



State of Maharashtra's Agribusiness and Rural Transformation Project (P168310)

SOUTH ASIA | India | IBRD/IDA | Investment Project Financing (IPF) | FY 2020 | Seq No: 12 | Archived on 03-Sep-2024 | ISR01542

Implementing Agencies: Department of Agriculture, Government of Maharashtra

1. OBJECTIVE

1.1 Development Objective

Original Development Objective (Approved as part of Approval package on 16-Dec-2019)

The project development objective is to support the development of inclusive and competitive agriculture value chains, focusing on smallholder farmers and agri-entrepreneurs in Maharashtra.

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

No

2. COMPONENTS

Name

Component A: Enhancing Institutional Capacity to Support Agricultural Transformation.:(Cost 42,200,000.00)

Component B: Expanding Market Access and Supporting Enterprise Growth.:(Cost 204,500,000.00)

Component C: Building Risk Mitigation Mechanisms.:(Cost 20,200,000.00)

Component D: Project Management, Monitoring and Learning.:(Cost 33,100,000.00)

3. OVERALL RATINGS

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

4. KEY ISSUES & STATUS



4.1 Implementation Status and Key Decisions

The project has continued to maintain an improved pace of implementation with approximately 80% of overall disbursements being made during the past 18 months. Since the previous mission in December 2023, full project proposals (FPPs) sanctioned for financing have increased from 692 to 767, corresponding to total committed expenditures increasing from \$100 million (Rs. 834 crores) to \$111 million (Rs.924 crores); actual grant money released to Community Based Organizations (CBOs) has increased by 42% from \$21 million (Rs. 173 crores) to \$36 million (Rs. 300 crores); and an additional \$10 million of commercial loan financing has been leveraged, bringing total commercial loans mobilized to \$33 million (Rs. 273 crores). The project has also signed an Memorandum of Understanding (MOU) with the National Bank of Agriculture and Rural Development (NABARD) to jointly develop and pilot an FPO Accelerator Program to provide capacity-building support to selected FPOs. 400 women’s FPOs have been registered by MSRLM and MAVIM. This is a major achievement of the project if they can be provided adequate support to access markets and become sustainable.

However, due to the initial two years lost at the outset, the project still lags expected implementation and disbursement targets at this stage and the project needs to continue to pick up the pace of implementation to catch up on implementation and disbursement lags. As agreed during the Mid Term Review (MTR) mission, the Government of Maharashtra (GoM) has sent a restructuring request to the Department of Economic Affairs (DEA).

Key implementation challenges that need to be addressed are as follows:

1. Project has low fund balance and budgetary allocations for this fiscal year. This needs to be urgently rectified so that the project can meet planned expenditures.
2. The project needs to enhance technical assistance to Farmer Producer Organizations (FPOs) financed , including on improving food safety and quality parameters.
3. The project needs to further strengthen procurement functions and update Project Implementation Plan, Procurement Manual, and Community Procurement Manual.
4. The Village Social Transformation Foundation (VSTF) needs to mobilize private sector financing committed to the project.

5. SYSTEMATIC OPERATIONS RISK-RATING TOOL

Risk Category	Rating at Approval	Last Approved Rating	
	Approval Package - 17 Dec 2019	ISR Seq. 011 - 17 Jun 2024	Proposed Rating
Political and Governance	● Low	● Low	● Low
Macroeconomic	● Low	● Low	● Low
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● Substantial	● Substantial	● Substantial



Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Substantial	● Substantial	● Substantial
Stakeholders	● Moderate	● Moderate	● Moderate
Overall	● Substantial	● Substantial	● Substantial



6. RESULTS

6.1 PDO Indicators by PDO Outcomes

Increase in net price realization at producer level								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Increase in net price realization at producer level (Percentage)	0.00	Oct/2019	0.00	31-Mar-2023			33.00	Mar/2027
	Comments on achieving targets		Measured in real terms by increase in the gross value of marketed output less costs at producer level over Baseline value. Gross value is defined as the product of selling price and output sold to the sub-project. Costs will include costs of cultivation and marketing to the sub-project. The indicator will be a composite indicator measuring the profitability accruing to project beneficiaries from sub-projects relating to 6 commodities viz. cotton, maize, pigeon pea, banana, tomato and goat.					
Full Time Equivalent jobs generated in beneficiary firms								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Full Time Equivalent jobs generated in beneficiary firms (Number)	0.00	Oct/2019	2,798.00	30-Nov-2023			9,700.00	Mar/2027
	Comments on achieving targets		Measured by number of incremental full time equivalent (FTE) jobs in beneficiary firms, disaggregated by gender and social category. Beneficiary firms refer to the project supported CBOs and project supported enterprises.					
Of which, to female beneficiaries (Number)	0.00		0.00				4,700.00	
	Comments on achieving targets		Disaggregated by gender					
Of which, to SCs and STs (Number)	0.00		0.00				1,950.00	
	Comments on achieving targets		Disaggregated by SCs and STs					



Private sector finance mobilized by the project								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Private sector finance mobilized by the project (Amount(USD))	0.00	Oct/2019	32,173,000.00	30-Nov-2023			58,500,000.00	Mar/2027
	Comments on achieving targets		This indicator measures the amount of private sector finance mobilized by the project. Private sector finance refers to the amount of debt raised by project beneficiaries as a part of beneficiary contribution towards the sub-projects. The contribution from VSTF has also been included.					
Farmers reached with agricultural assets or services								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Farmers reached with agricultural assets or services (Number)	0.00	Oct/2019	505,000.00	30-Nov-2023			1,900,000.00	Mar/2027
	Comments on achieving targets		This indicator measures the number of farmers who were provided with agricultural assets or services as a result of World Bank project support. "Agriculture" or "Agricultural" includes: crops, livestock, capture fisheries, aquaculture, agroforestry, timber, and non-timber forest products. Assets include property, biological assets, and farm and processing equipment. Biological assets may include animal agriculture breeds (e.g., livestock, fisheries) and genetic material of livestock, crops, trees, and shrubs (including fiber and fuel crops). Services include research, extension, training, education, ICTs, inputs (e.g., fertilizers, pesticides, labor), production-related services (e.g., soil testing, animal health/veterinary services), phyto-sanitary and food safety services, agricultural marketing support services (e.g., price monitoring, export promotion), access to farm and post-harvest machinery and storage facilities, employment, irrigation and drainage, and finance. Farmers are people engaged in agricultural activities or members of a agriculture-related business (disaggregated by men and women) targeted by the project.					
Farmers reached with agricultural assets or services - Female (Number)	0.00		158,000.00				820,000.00	



Of which, SC and ST farmers (Number)	0.00		87,000.00				245,000.00	
	Comments on achieving targets		Disaggregated by SC and ST farmers					

6.2 Intermediate Results Indicators by Components

Component A: Enhancing Institutional Capacity to Support Agricultural Transformation.								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
People using digitally enabled services (Number of people) CRI								
People using digitally enabled services – Youth (Number of people) CRI								
People using digitally enabled services – Female (Number of people) CRI								
Progress against outcome goals tracked and reported annually by DoA (Yes/No)	No	Oct/2019	No	30-Nov-2023			Yes	Mar/2027
	Comments on achieving targets		This indicator, measures whether the outcome goals defined and accepted by the Department of Agriculture are met by the Department and reported annually. The DLI is linked to meeting the outcome goals as well as reporting the same annually on the agreed upon platform. DoA denotes Department of Agriculture, Government of Maharashtra.					
	No	Oct/2019	Yes	30-Nov-2023			Yes	Mar/2027



Annual ranking of markets in Maharashtra and publication of the same (Yes/No)	Comments on achieving targets		DoM will develop ranking of market health indicators. This indicator tracks whether such rankings have been generated and reports thereof are published by DoM. DoM denotes Department of Marketing, Government of Maharashtra.					
Functional Agriculture Stewardship Councils established (Number)	0.00	Oct/2019	1.00	30-Nov-2023			6.00	Mar/2027
	Comments on achieving targets		This indicator measures the number of functional Agriculture Stewardship Councils established. A functional Agriculture Stewardship Council is defined as one contributing to one or more policy recommendations based on a Vision Document and Institutional Development Plan.					
Component B: Expanding Market Access and Supporting Enterprise Growth.								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Productivity for select commodities (mt/ha) (Number)	0.00	Oct/2019	0.00	31-Mar-2023			0.00	Mar/2027
	Comments on achieving targets		This indicator measures increment in the productivity of select five agricultural commodities (cotton-lint, maize, pigeon pea, banana, tomato). Baseline productivity is measured across all districts. From year 1 onwards, the productivity will be measured in the project districts.					
Cotton - Lint (Number)	0.29	Oct/2019	0.29	31-Mar-2023			0.43	Mar/2027
	Comments on achieving targets		Productivity of cotton- lint.					
Maize (Number)	2.91	Oct/2019	2.91	31-Mar-2023			3.58	Mar/2027
	Comments on achieving targets		Productivity of maize.					
Pigeon pea (Number)	0.93	Oct/2019	0.93	31-Mar-2022			1.14	Mar/2027
	Comments on achieving targets		Productivity of pigeon pea.					
Banana (Number)	52.29	Oct/2019	0.87	31-Mar-2023			64.37	Mar/2027
Tomato (Number)	23.39	Oct/2019	14.64	31-Mar-2023			28.79	Mar/2027
	16.00	Oct/2019	14.00	31-Mar-2023			19.70	Mar/2027



Average goat live weight (kg) (Number)	Comments on achieving targets		This indicator measures the live weight of an average goat (as a commodity) at 6 months (measured in kilograms). Baseline average live weight is measured across all districts. From year 1 onwards, the average live weight of goat (at 6 months) will be measured in the project districts.					
Beneficiaries meeting quality standards set by sub-projects (Percentage)	0.00	Oct/2019	0.00	31-Mar-2023			70.00	Mar/2027
Market linkages established with the support of the project (Number)	0.00	Oct/2019	214.00	30-Nov-2023			120.00	Mar/2027
	Comments on achieving targets		This indicator measures the number of unique market linkages that will be established with the support of the project.					
Project supported enterprises making incremental investments (Number)	0.00	Oct/2019	0.00	30-Nov-2023			2,000.00	Mar/2027
	Comments on achieving targets		Individual entrepreneurs aiding the development of the project Value Chains will be supported by the project. Preference would be given to those enterprises which support the overall objectives of the sub-project. Enterprises are those which support sub project objectives in the given geography. This is further segregated by women entrepreneurs and by social category entrepreneurs.					
Of which, female entrepreneurs (Number)	0.00	Oct/2019	0.00	30-Nov-2023			1,200.00	Mar/2027
	Comments on achieving targets		Disaggregated by gender					
Of which, SC and ST entrepreneurs (Number)	0.00	Oct/2019	0.00	30-Nov-2023			400.00	Mar/2027
	Comments on achieving targets		Disaggregated by social category					
Volume of credit accessed from FIs by CBOs and enterprises supported by the project (Amount(USD))	0.00	Oct/2019	31,431,000.00	30-Nov-2023			48,571,000.00	Mar/2027
	Comments on achieving targets		This indicator measures the volume of credit accessed by project supported CBOs and Enterprises from Financial Institutions (FIs).					
Of which, by female-led CBOs and female	0.00		3,150,000.00				20,000,000.00	



entrepreneurs (Amount(USD))								
Of which, by SC and ST entrepreneurs (Amount(USD))	0.00		0.00				1,714,000.00	
	Comments on achieving targets		Disaggregated by social category					
Component C: Building Risk Mitigation Mechanisms.								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Beneficiaries who are aware of market intelligence given by the project (Number (Thousand))	0.00	Oct/2019	0.00	01-Jun-2023			660.00	Oct/2027
Of which, female beneficiaries (Number (Thousand))	0.00	Oct/2019	0.00	01-Jun-2023			198.00	Mar/2027
	Comments on achieving targets		Disaggregated by gender					
Of which, SC and ST beneficiaries (Number (Thousand))	0.00	Oct/2019	0.00	01-Jun-2023			85.80	Mar/2027
	Comments on achieving targets		Disaggregated by social category					
Warehouse receipts issued to project beneficiaries (Number (Thousand))	0.00	Oct/2019	4.78	30-Nov-2023			518.99	Mar/2027
	Comments on achieving targets		This indicator measures the number of beneficiaries to whom warehouse receipts (WRs) are issued. WRs will include the WRs issued by the CMAs and are acceptable to bankers linked to the CMAs.					
Of which, to female beneficiaries (Number (Thousand))	0.00	Oct/2019	0.00	01-Jun-2023			51.90	Mar/2027
	Comments on achieving targets		Disaggregated by gender					
Of which, to SC and ST beneficiaries (Number (Thousand))	0.00	Oct/2019	0.00	01-Jun-2023			67.47	Mar/2027



Component D: Project Management, Monitoring and Learning.								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Grievances registered related to delivery of project benefits that are actually addressed (Percentage)	0.00	Oct/2019	95.00	30-Nov-2023			85.00	Mar/2027
	Comments on achieving targets		This indicator measures the transparency and accountability mechanisms established by the project so that the target beneficiaries have trust in the processes and are willing to participate, and feel that their grievances are attended to promptly. Thus, the project monitoring system should provide information on the number of complaints received against the number actually resolved.					

6.3 Performance Based Conditions (PBC)

PBC Name		Baseline	Actual (Previous)		Actual (Current)		Closing Period
			Value	Date	Value	Date	
1:Institutional realignment and strengthening of Department of Agriculture and allied departments towards outcomes (Text)	Value	Agri programs remain focused on input subsidy provision, not outcomes.	Agri programs remain focused on input subsidy provision, not outcomes.	28-Feb-2020	Agri programs remain focused on input subsidy provision, not outcomes.	28-Feb-2020	
	Allocated Amount	0.00			0.00		0.00
PBC allocation			6,920,000.00				
2:Enhanced staff capacity of DoA to	Value	Mismatch in staff skills and capacity for market-oriented technical service	Mismatch in staff skills and capacity for market-oriented technical service	28-Feb-2020	Mismatch in staff skills and capacity for market-oriented technical service	28-Feb-2020	

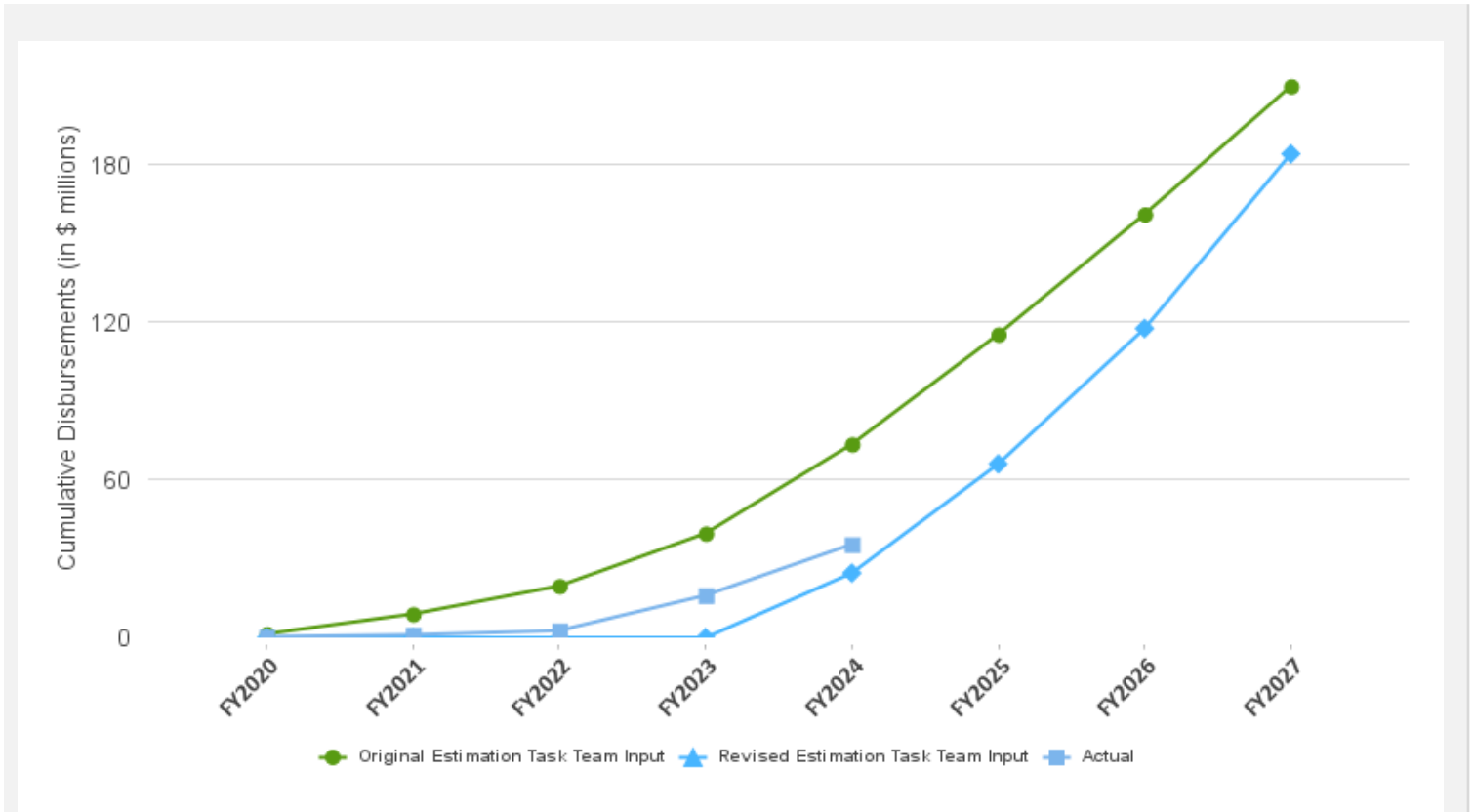


achieve outcomes (Text)		provision and promoting private sector investments.	provision and promoting private sector investments.		provision and promoting private sector investments.		
	Allocated Amount	0.00			0.00		0.00
PBC allocation			5,600,000.00				
3:Enhanced market linkages, food quality and safety standards for focus geographies and commodities (Text)	Value	Weak policy and institutional framework to support agri-transformation	Weak policy and institutional framework to support agri-transformation.	28-Feb-2020	Weak policy and institutional framework to support agri-transformation.	28-Feb-2020	
	Allocated Amount	0.00			0.00		0.00
PBC allocation			7,700,000.00				



7. DATA ON FINANCIAL PERFORMANCE

7.1 Cumulative Disbursements



7.2 Disbursements (by loan)

Loan/Credit/TF	Status	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
IBRD-90310	Effective	210.00	210.00	0.00	40.90	169.10	19.48%

7.3 Key Dates (by loan)

Loan/Credit/TF	Status	Approval	Signing	Effectiveness	Orig. Closing	Rev. Closing
IBRD-90310	Effective	17-Dec-2019	24-Jan-2020	23-Mar-2020	31-Mar-2027	31-Mar-2027

8. KEY DATES



Key Events	Planned	Actual
Approval	17-Dec-2019	17-Dec-2019
Effectiveness	15-Apr-2020	23-Mar-2020
Mid-Term Review No. 01	22-Nov-2023	22-Nov-2023
Operation Closing/Cancellation	31-Mar-2027	

9. RESTRUCTURING HISTORY

10. ASSOCIATED OPERATION(S)

There are no associated operations