Report Number: ICRR0023966

1. Project Data

Project ID P164509	**Project Name** PIMELAN	
Country Niger	**Practice Area(Lead)** Agriculture and Food	
L/C/TF Number(s) IDA-64580,IDA-69580	**Closing Date (Original)** 22-Dec-2025	**Total Project Cost (USD)** 58,296,795.14
Bank Approval Date 20-Jun-2019	**Closing Date (Actual)** 24-May-2023	

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	100,000,000.00	0.00
Revised Commitment	65,820,371.94	0.00
Actual	58,296,795.14	0.00

Prepared by	Reviewed by	ICR Review Coordinator	Group
Shashidhara Laxman Kolavalli	J. W. van Holst Pellekaan	Avjeet Singh	IEGSD (Unit 4)

2. Project Objectives and Components

a. Objectives

The project Development Objective (PDO) is “to increase agricultural productivity and access to market for small and medium farmers and agri-food small and medium enterprises in the participating Project regions.”

For the purpose of this ICRR, the PDO is parsed into two subobjectives:

Objective 1: to increase agricultural productivity for small and medium farmers and agri-food small and medium enterprises in the Participating Project Regions; and

Objective 2: to increase access to market for small and medium farmers and agri-food small and medium enterprises in the Participating Project Regions.

Contingent Emergency Response Component (CERC) was triggered, but it's delivery was not included in the PDO. As the ICR (para 32) claims that some of the CERC outputs contributed to achieving objective one, by forestalling losses in agricultural productivity, the efficacy in implementing it will be included in assessing the efficacy of achieving Objective 1 in section 4 of this review.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

Component 1: **Improving the quality of agriculture support services and policies (Appraised: US$42 million; Actual US$8.1 million)**

Increase crop and sedentary livestock systems' productivity and improve the safety of products through:

1.1: Strengthening crop and livestock extension services

Build capacity of the national extension and advisory services to more effectively play its role in increasing producers' knowledge and capacities through:

a. Supporting the implementation of the strategy for the National System for Extension and Advisory Services in Agriculture (SNCA);
b. Supporting the operationalization of Promotion Agency for Agricultural Extension (APCA); and
c. Training on the use of climate smart agriculture varieties and practices, including, *inter alia*, introducing drought and heat tolerant seeds, agroforestry options, drip irrigation, and solar-pump irrigation schemes.

1.2: Support to veterinary and phytosanitary services

Increase availability of, and access to, specialized high-quality public and private veterinary and phytosanitary services to producers, and other value chain actors, through:

a. Enhancing surveillance systems for emerging and re-emerging priority crop diseases;
b. Controlling priority crop diseases and pests;
c. Controlling priority productivity-impacting livestock diseases;
d. Preventing major fish disease through targeted surveillance and awareness campaigns with respect to live fish imports; and

e. Promotion of food safety through enhanced quality control of inputs, feed, and food products.

1.3: Strengthening the policy, legal, and regulatory framework, and developing mechanisms for preventing and responding to severe crisis and emergencies in the agriculture sector.

Support the strengthening of the capacity and operation of the Agricultural Policy Support Unit ("APCU") through:

a. Undertaking studies to review sector polices;
b. Development of gender policy, gender-sensitive planning and budgeting tools;
c. Undertaking policy analysis and making recommendations for removing policy, regulatory, and institutional constraints that negatively affect investments and entrepreneurship in the sector; and
d. Supporting the Ministry of Agriculture and Livestock's (MAGEL's) capacity to prevent and/or respond to sector crises.

Component 2: **Increasing investments in agricultural production, processing, and market access (US$45 million; Actual US$10.3 million)**

Increase private investments in agricultural production, processing and market access for the various actors in the agri-food sector through:

2.1: Developing Productive Partnerships:

Improve market access for producers and small and medium enterprises (SMEs) in agri-food value chains selected in accordance with criteria set out in the PIM, through

a. Establishing a Productive Partnership Program through: (i) the identification of off-takers for agriculture, livestock, and aquaculture production at the national, regional and potentially interventional level; (ii) supporting Participating Producers and SMEs in entering into commercial agreement with the off-takers; (iii) building the capacity of the Participating Producers and SMEs to improve the quality of their production and to respond to the demand of the Off-takers, (iv) developing sustainable business models and Business Plans that could allow sustainable growth of the Participating Producers and SMEs for commercial farming, processing and commercialization; and (iv) provision of technical support and services to implement the Business Plans; and
b. Financing: (i) communication campaigns; (ii) financial literacy programs; and (iii) training of trainers in financial management/literacy in the Participating Project Regions.

2.2: Increasing access to finance

Support the establishment of a Cost-Sharing Financing Program for the financing of working capital and viable medium term investments ("subprojects") through the provision of Matching (??) Grants and ensuring the systematic involvement of financial institutions, accompanied by technical assistance to improve the Eligible Beneficiaries'' management and technical skills through:

a. Structuring and organizing the Cost-Sharing Financing Program;
b. Financing of Matching Grants for Working Capital and Investments in Productive Agricultural Assets; and

c. Financing of Matching Grants Backed by Participating Financial Institution (PFI) Loans.

2.3: Providing Support to Participating Financial Institutions

Catalyzing the supply of lending from PFIs to recipients of Matching Grants Backed by PFI loans through:

a. Establishing a Risk-Sharing Facility for purposes of providing partial credit guarantees to PFIs, through (i) the IFC Risk-Sharing Facility; and (ii) the Local Risk Sharing Facility;
b. Establishing a First Loss Account for the provision of Partial Credit Guarantees (PCGs) out of the IFC Risk-Sharing Facility
c. (i) funding the Local Risk-Sharing Facility for the provision of PCGs through SAHFI, and (ii) provision of management support and technical assistance to Société Sahélienne de Financement (SAHFI); and

Providing technical assistance to: (i) the Fund for Food and Nutritional Security (FISAN) to enhance its capacity for policymaking in agricultural credit; and (ii) PFIs for : (1) the establishment of agricultural finance units within PFIs; (2) the establishment of a gender-sensitive agents network in the Participating Project Regions; (3) capacity building for the development of more suitable financial products, including, *inter alia*, financing of leasing and warehouse receipts, and agriculture finance through digital technology; (4) improving risk capacities and development of credit assessment techniques based on analysis of financial and no-financial information; (5) farm credit risk management; and (6) support to better understand and apply the principles of environmental safeguarding.

Component 3: **Project coordination (Appraised: US$13 million; Actual: US$7.1 million)**

Support the NCU in carrying out the management, monitoring and evaluation, procurement, financial management, environmental and social safeguards monitoring, and capacity development activities under the Project.

Component 4: **Contingent Emergency Response Component (CERC) (Appraised: US$0; Actual: US$39.54 million)**

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

Changes to Components

July 2020: Reallocation of US$39.4 million from Component one to CERC (component four). The funds were replenished through additional financing.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project costs

Appraised: US$100.2 million; Revised US$139.54; and Actual: US$64.90 million

Financing

The project was financed through an International Development agency (IDA) credit of US$100 million.

Borrower contribution

At appraisal: US$28.9 million (Borrowing country financial institutions: US$23 million; local beneficiaries: US$5.9 million); Actual at closure: no information in the ICR

Dates

The project was approved in June 2019 and became effective in July 2020. The MTR was conducted in October 2022. The project was scheduled to close in December 2025, but it was closed earlier in May 2023.

Restructurings

June 2021: Additional financing to replenish US$39.54 million reallocated from activity one to CERC

May 2023: Change in closing dates, cancellation of financing (US$67.2 million) and reallocation between disbursement categories.

Changes to Results Framework (RF)

To capture the results from triggering CERC,

- A new PDO indicator was introduced: “percentage of people harmed by floods protected and served by water management infrastructure.”
- Three new intermediate indicators were introduced: number of emergency kits distributed, length of dike and riverbank rehabilitation (km), and number of drinking water wells rehabilitated.

Split rating

The PDO remained the same. The project received additional financing but it only replenished the funds that were transferred to CERC. The project was closed soon after the mid-term term as it was assessed that the PDOs would not be met because of the delays in the early stages. This review concluded that a split rating of outcomes is not warranted.

3. Relevance of Objectives

Rationale

Country Context

At Appraisal, Niger’s economic growth was volatile although it averaged 6.4 percent between 2012 and 2017 compared to 1.6 percent in the previous decade (ICR, para 1). It was one of the poorest countries in the world. With an estimated average per capita GDP of US$365 (PPP) in 2017, Niger was well below the average GDP for Sub-Saharan Africa of US$1,600. Niger was also exposed to multiple fragility, conflict, and violence risk factors: high population growth rates, institutional deficiencies related to corruption, and spilling over of regional conflicts that required considerable spending (ICR, para 2). Under International Development Association Eighteen (IDA18), Niger benefited from a special Risk Mitigation Regime (RMR) allocation to mitigate the escalation of existing crises and contribute to the reduction of key fragility and conflict risks.

Agriculture contributed about 40 percent of the Gross Domestic Product (GDP) in 2017 and engaged nearly 90 percent of the active population (ICR, para 3). The sector was constrained by low productivity, a weak policy and regulatory framework, and limited access to finance. Weak and poorly funded public and private extension and advisory services, lack of access to and poor adoption of improved technologies, limited expansion of affordable small-scale irrigation, domestic and transboundary animal diseases and zoonoses, limited access to finance and weak policy and regulatory frameworks constrained the development of agriculture sector.

Country Strategy

The PDO aligned with the Government's priority of modernizing agriculture and livestock sectors to create decent jobs in rural areas as laid out in the objectives of the Second Economic and Social Development Plan 2017-2021, a five-year plan for the operationalization of the Sustainable Development and Inclusive Growth Strategy (SDDCI, in French) (ICR para 5). The strategies it articulated included the creation of a national system for the agriculture advisory services (Système National de Conseil Agricole, SNCA) and Promotion of Agency for Agricultural extension (APCA), and the establishment of the Investment Fund for Food and Nutritional Security (Fonds d'Investisment pour la Securité Alimentaire et Nutritionel, FISAN). The objectives of the project are aligned with the 14th program of Government's third National Plan for Economic and Social Development for 2022–2026 "Modernizing the Rural Economy", and the 2021-2026 action plan for the 3N initiative, the government's food security initiative.

Bank Strategy

The PDO was and has remained relevant to Niger CPF (FY18-22) objectives. The CPF sought to support Niger to safeguard and accelerate economic and social development by tackling growth constraints, unsustainable population growth, and other fundamental (and emerging) drivers of fragility. The PDO was to contribute to the first CPF focus area on Increased Rural Productivity and Incomes, specifically to the outcome of increased rural production with diversified output in the agriculture and livestock sectors. Specifically, it is relevant to CPF Focus Area I, "Increased Rural Productivity and Incomes," and its objective, "Increased rural production with diversified output in the agriculture and livestock sectors. At closure, the project remained relevant to the 2022 Performance Learning Review (PLR), which confirmed that increased productivity continued to be highly relevant and revised Focus Area I to "Increased rural productivity, resilience and incomes," including climate resilience.

The level at which PDO is pitched

Achieving the objective of increasing productivity and commercialization would contribute directly to increased rural production and diversified outputs. Even though the PDO was pitched at the right level, it was ambitious in terms of the scope of a large number of value chains (rice, potatoes, moringa, onions, tomato, sesame, pepper, cattle meat, hides and skins, dairy, eggs, poultry, fish, and others). Moreover, the complex and ambitious design required a high level of coordination to implement which was ambitious given the implementation capacity in the country, Summary: The PDO to increase productivity and commercialization is substantially relevant to the country's strategy of modernizing agriculture and livestock sectors and the World Bank's strategy to support the country in increasing rural productivity, resilience, and incomes. Even though the PDO was pitched at the right level, it was ambitious in scope. Overall, the relevance of the PDO is rated as Substantial.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To increase agricultural productivity for small and medium farmers and agri-food small and medium enterprises in the Participating Project Regions.

Rationale

Theory of change

The theory of change articulated in the PAD and repeated in the ICR (para 7 and figure 1) postulated that project inputs/outputs, such as establishing a national system for extension, strengthening veterinary services and strengthening of policy and regulatory framework, with measured outputs such as number of farmers reached with assets and services, would lead to the achievement of the objective of improving crop yields in selected value chains.

Outputs

- 166,147 farmers reached with agricultural assets and services, exceeding the target of 10,000
- Of them, 77,429 were women, exceeding the target of 3,000
- Of them, 4,984 were youth, exceeding the target of 3,000
- Zero sector policies developed, falling short of the target of 6

CERC outputs relevant to Objective 1

- Rehabilitation of 7,493 ha of irrigated land primarily used for producing rice
- Rehabilitation of 560 ha of degraded land
- Distribution of 1,521 metric tons of improve varieties of seeds

Other CERC outputs

- 40 percent of people harmed by floods protected and served by water management infrastructure and emergency support, exceeding the target of 30 percent

- 30,099 emergency kits distributed, exceeding the target of 25,460
- 429 drinking wells rehabilitated, exceeding the target of 400
- 30,322 meters of dike and riverbank rehabilitated, exceeding the target of 29,180 meters

Outcomes

- 25% increase in the yields of peppers produced by targeted beneficiaries, falling short of the target of 30%
- 14% increase in the yields of cowpeas produced by targeted beneficiaries, falling short of the target of 30%
- 15.10% increase in the yields of onions produced by targeted beneficiaries, falling short of the target of 30%
- 11.4% increase in the yields of cattle meat produced by targeted beneficiaries, falling short of the target of 30%
- 0% increase in the yields of eggs produced by targeted beneficiaries, falling short of the target of 30%

The achievement of this objective is measured by percentage increase in the yields of five crops. As the project struggled to establish M&E by the midterm, the ICR notes that the outcomes reported are based on reports shared by the client after the project was cancelled. (para 27).

Although the project was closed earlier than planned, the “number of farmers reached with the assets or services” exceeded the target by sixteen-fold. According to the Bank project team (from an exchange with IEG on April 19, 2024), because activities such as training could be implemented easily, there was a rush to complete them in the early stages of the project. The number also included those who benefited from the vaccination of their animals.

The early efforts in the project focused on delivering capacity development related outputs, which were not captured by intermediate indicators:

- Strengthening of technical coordination and logistical capacity of the agriculture extension promotion agency through purchase of vehicles, furniture, and equipment
- Some regional technical committees trained on planning, programming, and monitoring and evaluation, and 167 lead farmers and 107 extension service providers trained on targeted value chains
- 109 agents managing phytosanitary issued trained on phytosanitary management
- 38 private veterinarians trained on livestock diseases
- Acquisition of 14 million doses of contagious bovine pleuropneumonia (CBPP) vaccine, 44 million doses of vaccine for *peste des petits ruminants* (PPR), and 11.5 million doses of Newcastle disease vaccine and a cold chain.
- 12 vaccination parks developed

The project met the targets set for delivering CERC. The ICR notes that some of the CERC outputs – such as rehabilitation of irrigated and degraded lands and distribution of improved seeds – contributed to sustaining productivity.

The ICR reports a 15.6 percent increase in productivity of the five crops (para 33) but the ICR does not mention whether or not the project assessed increases in productivity that might have occurred among farmers without the project. In other words, it appears that a "control" group was not established. Nevertheless, productivity increases in all the crops fell short of the targeted 30 percent.

The activities that contributed to the achievement of this objective were terminated earlier than planned. The theory of change employed postulated that improved extension services and delivery of veterinary services, along with the introduction of a conducive policy framework, would lead to an increase in the yields of selected crops. Project outputs fell short of the targets, but some capacity development activities were carried out, and vaccines needed to improve veterinary services were acquired. Some of the CERC activities implemented to meet the targets had the potential to contribute to protecting and increasing yields. However, productivity increases were short of the targets. The efficacy with which this objective was achieved is rated Modest.

Rating
Modest

OBJECTIVE 2

Objective
To increase access to market for small and medium farmers and agri-food small and medium enterprise in the Participating Project Regions.

Rationale
Theory of Change

The theory of change postulated that helping farmers establish productive relationships with market agents, improving their access to credit through matching grants, and supporting local financial institutions through risk-sharing would lead to intermediate outcomes such as credit mobilized from local financial institutions, and enable farmers to increase the share of commodities they market.

Outputs

- 759 matching grants accounts opened as a result of the project grants, falling short of the target of 3,500
  - Of them 239 were by women, falling short of the target of 1,575
  - Of them 268 were by youth, falling short of the target of 1,575
- 115 loans given for starting or expanding an agriculture business, falling short of the target of 500
  - Of them, 5 went to women, falling short of the target of 150
  - Of them 4 went to youth, falling short of the target of 150
- US$3,132,115 of credit accessed for starting or expanding an agriculture business, falling short of the target of US$23,000,000 (mobilized from commercial sources)
  - Of it, US$266,753 was accessed by females, falling short of the target of US$6,900,000
  - Of it US$60,286 was accessed by youth, falling short of the target of US$6,900,000

- 79% of the financed business plans that have met their loan repayment schedule, falling short of the target of 90%
- 889 farmers/entrepreneurs who have benefited from the productive partnership program, falling short of the target of 4,500

Outcomes

No increase in the value of marketed agricultural commodities by project beneficiaries, falling short of the target of 40 percent.

The targets for establishing partnerships, giving matching grants and mobilizing resources from commercial sources were not met. Some activities necessary for establishing partnerships were completed: a national database of agriculture produce off takers was developed and potential beneficiaries were trained in commercial contracting arrangements.

Two planned mechanisms to share the risks of local financial institutions were not put in place.

The theory of change employed postulated that helping farmers establish productive relationships, increasing their access to finance through matching grants and helping local financial institutions by risk sharing would enable farmers to market a larger share of the commodities they produce. The project fell short of the target of supporting the partnerships and extending matching grants. Local financial institutions were not supported with risk sharing. No evidence is available on whether outcomes were achieved because of the delay in establishing the M&E system. The efficacy with which this objective was achieved is, therefore, rated Negligible.

Rating
Negligible

OVERALL EFFICACY
Rationale
The PDO aimed to increase productivity of selected crops and the share marketed by the project beneficiaries. The efficacy in increasing productivity was modest. The ToC postulated that improving extension and veterinary services along introduction of an appropriate policy framework would increase productivity. Some capacity development activities were implemented along with the acquisition of vaccines. Some of the CERC activities undertaken had the potential to stabilize yields. Yield improvements fell short of the targets. The efficacy of increasing the share marketed of commodities produced by beneficiaries was negligible. The ToC postulated that helping farmers get into partnerships with market agents, improving their access to credit through matching grants and helping local financial institutions through risk sharing would enable farmers to commercialize farming. The targets for supporting partnerships were not met, and the mechanisms for risk sharing were not put in place. In the absence of a fully developed M&E, there was no evidence that the outcomes were achieved. The overall efficacy in achieving the objectives is rated modest.

Overall Efficacy Rating	**Primary Reason**
Modest	Low achievement

5. Efficiency

At appraisal, the economic and financial analysis considered only the benefits generated by productive investments at the level of the farms and enterprises through subprojects. Average models for subprojects were identified based on the different types of productive partnerships expected to be supported by the project. The financial analysis showed that all the models were viable. The economic analysis showed an economic rate of return (ERR) of 15 percent and a Net Present Value (NPV) of US$22.7 million. The sensitivity analysis was conducted regarding potential risks that the project may encounter, resulting in increased project costs, a decrease in incremental project gross margins, a delay in benefits, and a total absence of benefits every three years due to the exceptional effects of climate change. The analysis showed that the project economic viability was robust under all scenarios (PAD, para 86).

When the project was prematurely canceled, US$64.4 million had been disbursed, which was 46 percent of appraised costs plus the additional financing (ICR para 27). Of this disbursed amount, US$39.54 million went into implementing CERC, and the remaining US$24.86 million went into non-CERC activities. Excluding project coordination costs of US$7.1 million, US$17.76 million were expended on activities 1 and 2.

The activities implemented before closure related largely to improving institutional capacity through training, logistical support and the purchase of vaccines. Because the benefits from institutional capacity strengthening are difficult to quantify, the analysis in the ICR considers the benefits from vaccination (paras 32 and 33), although its delivery is not reported in the efficacy section.

Without an analysis of the impact of vaccination interventions, the benefit estimation assumes that if the vaccination reduced mortality even by five percent per year [against typical mortality during disease outbreaks in the range 30-80 percent from Contagious Bovine Pleuropneumonia, up to 70 percent from Goat Plague (*peste des petits ruminants* or PPR), and 50-90 percent from New Castle Disease in poultry], the vaccination of 33,000,000 livestock in Niger (cattle, sheep/goats, and chickens) would yield estimated net benefits of US$125.6 million, assuming costs of US$10.9 million (ICR, Table 4). Similarly, the ICR notes that high returns could be expected from 7,493 hectares of irrigated land but without any quantitative support (para 37).

Several factors influenced the efficiency of implementation.

There were delays leading up to project effectiveness:

- The project was approved by the Board in June 2019 but the signing of financial agreement was delayed till January 2020 because the Government of Niger had exceeded their borrowing threshold for the fiscal year 2019 set by the IMF program (ICR, para 49).
- Meeting the requirements for project effectiveness, such as project implementation manuals and recruitment of the project staff, further delayed project effectiveness to July 2020.

Natural calamities, political changes, and security situation came in the way of effective implementation:

- Severe flooding led the government to request activation of CERC and its implementation through a PIU hosted in the Prime Minister's office. Working out the modalities of collaboration between the two PIUs in charge of implementation of the CERC further delayed non-CERC activities (ICR, para 50).
- Project became effective at the peak of the COVID 19 pandemic which compromised the quality of supervision of project activities.
- After the national election in 2021, the Ministry of Agriculture and Livestock (MAGEL) was split into the Ministry of Agriculture and the Ministry of Livestock. According to the ICR the Ministry of Livestock, in which the project was housed, did not coordinate adequately with the Ministry of Agriculture relating to the role of Agency of the Promotion of Agricultural Advisory Services (APCA), whose strengthening was a critical activity of the project (para 51).
- Some targeted regions became inaccessible due to security threats, limiting the ability to monitor and launch activities targeting smallholder farmers, such as demonstrating different technologies to farmers.

IFC withdrew from the project, dropping "first loss" risk sharing facility it was to implement.

Weak implementation capacity and governance issues affected implementation. In addition to the delays in recruitment of the PIU staff, the PIU team lacked expertise in areas such as irrigation and marketing. The PIU didn't replace some key staff, such as the internal auditor and members of the procurement team, which delayed compliance with a dated covenant requiring execution of a Local Risk Sharing Facility Management Agreement. The disbursement conditions for funds related to the matching grants were lifted only in December 2022. There were allegations of corruption in procurement and in the issuing of matching grants, which were reported in the local media and pushed the Government to request project closure. Disagreements among different government departments delayed decision. They could not agree on a site to construct the quarantine station, and the role the Agricultural Council Agency (APCA) would play in the project was not clarified even at the closing of the project.

The pace of implementation of non-CERC activities began to pick up only at mid-term. The World Bank Country Management Unit and the Government, who were at the time trying to consolidate the portfolio including by retiring nonperforming projects, decided to close the project and reallocate the used funds to a new project.

With unsubstantiated returns from the funds expended before the project's closure, numerous avoidable delays, and poor governance leading to its premature closure, the efficiency with which this project was implemented is rated modest.

Efficiency Rating

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	15.00	0 ☑ Not Applicable

ICR Estimate	0	0 ☐ Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The project aimed to increase productivity and encourage commercialization of selected value chains. The objective was substantially relevant as its achievement could have contributed directly to increased rural production and diversified outputs, central to strategies of both the government and the World Bank. The ToC employed hypothesized that strengthening national extension and veterinary services and improving the policy and regulatory framework would lead to productivity improvements; and helping farmer groups partner with market agents and extending them matching grants to leverage credit from local financial institutions while assuming some of the risks of local financial institutions would assist farmers to commercialize their operations. The efficacy in achieving the first objective was modest. Productivity increases fell short of the targets. The achievement of the second objective was negligible because there was no information to assess whether the targets had been achieved. The overall efficacy of achieving the PDO was only modest. There were significant inefficiencies in implementation warranting a rating of Modest. Given the significant shortcomings in the achievement of the project's objectives and its efficiency, the project's overall outcome was Moderately Unsatisfactory.

a. Outcome Rating

Moderately Unsatisfactory

7. Risk to Development Outcome

The risk to development outcomes is Substantial (ICR, paras 70 and 71).

Unfinished project

The project was closed before the development objectives were achieved. The loss was mitigated, to some extent, by committing the unspent funds to another World Bank-assisted project with the same objectives. The risk of deriving benefits from the spent resources depends on whether the follow-up project is able to overcome the limitations faced by this project and build on the investments already made.

Government capacity/commitment

The country's circumstances have changed significantly following the July 2023 military coup. Growing fiscal constraints, with increasing security challenges, make it unlikely that the government will be able to contribute to some activities which were canceled and not taken up by the new project.

8. Assessment of Bank Performance

a. Quality-at-Entry

The project was designed to achieve the objectives that were relevant to strategies of both the country and the World Bank to modernize agriculture. The design included activities that could help in achieving the objectives. They were based on the lessons that highlighted the need for an integrated approach, the role of matching grants in enabling access to finance, and partnerships with market agents as a way to access markets.

But the design had significant flaws; it was ambitious and, therefore, unsuitable for the context (ICR, para 47):

- It was too broad as it sought to achieve changes in all the aspects that appeared in national strategies from animal health and production, plant protection, and irrigation to access to finance – over a large geographical area with poor infrastructure.
- The changes in the above were to be achieved while strengthening the institutions that would engender them: financial institutions, national extension service, the ministries of agriculture, environment, and livestock, and small, medium and nascent large agribusinesses.
- The project planned to develop a large number of value chains, 13 in all (rice, potatoes, moringa, onions, tomato, sesame, pepper, cattle-meat, hides and skins, dairy, eggs, poultry, fish, and others).

Some critical activities were included without adequate consultation with clients. The design included two risk-sharing mechanisms: a local guarantee scheme to be managed by an independent fund manager under the Société Sahélienne de Financement (SAHFI) and an IFC's first-loss facility. SAHFI had not agreed to have a separate fund manager as required by the design, and the local financial institutions found the IFC facility costs too high.

The activities to support crop and livestock extension and advisory services relied too much on the Promotion Agency for Agricultural Extension (APCA), which delayed implementation as its role vis-à-vis other agencies involved in advisory services was not clarified at appraisal nor when the project closed.

The results framework had shortcomings. It focused initially on five value chains (peppers, cowpeas, onions, cattle meat, and eggs) but most of the proposals for sub-projects received were for other value chains.

Political and governance risks were assessed to be high. All the others except for environmental and social risks were considered substantial. However, the mitigation measures for political and governance risks were inadequate; for example, to implement a complex project with the involvement of a large number of dispersed entities, the design suggested that the Project Implementation Manual and the procedure manuals will stipulate the respective responsibilities of players in the project before project effectiveness (PAD, Annex 1, Table 1.2) whereas it would have been more appropriate to define risk mitigation measures in the PAD.

The project addressed the priorities of the GoN, but a complex and ambitious design that would require high level of coordination to implement, inadequate measures to mitigate the identified risks, and a weak design of critical components such as risk sharing mechanisms were significant shortcomings. The quality at entry is, therefore, rated Moderately Unsatisfactory.

Quality-at-Entry Rating
Moderately Unsatisfactory

b. Quality of supervision

According to the ICR, the project team did not provide adequate supervision (para 68). Implementation support missions, seven in all, were not regular. None of the Task Team Leaders (TTLs), agriculture, finance and later urban (to manage the CERC), were based in Niamey for most of the time of project implementation. The remote supervision did not allow the task team to closely monitor, proactively identify the bottlenecks, and swiftly take remedial actions.

The Bank's task team interacted virtually in biweekly progress monitoring meetings to assess bottlenecks in the implementation, but the minutes of the meetings were not recorded to follow through the decision of these meetings and to inform the management about the implementation issues faced by the project.

Communication with the government was poor. Though IFC decided to not pursue the “first loss” risk sharing facility, this information was not communicated officially, until the midterm review, and even then, the reasons for the withdrawal of IFC were not communicated to the client.

According to the Niger project team, there were significant delays in the delivery of the Bank's No Objections, thus leading to delays in procurement (ICR, para 68).

The supervision was understandably handicapped by COVID-19 related travel restrictions, but it had significant shortcomings because it failed to proactively identify the threats and resolve them; and importantly communicate effectively with the client. The quality of supervision is therefore rated Unsatisfactory.

Quality of Supervision Rating
Unsatisfactory

Overall Bank Performance Rating
Unsatisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The design included a Theory of Change but the M&E was not designed to fully capture the links between outputs and the outcome of increased yields, relating largely to capacity development and effectiveness of extension and veterinary services included in activity 1 (ICR, para 59). On the other hand, the PDO indicators were clear and measurable.

There were eight intermediate indicators, four of which were related to project outputs. Two of them tracked intermediate outcomes related to matching grants and the other two, measured the number of participants and their perceptions of the services offered by the project

A baseline survey was to be conducted during the first year to establish treatment and control groups and to set the targets (PAD, para 77). It was to be followed with surveys at the middle and end of the project. The plan also included yearly crop surveys of a representative sample of project beneficiaries.

The client's midterm review report noted that the allocated funds were inadequate to undertake the crop surveys, given the project's large geographical area (ICR, para 59).

b. M&E Implementation

The ICR notes that the PIU was adequately staffed with M&E specialists both at the national project coordination level and at decentralized levels (para 60).

There were delays in initiating the system. At the Mid Term Review (MTR) in October 2022, the PIU team was still debating which year should be the baseline for the project, whether 2019 when the project was approved or 2022 when the activities earnestly started. Definition of some indicators such as the increase in yields were also not clear by then. Nonetheless, collection of some data at the output level began which permitted its use for monitoring of implementation. But the M&E manual wasn’t clear on how data should be collected for constructing indicators.

c. M&E Utilization

Because the project began collecting data for M&E only after the midterm review in 2022 there was little opportunity to use the information. Whatever data was collected was used in drafting the Borrowers’ ICR.

Overall, the design had appropriate and measurable PDO indicators. It could have benefited from more intermediate indicators to attribute outcomes to project activities. Its implementation had significant shortcomings. Even by midterm, data collection had not begun in earnest, hampered by lack of clear guidance from the manuals. The delay in undertaking crop surveys and the early closure of the project resulted in little use being made of the system. The quality of M&E is therefore rated modest.

M&E Quality Rating

Modest

10. Other Issues

a. Safeguards

Environment

The project triggered the following safeguard policies: **Environmental Assessment OP/BP 4.01**, **Pest Management OP 4.09**, and **Physical Cultural Resources OP/BP 4.11**. According to the ICR all requisite frameworks were prepared, and disclosures made. During project implementation, all sub-projects were screened for environmental compliance a priori, and continuously monitored during implementation (para 63).

At project closure, environmental compliance was rated satisfactory.

Social

The project triggered the **Involuntary Resettlement OP/BP 4.12** safeguard policy. No involuntary economic displacement took place during project implementation.

At project closure, social safeguard compliance was rated Satisfactory.

At project closure, the Grievance Redress Mechanism (GRM) of the project was operational, GRM committees were trained, and the GRM was receiving and processing complaints. The project also had an action plan for the prevention of Sexual Exploitation and Abuse and Sexual Harassment risks, which was carried out (ICR, para 64).

b. Fiduciary Compliance

Procurement

Shortcomings, such as discrepancies in documents, unjustified delays in procurements and prolonged absence of procurement staff, ineffective use of the Systematic Tracking of Exchanges in Procurement (STEP) and lack of an archival system for procurement records, were identified in the procurement processes. There were allegations of corruption in procurement. As the ICR was being finalized, the WB integrity team informed the Bank task team of Government of Niger's investigation of procurement of animal vaccines in 2022 (ICR, para 66).

At project closure, overall performance of procurement was rated moderately unsatisfactory.

Financial Management

Financial management risk was rated substantial at appraisal. Nevertheless, throughout project implementation, the PIU complied with most of its financial reporting requirements, including the submission of IFRs and audit reports for the annual accounts deemed acceptable by the World Bank, although the reports were often submitted with delays.

By project closure, overall financial management performance was rated moderately satisfactory.

c. Unintended impacts (Positive or Negative)

---

d. Other

---

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Unsatisfactory	Moderately Unsatisfactory	
Bank Performance	Unsatisfactory	Unsatisfactory	
Quality of M&E	Modest	Modest	
Quality of ICR	---	Substantial	

12. Lessons

The ICR identified several lessons. This review restates with editing two that are likely to be widely applicable below:

Prior adequate consultations with counterparts to assess whether various aspects of project design are feasible can help avoid significant failures (ICR, para 72). To support local financial institutions, the project proposed two risk-sharing facilities. The design required the local risk-sharing facility, Société Sahélienne de Financement (SAHFI), to appoint an independent manager, but the organization had not agreed. The local financial institutions found the alternative facility suggested at appraisal, International Finance Corporation's first loss, too expensive (ICR, para 47)

Where capacity is limited, in the sense of organizations expected to deliver the services are weak, the probability of achieving desired outcomes can be enhanced by adopting a phased approach in which organizational capabilities are built before expecting them to implement complex activities (ICR, para 74). The project expected to build the capacity of implementing organizations, implement a wide range of interventions, and support partnerships between producer organizations and agricultural enterprises. All this turned out to be challenging in a single project. A phased approach for the sector, beginning with the basics, such as improving the extension services and building the capacity of producers before embarking on guarantees and matching grants activities (as suggested in the PAD in Annex 1, Table 1.2), could have led to better outcomes.

This review adds two lessons IEG has drawn from the project:

It is futile to base a project's implementation on institutions not formally established at appraisal. Implementation of the project activities relied on two institutions that weren't operational at the beginning of the project. The Agency for Promotion of Agricultural Extension (APCA) had just been created but was still figuring out its mandate. Its team was not in place even when the project was closed. The other, Agricultural Policy Support Unit (APSU) did not exist (ICR, para 72).

Bank management must ensure that reports on all supervision missions are filed and reviewed for necessary action. This review has noted that, based on the ICR and discussions with the Bank's project team, no records were prepared of many virtual supervision missions during COVID (ICR, para 68). Bank management was not alert to this lapse in accountability leading arguably to missed opportunities to take timely actions on shortcomings in the project's implementation.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is comprehensive, complies with the guidelines in terms of structure, and includes the necessary information on project design, its implementation, and the outcomes. It also offers information on the circumstances that led to the premature closure of the project. Handicapped by an M&E that wasn’t implemented until the midterm, the evidence available for analysis was inevitably limited. The report is clear, succinct, and results-oriented,

Given that this was a failed project closed prematurely, the report could have elaborated further on the circumstances that led to its failure, particularly to draw appropriate lessons from them. Overall, the ICR quality is rated as Substantial.

a. Quality of ICR Rating
Substantial