



1. Project Data:		Date Posted : 06/22/2001	
PROJ ID: P000099		Appraisal	Actual
Project Name: Food Security	Project Costs (US\$M)	15.2	19.1
Country: Benin	Loan/Credit (US\$M)	9.80	9.7
Sector(s): Board: RDV - Central government administration (40%), Other social services (30%), General agriculture fishing and forestry sector (10%), Agricultural marketing and trade (10%), General transportation sector (10%)	Cofinancing (US\$M)	4.90	4.86
L/C Number: C2601			
	Board Approval (FY)		94
Partners involved :	Closing Date	12/31/1999	09/30/2000

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2. Project Objectives and Components

a. Objectives

The main goals of the project were to alleviate poverty, improve food security and raise nutrition standards in 21 districts, which were carefully selected as "areas at risk." The objectives were: -

1. Carry out agricultural, fishery, peri-urban and socioeconomic activities to generate income and provide regular access to food.
2. Reduce malnutrition rates with particular focus on children under five years and pregnant and lactating women .
3. Strengthen planning, monitoring and evaluation capacity to better identify the populations at risk and pilot the implementation of food security strategies on a substantial scale .

The institutional approach adopted by the project was to develop partnership and complementarity between public services and NGOs in support of local communities .

b. Components

Total costs of \$15.2 million comprised (a) **Micro-projects** including income-generating, and non-revenue generating communal and infrastructure sub-components (56%); (b) **Community Nutrition Program** using local community nutrition workers (CNW), supported by NGOs (14%); (c) **Institution Building, Management and Monitoring** of food security/nutrition and support of project field activities (20%); and (d) Project Preparation for Pilot Phase (10%)

c. Comments on Project Cost, Financing and Dates

The realized costs include expenditures which were financed by World Food Programme (\$.7 million), the contracted NGOs (\$ 2.3 million) and by cost-recovery from beneficiaries (0 .9 million.) Credit based cost-recovery "became an implicit objective" and was used by the Management and Monitoring Unit (MMU) to finance contracted NGO services in 1999 and 2000. The original estimated SAR costs (\$15.2 million) do not include costs subsequently covered by WFP, NGO contributions and credit cost-recovery from micro-projects.

3. Achievement of Relevant Objectives:

1. The project prepared and implemented 1564 revenue-generating micro-projects exceeding the target of 1330. Some measure of their viability is demonstrated by the 84% cost recovery of the 20% of investment costs borne by the beneficiary groups. Only 348 socioeconomic projects (e.g. land development, fish ponds) were completed against a target of 600, although the average cost was higher than planned . 175 infrastructure projects (e.g. feeder roads) were completed against a target of 169. 1288 groups in 432 villages benefited from the projects, 648 of the groups composed entirely of women .
2. Village Nutrition Committees were established in 462 locations (target 400), employing 451 CNW and monitoring targets for children (40,000) and lactating mothers (20,000), were largely achieved (91% and 68% respectively.) Separate studies indicated an overall reduction in malnutrition from 21% to 14%, exceeding the

SAR by a significant margin.

- Planned studies were eventually completed and ONASA (National Bureau for Food Security Support) set up a price-information system, although it failed to establish the GIS to track nutrition levels of the rural population . The performance of the Management and Monitoring Unit (MMU) was satisfactory, reflecting significant capacity building, considering the complexity, scale of the project and problems of managing the nascent NGO sector . Capacity building was substantial allowing NGOs to train 23,000 people in basic literacy/numeracy skills and to deal with prevention of illness and malnutrition .

4. Significant Outcomes/Impacts:

- This was the first example of a project where the Government used public funds, borrowed from IDA, to finance a poverty oriented rural development project with the implementation delegated to NGOs .
- The project was the first of its kind in Benin and was used as an example for several other Bank projects .
- The MMU, staffed entirely by locals, supported by Mission and HQ staff, was able to address and largely overcome problems identified at appraisal - opportunistic NGOs and/or a lack of technical and administrative skills.
- A sound and innovative basis for tackling the food security and nutrition issues of a largely rural population has been established.

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

- 15 of the 25 NGOs originally selected were suspended in 1997 for poor administration procedures, lack of skills and inability to monitor output - 7 were subsequently re-admitted after mending their ways .
- Initially there was insufficient monitoring of NGOs by MMU, and ongoing weaknesses in delivering the most important indicator, that of nutrition ("slow and inadequate processing of anthropometric data was a point of constant complaints by the supervision missions .")
- The initial project design should have included a thorough logframe (LF), which might have prevented confusion about whether or not credit mechanisms were a project output or input (the ICR describes them as a "means" and a "clear secondary objective .") Although an LF was prepared in 1997 it is not included in the ICR .
- The "Financial Rates of Return" reported in the ICR are undefined and difficult to interpret . The project should also have incorporated much more expertise in rural finance (including the development of both savings and loan products in cooperation with existing microfinance institutions .)
- Tardiness on the part of the government led to missed opportunities to obtain bridging finance while a follow -on project was prepared .

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

- The original planning assumption, that nutrition and income generating activities would support each other, was vindicated (" Linking of the nutrition and micro-project components and a community approach was essential for the success of this project .")
- Careful and prudent development of rural finance to supply both savings and loan products on a sustainable basis, should be included in integrated programs for community -based food security .
- Early and firm action must be taken when NGOs are failing or misusing financial opportunities .
- Manuals for operational, procurement and disbursement procedures must be developed in advance and taught to all participating organizations . The Africa Region's *Guidelines for Simplified Procurement and Disbursement Procedures in Community Level Projects* is a good example of one such resource .
- When NGOs perform effectively on the first contract, it is more efficient to use bi or multi -annual contracts for subsequent procurements .

8. Assessment Recommended? Yes No

Why? This is an important example of successful implementation of a project which incorporates many Bank poverty reduction policies . The project fell under the Bank's targeted poverty intervention program and also met the objectives of the Women in Development Initiative (60% of the project beneficiaries were women .) OED needs to confirm and extend the lessons learned (especially financial aspects .)

9. Comments on Quality of ICR:

The ICR is satisfactory although there are weaknesses with cost data, measures of financial viability and a lack of clarity in some of the lessons learned . The justification for a "re-orientation" of the project, away from

micro-projects to nutrition and food security (page 2), is only partially supported by the cost data, and not at all by the lessons learned. This may however reflect pessimism as to sustained IDA funding for a follow-on project - the capacity for income generation and cost-recovery that has been developed is insufficient to finance an expanded national program.