



<b>1. Project Data:</b>		<b>Date Posted :</b> 11/18/2004	
<b>PROJ ID:</b> P035824		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name:</b> Diversified Agricultural Support Project (DASP)	<b>Project Costs (US\$M)</b>	160.5	159.6
<b>Country:</b> India	<b>Loan/Credit (US\$M)</b>	129.5	127.3
<b>Sector(s):</b> Board: RDV - Sub-national government administration (44%), Agricultural marketing and trade (24%), Roads and highways (21%), Agricultural extension and research (11%)	<b>Cofinancing (US\$M)</b>	0	0
<b>L/C Number:</b> C3106; L4365			
	<b>Board Approval (FY)</b>		98
<b>Partners involved :</b>	<b>Closing Date</b>	03/31/2004	03/31/2004
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
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**2. Project Objectives and Components**

**a. Objectives**  
The objectives of the project were:

- (i) to increase agricultural productivity through support of Uttar Pradesh's (UP's) diversified agricultural production systems;
- (ii) promote private sector development; and
- (iii) improve rural infrastructure.

**b. Components**  
The project had five components:

- Support for technology development (appraisal US\$ 17.1 million; actual US\$ 7.99 million);
- Establishment of a demand driven technology dissemination system (appraisal US\$ 55.3 million; actual US\$ 31.6 million);
- Support for increased private sector involvement and public/private partnerships in agri-business development (appraisal US\$ 4.1 million; actual US\$ 7.5 million);
- Support for rural infrastructure development (appraisal US\$ 67.5 million; actual US\$ 102.5 million); and
- Support for project management and enhanced capacity for economic policy analysis (appraisal US\$ 15.5 million; actual US\$ 10.1 million).

There was no formal revision of components but the following changes were made:

- legal documents were amended to include the new state of Uttaranchal.
- The coverage of the rural roads component was increased from 1,600 kms to 3,000 kms.

**c. Comments on Project Cost, Financing and Dates**  
Despite delays during the initial years of project implementation, the project closed on schedule. At project closing 99% of the loan/credit was disbursed.

**3. Achievement of Relevant Objectives:**

The objective to increase agricultural productivity through support of Uttar Pradesh's (UP's) diversified agricultural production systems was achieved.

- In the project areas, there has been an increase in crop productivity (over 10%), milk productivity (25%), and cropping intensity (from 169% at baseline to 203% at ICR).
- There has been significant diversification of area out of cereals into vegetables and other higher-value crops.
- The project contributed to improvement in research on Integrated Pest Management (IPM), Integrated Plant

Nutrient Management (IPNM), variety improvement (especially for vegetables) as well as animal reproduction, health and feed management. Around 180 new technologies were identified, 42 released for dissemination, and 27 IPM modules were given to farmer groups.

The objective to promote private sector development was achieved.

- The project increased private sector participation by establishing of over 1,000 private vegetable-fruit nurseries.
- The project trained paravets (over 1,300) have been providing door-to-door animal husbandry services (artificial insemination, first aid, vaccinations) and charging prices which cover full costs.
- By project closing, 125 food processing and sale licenses were issued to agro-entrepreneurs and 110 Memorandum of Understanding were signed between Self Help Groups (SHGs) and commercial partners for marketing SHG products.

The objective to improvement of rural infrastructure was achieved. Rural infrastructure has been significantly upgraded with the improvement of 2,728 kms of rural roads (connecting over 1,100 villages) and refurbishment of 14 rural marketplaces.

#### 4. Significant Outcomes/Impacts:

- A network of farmer-based groups involving women and different socio-economic classes was formed to propagate a blend of new and indigenous technologies and agronomic practices. Over 20,000 Self Help Groups (SHGs) were formed, of which 7,400 were women's groups. SHGs have become a main source of credit for livestock activities.
- The project led to inter-departmental coordination and demand/user focus by bringing together the district administration, line departments, NGOs and farmer representatives through the support to Agricultural Technology Management Agency (ATMA) and Strategic Research Extension Plan (SREP). Many line departments are planning to adopt some of the project initiatives for scaling-up and mainstreaming into their own program activities.
- The project supported IPM and IPNM has resulted in substantial environmental benefits such as improved soil health, lower pesticide residues, and better village animal waste management through composting.
- An effective system of monitoring, feedback, impact assessment and documentation was developed

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

- Poor assessment of the management and financial capacity of the Uttar Pradesh Council of Agricultural Research (UPCAR), the implementing agency responsible for supporting the technology development.
- Little progress was made in research coordination and in the development of long-term agricultural plans and agricultural information systems. Due to weakness in UPCAR, funds allocated for technology development were underutilized despite chronic shortage of fund for agricultural research in the state.
- The Technology Advisory Groups constituted under the project to strengthen the development prospects for important commodities, through all stages from production to marketing failed to make any concrete contribution.
- The work of the Economic Policy Analysis Unit did not lead to usable policy recommendations, partly because of lack of sufficient buy-in from the concerned line departments.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome:</b>	Satisfactory	Satisfactory	
<b>Institutional Dev.:</b>	Substantial	Substantial	
<b>Sustainability:</b>	Likely	Likely	
<b>Bank Performance:</b>	Satisfactory	Satisfactory	
<b>Borrower Perf.:</b>	Satisfactory	Satisfactory	
<b>Quality of ICR:</b>		Exemplary	

**NOTE:** ICR rating values flagged with '\*' don't comply with OP/BP 13.55, but are listed for completeness.

#### 7. Lessons of Broad Applicability:

- Use of an independent agency for monitoring and evaluation improves quality and timeliness of reporting, contributing significantly to user feedback and effective project monitoring and management.
- Good market linkages and private sector involvement are necessary if farm incomes are to be raised.
- Administrative and financial decentralization need to occur together to be effective.

- Early and adequate training in financial management for project staff and concerned staff of implementing agencies/departments, is essential in view of the time required to absorb and apply these skills.

**8. Assessment Recommended?**  Yes  No

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

The quality of the ICR is exemplary. It is well written and the performance indicators developed in Annex 1 are noteworthy. They provide an excellent tool for the evaluation of the project. Also, Annex 3 is very thorough.