



1. Project Data :		Date Posted : 07/05/2000	
PROJ ID: P004009 OEDID: L3586		Appraisal	Actual
Project Name : Integrated Pest Management	Project Costs (US\$M)	53	40.60
Country: Indonesia	Loan/Credit (US\$M)	32	25.2
Sector, Major Sect .: Other Agriculture, Agriculture	Cofinancing (US\$M)	7	6.7
L/C Number: L3586			
	Board Approval (FY)		93
Partners involved : USAID	Closing Date	09/30/1998	11/30/1999
Prepared by :	Reviewed by :	Group Manager :	Group:
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2. Project Objectives and Components

a. Objectives

The project provided support to the Government of Indonesia for the consolidation and expansion of strategies in integrated pest management (IPM). The primary project objective was to stabilize agricultural production, particularly paddy, and promote environmentally sound crop production systems by : (i) focusing on institutional strengthening (i.e. educating rather than instructing farmers, providing a service geared to local farm level needs, and supporting field investigation and studies responsive to farmers' needs); (ii) providing for policy support to strengthen the regulatory and environmental framework for pesticides .

b. Components

The project included 4 components: (i) Human Resource Development; (ii) Supporting Studies and Field Investigations; (iii) Policy Support; (iv) Technical Assistance.

c. Comments on Project Cost, Financing and Dates

As appraised total project cost was estimated to be US \$ 53 million of which the IBRD share was US \$ 32 million or 60 percent, and the USAID grant was US \$ 7.0 million, with the government financing the balance US \$ 14 million. Actual project cost was US \$ 40.6 million of which the Bank share was US \$ 25.2 million (62 percent). A total of US \$ 6 million was canceled in two loan agreement amendments in September 1998 and August 1999. The remaining loan balance of US \$ 0.8 million was canceled in May 2000. Actual USAID grant was for US \$ 6.7 million. The project originally scheduled to close in September 1998, closed in November 1999.

3. Achievement of Relevant Objectives :

It is difficult to make an evaluative judgement on achievement of relevant objectives since M&E was not established until late in the project. Available evidence suggests a partial achievement of project objectives . The ICR did not do an economic analysis but estimates a steady production increase of 1 percent, indicating some yield increase and reduced yield variability, but this is against an SAR projection attributed to the project of 1.5 percent for rice and 3 percent for soyabean . However the ICR notes that the increased yield cannot be attributed to IPM alone .

4. Significant Outcomes /Impacts :

(i) Greater awareness and understanding of IPM concepts and methods among a number of farmers; (ii) reported improvement in health of farmers and their families because of reduced and proper pesticide application; (iii) reported increase in number of beneficial insects and animals on farms; (iv) significant number of health and habitat studies carried out; (v) increased motivation and ability of farmers to organize themselves into groups and associations; (vi) improvements in pesticide laws; (vii) strengthening of the pesticide information system .

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

(i) M& E did not get established until late in the project resulting in misreporting and difficulties in assessing the actual numbers trained; (ii) excessive pressure on meeting quantitative targets resulted in less efficient utilization of funds; (iii) most changes in Pesticide Commission as visualized in the SAR were not implemented; (iv) the organizational arrangements for the project were not well thought through . This created several administrative and implementation problems. The project was placed first under BAPPENAS (National Development Planning Agency), then transferred to MOA and only in 1997 brought fully under the Crop Protection Directorate of the Directorate

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Marginally Satisfactory	No actual disagreement in rating . The ICR text rates achievement of project objectives as marginally satisfactory . However the option to assign a marginally satisfactory rating is not available to the ICR.
Institutional Dev .:	Substantial	Modest	The Evaluation Summary (ES) rates institutional development as modest for three reasons. The ICR itself notes that: (i) the actual numbers of farmers and others trained was substantially less than appraisal targets;(ii) IPM farmer networks and dissemination have not become strong enough to continue working effectively without technical and financial support in the post project period; (iii) change in attitude and policies towards greater support of IPM in the government is only partial and fragile.
Sustainability :	Likely	Uncertain	The ES rates sustainability as uncertain for four reasons: (i) assured funding is not available for project activities to continue in the post project period; (ii) the change of attitude towards greater support for IPM in the government is still fragile; (iii) IPM messages have not been fully integrated into the national extension system. (iv)The project established a parallel extension structure which has yet to be integrated into the existing structure .
Bank Performance :	Satisfactory	Satisfactory	We rate Bank Performance as satisfactory, but consider it marginally so since the organizational arrangements for the project were not well thought through and no measures were taken to ensure that an effective M&E system was set up right from the beginning.
Borrower Perf .:	Satisfactory	Satisfactory	We rate Borrower Performance as satisfactory, but consider it marginally so since the borrower also did not take early steps to improve project management. There were serious implementation problems for much of the life of the project.
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

Lessons identified by the ICR are relevant and have implications for the design and implementation of similar projects. Two lessons from the ICR which are particularly relevant are repeated here . (i) Setting up separate parallel structures to manage projects is always tempting and seldom leads to post project sustainability . The separate national and regional offices of the project and of the FAO TA team established during the pilot phase of the current project continued through the life of the project . The national, provincial and district governments are now faced with the challenge of integrating the district and sub -district project units, the support and guidance provided by the Project Implementing Unit and the FAO TA team into their regular operations to ensure sustainability of project achievements. (ii) Good baseline data and early implementation of effective M&E are essential .

The ES adds the following further lessons. (i) There is need for the Bank and the borrower to give attention to

sustainability issues upfront at the time of project design . (ii) Too much emphasis on quantitative inputs can divert attention from the main project objectives in terms of outcomes and results . Hence it is crucial to keep the focus on achievement of outcomes and results in the design of an effective M&E component .

8. Audit Recommended? Yes No

Why? (i) To assess the actual impact of the project in terms of yields increases and stability and on the environment given the fact that it has generated substantial interest and is the first such project on this scale . The Indonesian experience has been considered by many to be one of the leading examples of the successful implementation of IPM concepts and practices . (ii) To get another viewpoint on the actual cost effectiveness and value added of the innovative Farmer Field School approach and draw lessons about its applicability in diverse country circumstances . (iii) To verify the sustainability of efforts begun under the project . (iv) In view of the conflicting statistics on numbers of farmers trained, reduction in quantity of pesticide used and yield increases as reported from various sources . (v) To learn overall lessons for the design and implementation of similar projects in other countries .

9. Comments on Quality of ICR :

The discrepancy in the numbers related to number of farmers trained etc . makes the project performance indicators suspect. Given the innovative nature of the project activities co -fiancier's comments would have been very valuable .