisfactory and was able to adapt to changing circumstances, including the macroeconomic crisis and the civil war. We give weight here to the challenge to implementation of these difficult circumstances.
<b>Borrower Perf .:</b>	Satisfactory	Satisfactory	We agree with the ICR which rates borrower implementation performance as unsatisfactory during the first half of the project but satisfactory during the second half and borrower appraisal performance as satisfactory - giving satisfactory overall.
<b>Quality of ICR:</b>		Satisfactory	

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. Careful analysis at appraisal of institutional capacity and capacity to provide counterpart funding is very important. 2. Ownership is vital in a capacity building project, but such a project can also build ownership. 3. Institutional development is a longer-term challenge than capacity building. 4. Close supervision enabled by field offices can contribute particularly to capacity building projects.

**8. Assessment Recommended?** ☒ Yes ☐ No

**Why?** There are a number of potentially useful lessons related to scale and project design with a weak civil service. Also there are questions about impact and sustainability which could be better answered after about another two years of operation.

**9. Comments on Quality of ICR:**

Thoughtful lessons and satisfactory overall, but with some significant weaknesses. There is no evidence presented on any outcomes or impact from the improved management, monitoring, research or extension. While the project

was predominantly a capacity building project some evidence beyond inputs and outputs should have been possible .