



1. Project Data:		Date Posted : 01/11/2005	
PROJ ID: P050660		Appraisal	Actual
Project Name: Poland Rural Environment Protection	Project Costs (US\$M)	15.8	18.0
Country: Poland	Loan/Credit (US\$M)	2.5	2.5
Sector(s): Board: ENV - Central government administration (41%), Micro- and SME finance (40%), Agricultural extension and research (19%)	Cofinancing (US\$M)	7.7	7.2
L/C Number: L4520			
	Board Approval (FY)		99
Partners involved : EU (European Union), Nordic Environment Finance Corporation (NEFCO), Global Environmental Facility (GEF).	Closing Date	04/30/2003	04/30/2004

Prepared by :	Reviewed by :	Group Manager :	Group:
Kavita Mathur	Roy Gilbert	Alain A. Barbu	OEDSG

2. Project Objectives and Components

a. Objectives
The objective of the project was to significantly increase the prevalence of environmentally responsible practices among eligible farms in target project areas. The ultimate goal of the project is to reduce discharge of organic matter, which is a major cause of environmental problems in the Baltic Sea.

b. Components
Component 1: Farm Environmental Improvements (appraisal US\$ 13.8 million, actual US\$ 15.2 million). This component includes farm environmental improvements; environmental advice to eligible farmers; financial support for the recommended farm investments; options for cropping, tilling, manure spreading; fertilizer application practices; construction of wetlands as well as investments in manure storage, silage storage, buffer strips etc.

Component 2: Outreach and Management (appraisal US\$ 2.0 million, actual US\$ 2.8 million). This component includes: (a) a public awareness program on issues concerning environmental management and pollution control in agriculture; (b) monitoring; (c) a strategy for replicating the project; and (d) project management.

c. Comments on Project Cost, Financing and Dates
The loan and GEF grant were fully disbursed. There were no significant changes in project costs. The project was extended by a year due to construction delays caused by severe weather.

3. Achievement of Relevant Objectives:

The project was a Learning and Innovation (LIL) Loan and will be assessed accordingly. The objective to significantly increase the prevalence of environmentally responsible practices among eligible farms in target project areas was achieved. The ICR notes that the total nitrogen emissions from participating farms will be reduced by 800 tones per annum (it does not indicate the initial level that would represent the baseline).

- The Local Implementation Team (LIT) provided agro-environmental advice to farmers in aspects of Farm Management Plan (FMP) and Nutrient Management Plan (NMP). About 83% of the farms (on more than 77% of the arable land covered by NMP) use NMP and FMP. The LIT advisors made about 29,000 visits to participating farms (an average 30 visits per farm) and provided more than 28,000 hours of training.
- Farmers (600 farmers organized in 34 farmer groups) participating in the project were subjected to intensive

individual and group training in addition to the advice from "his advisor"

- 100% of the farms (952 farms) implemented slurry tanks and about 70% (672 out of a total of 952 farms) implemented manure pads.
- Buffer strips were developed on the land of 41 communities to protect water bodies and streams located in project areas.

4. Significant Outcomes/Impacts:

- The project assisted 749 farms in developing environmentally responsible Farm Management Plans (FMP).
- More than 600 farmers organized into 34 farmers groups and were equipped with environmentally friendly equipment for agriculture production.
- The project's geographical coverage was extended from three to four regions.

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

Poor quality at entry - the Replication Strategy proposed under the project was inadequate . It provided a step by-step guide on how to implement the project in conditions prevalent before the EU accession, but it did not provide solutions that would be effective in the period after accession . The project strengthened the agricultural knowledge-base of National Fund for Environmental Protection and Water Management (NFEP) and the Strategy assumed that the National Fund for Environmental Protection and Water Management (NFEP) would implement future projects but this responsibility passed to the Agency for Restructuring and Modernization of Agriculture (ARMA) after EU accession.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Satisfactory	
Institutional Dev .:	Modest	Modest	
Sustainability :	Likely	Likely	
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:

- For project implementation, a sustainable agency preferably outside the Ministry's administrative constraints should be considered. During negotiations, there needs to be a detailed discussion on the form of the implementing agency for a given project. For e.g. the Project implementation Unit (PIU) can provide a team of technical consultants rather than the politically involved Ministry employees.
- Privately managed advisory firms are more effective than state ones. Similarly, the experience of Local Implementation Team (LIT) showed that team members independent of central institutions such as a Ministry perform their job better because they are not weighted by the administrative constraints of their home institutions.
- Convincing farmers about the necessity of certain technological solutions is possible through displaying a demonstration farm on the local scale. The farmer has to see that improvements are possible in his area, not in some unfamiliar places abroad from where the technological solutions are being imported.
- Development of a project specific Management Information System (MIS) requires allocation of significant resources upfront. In the future, if possible, the system should be based on the simple existing systems that can be expanded overtime.

8. Assessment Recommended? Yes No

9. Comments on Quality of ICR:

The quality of ICR is satisfactory. It is concisely written and the analysis is sound and it provides adequate data to rate the project. The annexes on the "Beneficiary Survey Results" and the "Stakeholder Workshop Results" are well presented.