



Kenya Agricultural Productivity and Agribusiness Project (P109683)

AFRICA | Kenya | Agriculture Global Practice |
IBRD/IDA | Adaptable Program Loan | FY 2009 | Seq No: 12 | ARCHIVED on 02-May-2016 | ISR22925 |

Implementing Agencies: Ministry of Agriculture, Livestock and Fisheries

Key Dates

Key Project Dates

Bank Approval Date:11-Jun-2009

Effectiveness Date:04-Mar-2010

Planned Mid Term Review Date:02-Jun-2013

Actual Mid-Term Review Date:17-Jun-2013

Original Closing Date:31-Dec-2014

Revised Closing Date:30-Sep-2015

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to increase agricultural productivity and incomes of participating smallholder farmers in the Project Area. Project activities will contribute to these objectives by transforming and improving the performance of agricultural technology systems, empowering stakeholders and promoting the development of agribusiness in the Project Area.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Policy and Institutional support:(Cost \$15.06 M)

Agricultural Research Systems:(Cost \$19.27 M)

Agricultural Extension & Farmer Empowerment:(Cost \$20.26 M)

Agribusiness and Market Development:(Cost \$11.36 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● Moderate	● Moderate



Implementation Status and Key Decisions

After a very slow start, the project implementation picked up following the first Level 2 restructuring that was done in November 2013; and continued during the nine month project extension period following the second Level 2 restructuring. Still most of the activities were implemented and outputs realized. Despite the restructuring, the performance of the Policy and Institutional Support, Agricultural Extension and Farmer Empowerment, and Agribusiness and Market Development components was not fully Satisfactory for a number of reasons, including the complex activities (requiring parliamentary approval was beyond project control) and different institutional arrangements with different cultures, mandates and management systems. But it can also be said that the project largely attained and in some cases surpassed the revised MTR/project restructuring targets, as reported in the Implementation Status and Key Decisions section below. KAPAP also fully disbursed the IDA credit (IDA-Cr-45920) of US\$65.79 million (following the cancellation of US\$16.1 million out of the original credit of US\$82 million) by the closing date; and the European Union Food Crisis Rapid Response Facility (FCRRF) trust fund (TF096460) amounting to US\$24.74 million by February 2012. The project recorded a funds disbursement level of 103 percent IDA credit and 104 percent trust fund grant due to the exchange rate gain of the dollar against the SDR during the implementation period. Thus, the amounts of SDR approved at project effectiveness on exchange into dollars yielded more dollars than was initially forecasted.

The Implementation Progress (IP) post-MTR and in particular during the last nine months to the closing date was Satisfactory (S). However, the IP since the project effectiveness is rated Moderately Satisfactory (MS). The end of the project implementation status of each project component as documented in the Borrower's ICR report is summarized below.

Component 1: Policy/Institutional and Project Implementation. This component was intended to support activities that led to improved operational environment for the sector, through the development and implementation of policies/strategies for better coordination of the sector in order to optimize resource utilization, both at national and county levels. It also supported activities for mainstreaming cross-cutting issues of environment, gender, youth and HIV/AIDS; as well as project implementation structures (i.e. KAPP Secretariat), M&E and impact assessment activities.

KAPAP successfully supported the formulation of several sector strategies and policies. It supported the preparation of a harmonized Agricultural Sector Development Strategy (ASDS), together with its implementation framework and investment plan, which now underpins sector development. The ASDS was launched in 2010, which coincided with the Comprehensive African Agriculture Development Program (CAADP) compact. In addition, the project supported the revision/development of the National Agricultural Research System (NARS) Policy, National Agricultural Sector Extension Policy (NASEP), Livestock Policy, Aquaculture Policy, Cooperatives Policy, National Horticultural Policy, National Seed Policy, National Livestock Development Policy, Kenya Oceans and Fisheries Policy, National Apiculture Policy, Kenya National Poultry Policy, Veterinary Pharmaceutical Policy, Cooperative Development Policy, Cooperative Investment Policy, Land Development Policy and National Land Reclamation Policy, among others. It also supported development of Strategies such as Agribusiness strategy, Agricultural Sector Capacity Development Strategy, Agricultural Sector Strategy for Private Sector Engagement, National Agricultural Sector Communication Strategy, National Rice Development Strategy, and the Kenya Climate Change Response Strategy and Action Plan. The project also supported legal and regulatory reforms, such as the Kenya Agriculture and Livestock Research Organization (KARLO) Act; the Crops Act; and the Agriculture, Fisheries and Food Authority (AFFA) Act, which were enacted in 2013 to replace a number of overlapping and sometimes contradicting laws that previously governed the sector.

Component 2: Agricultural Research Systems. This was a component on the research program, institutional support and development of sustainable research funding mechanisms. The support to core research programs was organized around six thematic research areas, namely: (i) crops; (ii) livestock; (iii) natural resource management; (iv) biotechnology and genetic resource management; (v) socio-economic and applied statistics; and (vi) adaptive research. Overall, KALRO generated a total of 143 new technologies and innovations (including 72 cereal, 39 fruit and vegetables, 15 dairy, 13 meat, and 4 natural resources management, among others) that directly responded to smallholders' priorities along selected agricultural value chains. This exceeds the 82 technologies that were expected to be generated by the project. In addition to these technologies, KALRO was also able to achieve the following interventions under KAPAP support:

- a) A total of 186,800 kg of breeder seeds were produced for various food crops, as follows: 40,400 Kg (maize), 96,400 Kg (wheat), 920 Kg (rice), 500 Kg (sorghum), 16,000 Kg (finger-millet), 31,500 Kg (bush Beans), 440 Kg (climbing beans), and 400 Kg (chickpea); 5,200,000 planting materials comprising of 3,400,000 sweet-potato vines and 2,800,000 cassava cuttings, which were distributed to farmers;
- b) Out of the breeders seed produced, a total of 2,100,576 Kg of Certified Seeds of Maize were produced by various seed companies, as follows: 259,366 Kg (2010), 1,336,180 Kg (2011), 155,030 Kg (2012), and 350,000 Kg (by June 2013); and
- c) Several technological packages for use by farmers were developed, including: 15 Agronomic Packages, 15 Crop Health Packages, 7 Plant Diagnostic Kits (2 for Maize, 3 for Wheat and 2 for Cassava), 43 Technology Promotion packages for outreach, which included 18 (for Maize), 12 (Sweet-potato), 4 (Cassava), and 6 (Bush Beans).

The project also increased the proportion of smallholder producers who adopted new or improved agricultural technologies and innovations from a baseline of 41 percent to 70 percent. Further, the project supported agricultural information resource center to serve as a source of information to farmers. Through these interventions, the project registered significant increases in average yields of selected agricultural value chains in smallholder farming systems.

Component 3: Agricultural Extension, Farmer and other Stakeholder Empowerment. The overall purpose of this component was to promote



sustainable decentralized and competitive demand-driven extension services. The component had two sub-components: (i) support to pluralistic and participatory agricultural extension; and (ii) support to empowerment of farmers and other stakeholders, including service providers. The former aimed at strengthening the provision of extension services, while the latter was intended to stimulate smallholders' demand for extension services.

The project supported implementation of pluralistic extension service delivery where both private and public service providers were involved. This was a key innovation of the project with the potential to transform extension service delivery in Kenya, especially in light of the devolved system of government. This competitive, demand-driven and professional extension services approach entailed the implementation of the Contracted Extension Service Delivery Model (CESDM). Indeed the project supported the development of private extension services in the country. A total of 109 private sector consortia were trained and contracted to provide extension services to farmers participating in various value chains mobilized into Common Interest Groups (CIGs) in 20 project counties. The aim was to support agri-business development, based on pre-agreed performance targets. The Borrower's ICR report indicates that KAPAP worked directly with 6,401 CIGs, comprising 223,971 farmers, of which 98,679 were women (equivalent to 44 percent). In terms of support to farmers and other stakeholders' empowerment, the project supported the strengthening of grass root organizations by federating them into cooperatives, albeit in collaboration with the Kenya National Farmers Federation (KENAFF). In this regard, the project facilitated the transformation of 98 commodity value chains out of 103 into 111 registered Cooperative Societies; and mobilized 23 percent (about 60,000 farmers) of the target beneficiaries, who bought cooperatives shares worth about KSh 58.9 million.

Component 4: Agribusiness and Market Development. The objective of this component was to empower public and private stakeholders along selected commodity value chains to plan, design and set-up sustainable agri-businesses. The component had two sub-components: (i) Agribusiness and Market Development; and (ii) Linking Rural Agro-Processing Activities to Off-Grid Energy Sources. This component had two intermediate indicators: (a) percent average increase in turn-over generated by the value chains within the Project area; and (b) total number of new clients served by off-grid energy services.

With regards to agri-business development, it was envisaged that the first eighteen months would be used to further develop the concepts on Agri-Business Development Centers (ABDCs), and the Agro-Food Parks (AFPs). But these activities suffered serious delays and were never completed. Similarly, by the MTR, only two projects had commenced under this component and linked feasible agri-business value chains to off-grid energy –i.e. Mbuvo Solar Project in Makueni County and Korkora Solar Projects in Garissa County. The target set for this indicator was 800 new clients. By the closing date, both Garissa and Mbuvo projects had not started providing power to their clients. However, they were commissioned in December 2015. The Mbuvo project was expected to serve 580 farmers, of which 380 were CIGs members; and the remaining 200 sub-contracted to produce raw materials. Mbuvo project targeted to serve 30 other groups affiliated to Farm Concern in the area, which potentially brought at least additional 500 new clients. The Garissa project was expected to serve about 1,100 value chain members. This means that the two projects are currently serving at least 2,180 members, which is about 172 percent above the target set.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Moderate	● Moderate
Macroeconomic	--	● Moderate	● Moderate
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● Low	● Moderate
Fiduciary	--	● Moderate	● Substantial



Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Low	● Low
Other	--	--	● Moderate
Overall	--	● Moderate	● Moderate

Results

Project Development Objective Indicators

- 1. Yields (average) of selected agricultural products in smallholder farming systems in the project area (annual increase) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	6.00	25.00	7.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

- 2. Earnings of men and women from smallholder agricultural activities in the Project area (increase) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	31.00	63.73	40.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

- ▲ Male (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	130207.00	27.00	59.51	35.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

- ▲ Female (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	43194.00	35.00	67.94	45.00



Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015
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▶ 3. Public investment in the agricultural sector (increase) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	20.00	40.10	25.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▶ 4. Participating men and women smallholders farmers who are satisfied with extension, empowerment and agribusiness services. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	51.00	70.00	78.55	80.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▲ Male (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	51.00	70.00	70.00	80.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▲ Female (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	51.00	70.00	87.10	80.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015



► Direct project beneficiaries (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1500.00	120000.00	245442.00	210801.00
Date	30-Jan-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▲ null (Kilometers, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	--	--	--	--

► 6. % increase in earnings smallholder beneficiaries (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15.00	75.00	75.00	60.00
Date	30-Jan-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

Overall Comments

PDO Indicator 1: The end of project weighted average difference in yields of eight selected value chains was 204.4 percent, corresponding to an annual growth rate of about 25 percent over five years, against an annual growth rate target of 7 percent over the baseline of 3 percent. This implies that the average annual yields increase surpassed the original annual growth rate target by approximately 257 percent.

PDO Indicator 2: The average increase in earnings of men and women increased by 63.7 percent (against a target of 40 percent), thus surpassing the target by about 59.4 percent.

PDO Indicator 3: Public Investment in the Agriculture sector increased by 40.1 (against the end of project target of 25 percent), hence surpassing the target by about 60.4 percent.

PDO Indicator 4: Direct beneficiaries of the project interventions were 223,971 farmers (compared to the end of project target of 210,800 farmers), meaning that the target was surpassed by 6.2 percent.

Intermediate Results Indicators



► 1. A harmonized agricultural sector development strategy (ASDS) and its implementation framework completed and implemented (in number) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	26.00	40.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

► 2. Men and women using the services of agricultural information resource centers/desks in the Project area. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	14.00	27.00	75.00	30.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▲ Male (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	13.00	25.00	56.30	30.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▲ Female (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	17.00	80.00	25.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015



▶ 3. KARI#s development budget generated internally (auto-financed) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	14.00	20.00	15.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▶ 4. Technologies and innovations generated that directly respond to women and men smallholder priorities along selected product value chains. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	32.00	72.00	185.00	82.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▶ 5. Smallholder producers who have adopted agricultural technologies promoted in the project area disaggregated by age and gender. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	--	65.00	79.00	70.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▲ Male (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	45.00	65.00	76.00	70.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015



Female (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	45.00	65.00	84.00	70.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

6. Stakeholders perceiving that their voice has been taken in account in decision-making disaggregated by men, women and youth (increase) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	30.00	50.00	70.50	60.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

Male (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	30.00	50.00	65.00	60.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

Female (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	30.00	50.00	76.00	60.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015



▾ Youth (Percentage, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20.00	--	25.00	30.00
Date	11-Jun-2009	--	30-Sep-2015	30-Sep-2015

▶ 7. Turn-over generated by the selected value chains within the Project area (average increase of revenue in Kshs.) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	847544069.00	228000000.00	292600000.00	1144184493.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▶ 8. Total number of new clients served by the off-grid energy services. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	2180.00	800.00
Date	11-Jun-2009	31-Dec-2014	30-Sep-2015	30-Sep-2015

▶ 9. Producer organizations adopting business plans (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	30.00	30.00	40.00
Date	03-Nov-2007	31-Dec-2014	30-Sep-2015	30-Sep-2015

Overall Comments

Intermediate Indicator 1: Supported review/development of 26 laws, policies and strategies (i.e. Acts (two), Policies (18) and Strategies (6)), against a target of 40. This means KAPAP was short of its target by 14 laws, policies and strategies.

Intermediary Indicator 2: Supported 75 percent of Men and Women using the services of agricultural information resource centers/desks in the Project area. This means that KAPAP over achieved its target by 150 percent



Intermediary Indicator 3: Supported 20 percent the amount of KARI's development budget generated internally (auto-financed). This means that KAPAP achievement surpassed its target by 33 percent

Intermediary Indicator 4: Supported 185 percent of Technologies and innovations generated that directly respond to women and men smallholder priorities. This means that KAPAP achievement surpassed its target by 125 percent

Intermediary Indicator 5: supported 79 percent of Smallholder producers who have adopted agricultural technologies promoted in the project area. This means that KAPAP achievement surpassed its target by 12.86 percent

Intermediary Indicator 6: Supported 76 percent of Stakeholders perceiving that their voice has been taken in account in decision-making. This means that KAPAP achievement surpassed its target by 26.67 percent

Intermediate Indicator 7: Supported 292,600,000 revenue turn-over generated by the selected value chains within the Project area. This means that KAPAP fell short of its target by 74.5 percent

Intermediary Indicator 8: Supported 2180 persons to receive off-grid energy services. This means that KAPAP achievement surpassed its target by 172.5 percent

Intermediary Indicator 9: Supported 30 Producer organizations with business plans. This means that KAPAP fell short of its target by 25 percent

Data on Financial Performance

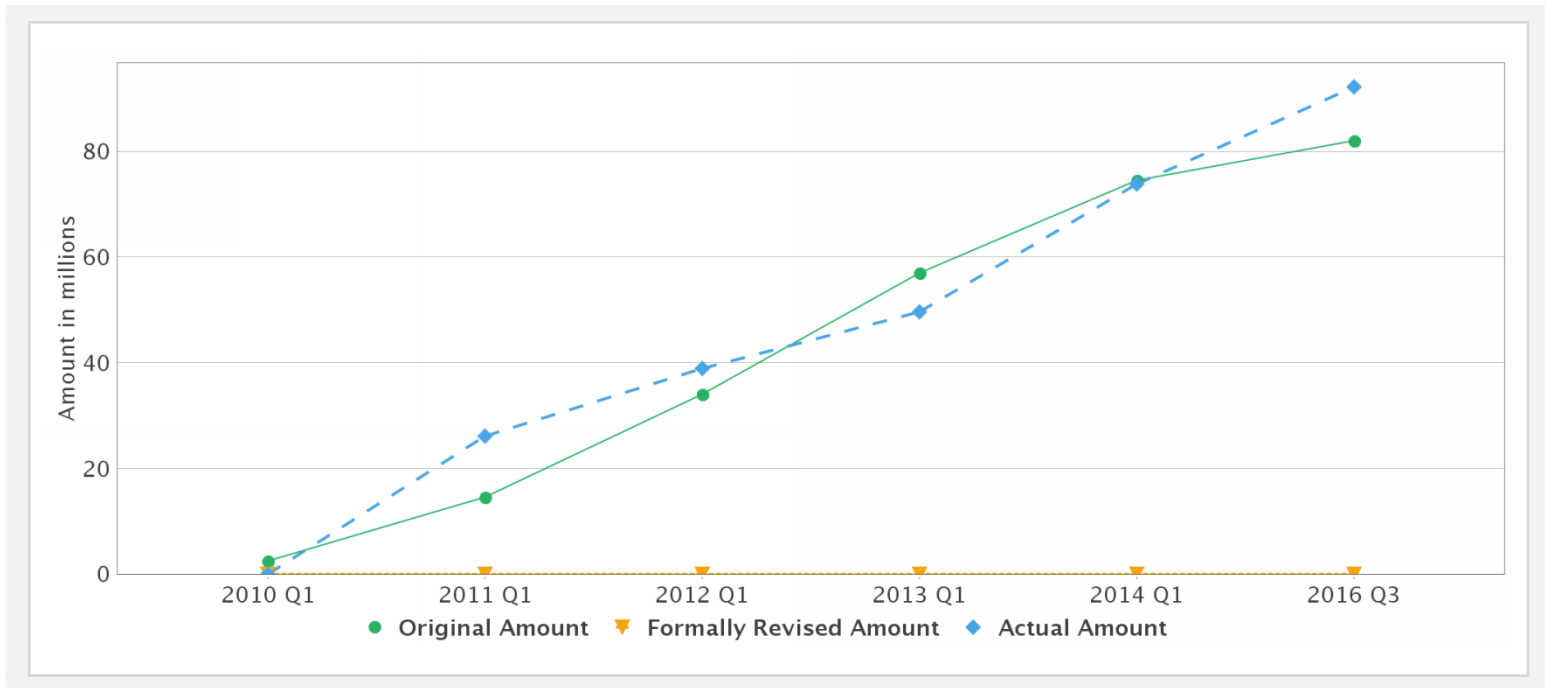
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P109683	IDA-45920	Closed	USD	82.00	65.21	16.79	66.88	0.00	103%
P109683	TF-96460	Closed	USD	24.74	24.47	0.27	25.38	0.00	104%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P109683	IDA-45920	Closed	11-Jun-2009	06-Jul-2009	04-Mar-2010	31-Dec-2014	30-Sep-2015
P109683	TF-96460	Closed	21-Apr-2010	21-Apr-2010	21-Apr-2010	30-Jun-2011	29-Feb-2012

Cumulative Disbursements



Restructuring History

Level 2 Approved on 14-Nov-2013 ,Level 2 Approved on 02-Oct-2014

Related Project(s)

There are no related projects.