PROJECT PERFORMANCE AUDIT REPORT

SOMALIA DROUGHT REHABILITATION PROJECT
(CREDIT 623-SO)

December 26, 1985

Operations Evaluation Department

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### ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ADS</td>
<td>Agricultural Development Services</td>
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<tr>
<td>GOS</td>
<td>Government of Somalia</td>
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<td>IDA</td>
<td>International Development Association</td>
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<tr>
<td>MTR</td>
<td>Mid-term Review</td>
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<tr>
<td>PCR</td>
<td>Project Completion Report</td>
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<tr>
<td>PIU</td>
<td>Project Implementation Unit</td>
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<tr>
<td>SDA</td>
<td>Settlement Development Agency</td>
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MEMORANDUM TO THE EXECUTIVE DIRECTORS AND THE PRESIDENT

SUBJECT: Project Performance Audit Report - Somalia Drought Rehabilitation Project (Credit 623-SO)

Attached, for information, is a copy of a report entitled "Project Performance Audit Report - Somalia Drought Rehabilitation Project (Credit 623-SO)" prepared by the Operations Evaluation Department.

Attachment

Shiv S. Kapur
by Yukinori Watanabe
PROJECT PERFORMANCE AUDIT REPORT

SOMALIA - DROUGHT REHABILITATION PROJECT (CREDIT 623-SO)

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This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.
This is a performance audit of the Drought Rehabilitation Project in Somalia for which Credit 623-SO, in the amount of US$8.0 million, was approved in April 1976. The final disbursement was made on September 25, 1984, after extensions of the Closing Date, and the fully disbursed Credit was closed on June 30, 1984.

The audit consists of a memorandum prepared by the Operations Evaluation Department and a Project Completion Report (PCR) dated September 20, 1985. The PCR was prepared by the Eastern and Southern Africa Regional Office based on a country visit in April 1985. The audit memorandum is based on a review of the Technical Report (No. 999-SO) dated June 1976, the President's Report (No. P-1751b-SO) of March 31, 1976, the Credit Agreement dated July 7, 1976, and the PCR. Correspondence with the Borrower and internal Bank memoranda contained in relevant Bank files have been reviewed and staff associated with the project have been interviewed.

An OED mission visited Somalia in August 1985. The mission held discussions with officials of the Ministries of Planning and Agriculture as well as from the Settlement Development Agency. Field trips were undertaken to visit the two settlement areas. The information obtained during the mission was used to test the validity of the conclusions of the PCR and permitted discussion of the project's agronomic development aspects.

A copy of the draft report was sent to the Government on October 22, 1985 for comments. Comments received from the Ministry of National Planning have been appended to the report.

The audit finds that the PCR covers adequately the project's salient features, its accomplishments and shortcomings, and the PPAM generally agrees with its conclusions. The issues discussed have been selected because of their importance for this as well as other Bank-assisted projects supporting agricultural production under semi-arid conditions and employing consultants.

The valuable assistance provided by the Government, the Settlement Development Agency and their staff, as well as the farmers met during the preparation of this report is gratefully acknowledged.
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### Other Project Data

- **Borrower:** Republic of Somalia  
- **Executing Agency:** Settlement Development Agency (SDA)  
- **Fiscal Year:** January 1 - December 31

### Other Project Data

- **Name of Currency (Abbreviation):** Somali Shilling (So.Sh.)
- **Currency Exchange Rate:**  
  - Appraisal Year Average: US$1.00 = So.Sh. 6.30  
  - Completion Year Average: US$1.00 = So.Sh. 25.00/

### Follow-on Project:

- **Name:** Rainfed Agricultural Development  
- **Loan/Credit Number:** n/a  
- **Loan/Credit Amount:** n/a  
- **Date of Board Approval:** n/a

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/a A = Agriculturalist and Agronomist; B = Agricultural Economist; E = Economist; *not available in files.
/b 1 = Problem-free or minor problems; 2 = Moderate problems; and 3 = Major problems.
/c 1 = Improving; 2 = Stationary; 3 = Deteriorating.
/d M = Management; T = Technical; and O = Other.
/e Exchange Rate Forecast

January 1985 = So.Sh. 36.00  
January 1985 = So.Sh. 15.00  
January 1985 = So.Sh. 25.00/e
INTRODUCTION

The 1973/74 droughts affected the central and northeastern parts of Somalia leading to the loss of livelihood for the nomadic herdsmen. The Government moved quickly to respond to the situation by setting up relief camps. Camp population peaked at about 270,000 in late May and early June 1975. Food aid was received in sufficient volume to cope with the immediate hunger problem. Following the 1975 rainy seasons the camps were disbanded and about 104,000 nomads were relocated to three agricultural settlements of the interriverine area and 14,000 settled in coastal fisheries; the remainder returned to their nomadic life.

OBJECTIVES

The project was expected to support the development of emergency rainfed food production on 15,000 ha within the three settlement areas. It was to become part of an overall agricultural development program also supported by the Arab Fund for the irrigation part and the African Development Fund - construction of 3 hospitals. During the anticipated three-year implementation period, the concentration on corn and sorghum production was thought to meet the needs of the people living in the settlements. For a later stage, once experience had been gained with rainfed cultivation, it was anticipated that alternative cropping programs would be developed and alternative land utilization schemes (including livestock production) would become feasible. A total of 36,000 farm families were expected to benefit under the project.

IMPLEMENTATION EXPERIENCE

Difficulties were encountered almost immediately after the Effectiveness Date. Main problems developed in regard to staffing of SDA, the employment of consultants and procurement of machinery (PCR, paras. 12, 13). The second supervision found that the soils in one of the settlement areas were unsuitable for cultivation and consequently settlement areas were reduced when no agreement on a substitute site could be found (PPAM, para. 11).

Due to the poor performance of the consultants, associated with staffing problems, no advice on dryland farming was available until 1980/81 (PPAM, paras. 12-16; PCR, paras. 28-29). The lack of results on improved dryland farming led to reduced interest in this venture by both Government and settlers who left the settlements in large number.
Following the Bank's mid-term review the situation improved markedly. New consultants with ample experience in dryland farming were employed. Government required confidence in the scheme and so did the settlers (PPAM, paras. 29-31; PCR, paras. 19-24).

Results

The target of clearing and farming 15,000 ha was not achieved. By 1985 only about 1,900 ha were farmed. Due to the pilot nature of the project, it was unwise from the beginning to expect a major impact on production and dryland farming on a large scale. Although the work of the second consultant group has been highly successful, with maize yields between 2 to 3 tons/ha, safflower between 560-800 kg/ha and cowpeas up to 650 kg/ha, it is only after project completion that obtained results can be applied to larger areas (PPAM, paras. 31, 40; PCR, paras. 20-24).

Sustainability

The Settlement Development Agency still receives the full attention and support of the Government. A large scale rainfed agricultural development scheme has been proposed. Based on results obtained the outlook of continuous rainfed farming, applying the techniques developed by the consultants seems assured (PPAM, paras. 39, 40; PCR, para. 24).

Findings and Lessons

The accelerated appraisal procedures foregoing adequate project preparation were not justified because the project aimed at long-term development and not at short-term drought relief. Despite the dearth of knowledge of rainfed farming techniques, the project went ahead focusing more on production targets than on considering the pilot-trial nature of the undertaking (PPAM, paras. 9-11).

Performance of the first consultant team was unsatisfactory. Nevertheless the Bank continued financing their costs during the full term of their assignment, after Bank representations with the Government failed. There is a lack of standardized guidelines on how to deal with consultants who behave unethically and are poor performers. Despite its dismal performance the consultant firm under discussion was awarded further Bank-financed contracts (PPAM, paras. 12-16, 20; PCR, paras. 26-27).

The good results obtained under improved agronomic techniques would warrant further trials in other ecologies similar to Somalia. There is a need for wider information of staff on the obtained results; in particular the introduction of different soil preparation, clean fallowing to permit "water harvesting," and fertilization (PPAM, paras. 31-35; PCR, paras. 22, 35).
1. Following two devastating droughts in 1973 and 1974 which had hit the central and northeastern parts of Somalia, the Government decided to undertake a comprehensive settlement program to help nomadic herdsmen to recover from the loss of livestock, their only livelihood. The major focus of the relief operation was to settle the nomads in three agricultural communities along the Juba and Shebelli rivers in the southern part of the country. These settlements were thought to be on potentially valuable agricultural land which until then had been only sparsely cultivated. It was expected that the project would thus serve the dual purpose of providing a more secure future for the settled nomads as well as incremental food supplies for the country.

2. The project as appraised was expected to develop 15,000 ha of rain-fed cultivation over a three-year period. Specifically, the project provided for (i) 25 crawler tractors for the clearing of the 15,000 ha; (ii) 100 tractors with attachments for plowing, cultivation and transport; (iii) vehicles, mobile workshops, office buildings; (iv) local staff salaries; (v) technical assistance, monitoring and evaluation, and project preparation.

3. Total cost of the project was estimated at US$10.8 million. The parallel development of irrigated agriculture in the three settlement areas was financed by the Arab Fund. Overall responsibility for the direction and coordination was assumed by the National Rehabilitation Committee which operated through the Settlement Development Agency (SDA).

4. Although termed a relief project of highest priority, preparation and appraisal took well over a year. The project was presented to the Board without an appraisal report and only two months after Board approval a Technical Report was issued.

5. The project got off to a slow start. It took ten months for locating and negotiating a contract with a consulting firm. In the meantime a Bank supervision mission had discovered that the soils in one of the settlements were unsuited to agricultural production due to alkalinity problems. Although several substitute sites were discussed in the ensuing months no solution was ever found.

6. The selected consultants performed unsatisfactorily. The badly needed key staff, the dryland farming expert was never found, some interim staff lacked basic knowledge. The absence of any results from dryland farming led the Government to lose interest in the project and to focus more on the irrigated crop component of the settlement program.
7. This attitude, however, changed markedly, when in 1981, Australian consultants, well experienced in dryland farming technology, took over. The consultants demonstrated within a short period, that rainfed agriculture had a significant potential and could easily compete with irrigation in economic terms. Their groundbreaking work could also serve for agricultural development in other similar ecological areas.

8. The appraisal had not undertaken an economic evaluation of the project and no attempt has been made at this stage. Accomplishments of project targets with less than 2000 ha cleared and farmed is far below expectations. However, the agronomic experience gained will be most valuable for a planned follow-on project involving about 25,000 ha and will also have an impact on similar projects in other African countries.

II. MAIN ISSUES

A. General

9. As in previous drought relief/rehabilitation projects\(^1\) the Bank rushed in without proper project preparation and adequate appraisal. Although settlement of drought-afflicted nomads is at least a medium, if not a long-term development effort, the President's Report in introducing the project stated:

"The drought affected the entire central and northeastern parts of the country involving a large part of the population, mostly nomads. The Government moved quickly to respond to the situation and began to set up relief camps in November 1974. Relief camp population peaked at about 270,000 in late May and early June 1975. While the Government's foodgrain reserves were almost totally exhausted by the end of 1974, food aid was received in sufficient volume to cope with the immediate problem of hunger." (p. 2, para. 8.)

and continues:

"The May-September rainy season in 1975 alleviated the drought considerably and the relief camps have since been disbanded." (p. 3, para. 9.)

10. The President's report also admits that:

"The conventional approach to the settlement scheme would have been to undertake studies for selecting sites, preparing development plans for them, and then carrying out preparation works before moving settlers gradually into the selected areas." (p. 10, para. 19.)

The failure to do so proved to be costly. One of the three selected settlement areas had to be abandoned due to unsuitable soils but only after some costly investments had already taken place. In addition there was insufficient knowledge on the agronomy and improved techniques of rainfed farming under semi-arid conditions and the Technical Report (No. 999-80) which was issued three months after Board presentation admitted:

"It is recognized that the viability of production under the specific conditions prevailing in the Project area has not been extensively studied, but experience with these crops under similar conditions elsewhere in Somalia indicates that with proper supervision, the cropping program should not be subject to undue risk." (p. 15, para. 5.01).

The report also recognized the dearth of technical knowledge:

"Technical assistance would be required to assist Somali personnel in organizing agricultural production in the three settlements." And further on: "As the technical services component is considered essential for the successful start of the Project, the firm of consultants would be selected and the procurement advisor would be in post within four months of the signing of the credit agreement." (p. 14, para. 4.03).

11. Shortly after project start-up it became apparent that one settlement area was unsuitable, that the selected consultants had no experience in rainfed farming and that the project's production targets were impossible to accomplish. Only in 1980 did the Bank succeed in locating consultants experienced in dryland farming techniques suitable to local conditions. The project turned from a production-oriented undertaking to a pilot project. Results obtained and discussed in the following are spectacular and deserve wider publicity. The striking differences in consultant performance encountered during project implementation suggested discussion of some aspects of the Bank's policy on consultants.

B. Consultant Problems

12. The President's Report is brief on the provision of consultants to assist project implementation. It states only: "Technical assistance required to assist Somali personnel in organizing agricultural production in the three settlements would be provided by a single firm. As some of the technical consultants would be shared by both the Arab Fund and IDA-supported project, an estimate was made of the total assistance required and staff time apportioned between each. A total of 11 internationally recruited

2/ OPS in its comments points to the twenty-three month gap of supervision between March 1979 and February 1981 which is considered excessive in light of the project's difficulties. However, it should be noted that the Bank had an agricultural as well as a financial staff member stationed in Somalia during this period who kept the Bank adequately informed on project developments.
specialists for a total of 31 man-years would be required for a three-year period..." (p. 19, para. 52 iii). The subsequent Technical Report repeated the same statement (p. 14, para. 4.03) and provided Draft Terms of Reference for the individual responsibilities of consultant staff.

13. After Board approval of the Credit, Bank staff discussed the selection of consultants with the Borrower. Following an invitation to eleven consultant firms by the Somali Government six firms submitted proposals by July 1976. The August 1976 supervision mission found that two of the six consultant firms had been invited for further discussions of their proposals. The finally selected consultant (further called the "Firm") was not among the two. In September the Bank replied to a letter of the Firm which had expressed its disappointment for not having been invited to discuss its proposals.

"... you will recall selections are made by Governments and that while we often know the reasons for rejection this is not always the case. Further where we know the reasons we may feel unable to disclose our borrower's confidence."

14. Intensive lobbying by the Firm, however, led to a revision in the Government's thinking and in November the Bank agreed to the proposed award of contract to the Firm. It should be noted that the Firm's Executive Director is a former Bank staff member, but that the audit could not find any preferential treatment of the Firm due to his former affiliation with the Bank. In its own evaluation the Bank found only minor differences in technical suitability between the Firm and its closest competitor, who, according to Bank evaluators, would have had only a slight advantage. Reservations were expressed in the methodology of proposal evaluation used by SDA which put too much emphasis on the financial terms. The cable conveying Bank approval of the selection strongly recommended that the "negotiated contract includes adequate provision for consultant housing including services at project site and for vehicles." The decision to give approval was helped by the fact that the Firm claimed close affiliation with an American consulting firm which was experienced and well known to the Bank.

15. In December 1976 SDA requested and the Bank agreed to send examples of agreements for consultant services. On February 3, 1977 the contract between SDA and the Firm was signed. However, the Bank's advice on special attention to be paid to housing and vehicles was not incorporated in the contract and a separate supplementary memorandum had to be issued on February 16, 1977.

16. Immediately after signing the contract, the Firm informed SDA that from the originally listed eleven experts, five were no longer available and that the search for substitutes had been initiated. During the ensuing years up to 1980, the performance of most of the Firm's assigned staff was less than satisfactory. Turnover of staff was relatively high in part due to SDA's requests to replace staff performing unsatisfactorily and in part because of poor housing, provided by the Firm for its staff. By 1978, only one of the originally nominated staff had remained. The most crucial
position of "Dryland Farming Expert" was never filled adequately and this
shortcoming finally led to the employment of a different consulting firm.
When the Bank tried to pressure the Firm's American associate to supply the
much needed expert, it had to learn that no affiliation between the two
consultant firms existed. Based solely on a letterhead, without any further
checking, the Bank had assumed and accepted existence of an agreement.

17. The audit did not find any violation of the Bank's guidelines:
"Uses of Consultants by the World Bank and its Borrowers". However, there
are several issues which would require further discussion within the Bank.
These are:

(i) What are possible remedies on the side of the Bank, i.e.,
   enforcing cancellation of consultant contracts in case of
deliberate deception in regard to (a) affiliation with
other consultant firms; (b) misrepresentation of avail-
able staff expertise and availability; (c) unsatisfactory
performance;

(ii) advantages and disadvantages of employing consulting
    firms for assisting/managing projects as opposed to the
contracting of individual experts;

(iii) the wisdom of combining consultancies for different proj-
    ect activities in one contract;

(iv) avoiding any appearance of partiality because of former
    Bank staff affiliations with consulting firms, possibili-
ties of kick-backs, etc.

18. The Bank's dealings with consultants is governed by the "Guidelines
    for the Use of Consultants by World Bank Borrowers and by the World
    enk as Executing Agency" issued in April 1981, replacing the above (para. 17)
mentioned guidelines of 1974. Neither guidelines contain any indication on how
to deal with consultants or their contracts in cases of unsatisfactory
performance or misrepresentation/deceptions. Bank staff suggest that there
are two ways to react: first blacklisting of consultants who have demon-
strated unethical behavior and second, suspension of disbursements if
performance becomes unsatisfactory and the Borrower seems unable to take
remedial action.

19. In pressing the consultant issue of this project, the audit found
that the "blacklisting" is at best a blunt weapon. The Firm is still listed
on the Bank's consultant roster without any apparent caveat. There is a
separate file which contains some memos pertaining to the Firm's poor per-
formance. However, the Bank's form 679 which is the basic form for evaluat-
ing consultants had never been filled by the Region's Project Officers. More
surprising is that the Firm obtained further contracts under Bank financed
projects where it continues to demonstrate its poor performance.

20. According to the documents reviewed, suspension of disbursements
for the consultant costs was never seriously considered by the Bank. The

argument that this would have jeopardized project progress is not acceptable because dryland farming did not gain any momentum until the advent of the Australian consultants in 1981. Thus a total of US$2.04 million was wasted.

21. Based on this experience, which is not unique, some recommendations emerge:

(i) internal evaluation of consultant performance needs to be improved. Submission of form 679 to the Consultant Section has to become obligatory and proper controls of these procedures need to be introduced;

(ii) poor performance needs to be recorded next to the consultant/consultant firm's name to ensure that the mistake of hiring poor performers twice is not repeated. If Borrowers suggest employment of poor performers the Bank should explain its past experience and indicate its unwillingness to finance a known risk;

(iii) the guidelines for consultant use could be expanded by including appropriate warnings about the Bank's reaction to deceit and misrepresentations of staff assignments and unreasonable exchanges;

(iv) careful investigation of claimed associations with other firms or consultants is warranted;

(v) evaluation of the qualification of substitute consultant staff is required. In case of qualified staff being substituted by less qualified personnel an "escape" clause should be included in the contract which would permit the Borrower to cancel or to reduce the agreed cost of the consultant's contract.

22. The decision to hire one firm instead of individual experts increased the cost of technical assistance considerably. The average cost per consultant staff year reached about US$66,000 compared with ADS staff costs of approximately US$36,000 for highest level project managers (Basis 1976). The difference can be explained by the consultant firms' overhead and profit margins.

23. What are the advantages of hiring a firm as opposed to individual consultants? First, finding and hiring a firm is less time consuming and staff can be fielded within relatively short periods; second, in case of difficult managerial decisions, technical problems, personal problems, the back-up by the parent company is usually readily available. In the case of


5/ Agricultural Development Services - Bank contract staff working on projects in the Eastern Africa Region.
this project the misrepresentation by the firm of its association with a well-known consultant firm was a decisive factor in obtaining Bank approval; and third, it is assumed that staff know each other, have worked together in the past and would thus operate as a team.

24. The disadvantages are first the much higher cost; second, the risk that some of the team members are less qualified; third, lack of references of individual team members or difficulties in confirming claimed performance ratings; and fourth, the team would be more "inward looking", i.e., there is a danger of less contacts with counterpart staff; creation of an expatriate enclave; and little exchange of views and discussions outside the working time.

25. The decision to hire a consultant firm for this project can be challenged on the grounds that the time factor was not as crucial as project processing seems to indicate. Preparation, and pre-appraisal work had been started in March 1975 and there would have been ample time to recruit the crucial procurement officer which was a short-term assignment anyhow. The recruitment of master mechanics undoubtedly would not have caused serious delays.

26. The decision to hire one consultant firm to handle the irrigation as well as the dryland farming components of the settlement project is open to challenge. There are very few, if any, consultant firms who have experience in both sectors and it was more than optimistic, to expect consultants like the firm, embarking on its first venture to provide the multiple expertise.

27. The whole consultant experience under this project has left the Bank vulnerable to criticism from the international consultant community. Questions are asked why the Bank agreed to a change in the short list at a relatively late stage, why the Bank agreed to negotiations with a firm that had not been on the short-short list and why the Bank had agreed to finance or continued financing a poor performer under this and other projects. While the Bank is well protected against accusations of favoritism in regard to procurement through its insistence on International Competitive Bidding such a protection does not exist when it comes to financing consultant services.

C. Dryland Farming Techniques

28. The Technical Report which was issued in lieu of an appraisal report, correctly stated the risks of farming in Somalia especially in regard to the limited annual precipitation. For the project area the report assumed rainfall to be of the order of 500 mm per annum (Appendix 2, p. 9, para. 24). Due to the high average temperatures, evaporation is high and special techniques are warranted to obtain modest crop yields.

29. Despite relatively good soils in the remaining two settlement areas Bank staff as well as the Somali government had initial reservations about the potential of rainfed agriculture. The supervision reports of the first years reflect this skepticism and indicate that Government was more interested in developing irrigated agriculture. The potential of dryland farming
remained obscured as long as no or unqualified dryland farming "experts" (see paras. 11 and 16 above) were supplied by the consultant. As a matter of fact some lasting damage was done to the soils due to inappropriate land clearing and plowing operations prior to the arrival of the Australian consultants.

30. The project had been well advanced before two Bank staff members recognized the area's potential for rainfed agriculture. One of them outlined possibilities of different crops and techniques and the other had gained insights from the work of Australian consultants working in an ecologically similar area of Eastern Africa and producing good results. During the November 1979 Problem Projects Review staff pointed out that "...we have been trying to see each season whether an appropriate rainfed technology could be found for these areas but this has not proved possible." Since the contract with the originally employed consultants was finally expiring, the Australian consultants were recommended to Government and taken under contract in November 1980.

31. Since this time the consultants demonstrated the dryland farming potential of the area. The techniques introduced have shown that even under extreme semi-arid conditions crops can be grown economically - and in the case of this project, successfully compete with irrigated crops.

32. Techniques applied include the provision of bush breaks between fields providing some protection against wind erosion and reducing evapotranspiration. To avoid destruction of the relatively unstable soil texture and to maximize moisture retention, regular plows are shunned and substituted by chisel plows and trashers which incorporate crop residues in the soil's upper layers. "Water harvesting" has been introduced by cultivating only one crop per field every 18 months, i.e., having each field under fallow during two rainy seasons, followed by a crop during the third rainy season. During the fallow periods fields are kept "clean" through the application of herbicides which inhibit the growth of all weeds. Thus water accumulated during two rainy seasons and not lost to evapotranspiration will not be used up by the usually vigorous growth of uncontrolled weeds.

33. The system introduced is called "semi-mechanized" because it requires the use of tractors, chisel plows, trashers, sprayers and seeders for the land preparation-seeding operations, while mechanical weed control - mainly by family hand labor - and harvesting remains the responsibility of the farmers.

34. Each farmer has been allocated a total of 9 ha of which 6 ha are under fallow and 3 ha are cropped mainly with maize, cowpeas and safflower. Sunflower is a further possibility but there are some unresolved disease and pest problems associated with this crop.

35. Yields have been impressive in the light of the area's semi-arid conditions. Maize yields have reached up to 3 t/ha with an average of about 2 t/ha. Cowpeas and safflower average about 6-800 kg/ha. Farmer/settler incomes have improved accordingly and interest in the scheme is strong. Due to insufficient land levelling and drainage of the irrigated settlement schemes, net returns to dryland farmers are better than to irrigating settlers.
36. The consultants' work has also been beneficial to project organization. Due to the consultants' recommendation the two farm managers attended courses in Australia familiarizing themselves with the latest dryland farming techniques. To improve and secure proper maintenance of farm machinery and tractors a bonus system for the farm mechanics has been introduced. This system has not only prevented the quite common emigration trend which leads qualified and skilled Somalis to seek work in the Gulf states, but has also extended the life of project equipment - some tractors are eight years old - a striking difference to the scrapped machinery next door in the irrigation schemes.

37. There is of course scope for further improvements and refinements. Trials were undertaken in a rather crude fashion and while their layout may satisfy the curiosity of farm managers it may not convince scientists. There is no determination of medium-term priorities and most trials seem to be done on an ad hoc basis. Elimination of coincidental results through introduction of random location of trial plots has not been undertaken. The consultants are aware of this relatively minor problem and a trial/research program will be prepared.

38. Looking at the promising results of the introduced techniques several questions can be asked. Why has the Bank in its many years of limited success with rainfed agricultural projects especially in Africa, never systematically explored the possibilities of dryland farming in the semi-arid regions of Australia and the southwestern parts of the U.S.? Why did the Bank accept consultants from a country that never had any experience in this sector? And finally what is the Bank going to do to assure that the Somali experience will receive adequate attention within the Bank and in other countries with similar ecological zones?

D. Sustainability

39. The Settlement Development Agency has evolved as a responsible organization which handles not only the Bank financed settlement component but many other activities. Due to the importance of settlements to national development, its activities are likely to continue successfully in the future.

40. The results of the two dryland settlement schemes have led to the preparation of a similar, more ambitious project. SDA, in cooperation with the consultants and the Bank, has prepared a project which would provide for the establishment of twenty 1,260 ha farms which would provide a living for 2,800 farm families.
The Director,
Operations Evaluation Department,
The World Bank,
1818 H Street N.W.
Washington D.C. 20433
USA.

Dear Mr. Watanabe,

The SDA project was prepared and financed without the benefits of feasibility studies or technical parameters due to emergency, at that time, of providing relief to destitute nomadic people.

The technical problems that emerged were foreseeable. Following a Mid-term review, the project was revised in 1981 to form essentially a trials and training programme.

The points raised by this Project Completion Report are therefore somewhat historical because a number of improvements have been recorded in the performance of this project.
since its re-design in 1981. However, the Government of Somalia will not lose sight of some of these important lessons concerning the costs of inadequate planning and supervision.

As the Report States; "Comparison of achievements against targets clearly demonstrate the total ineffectiveness of project activities". This was the situation as it had developed between project start-up in 1976 and implementing the mid-term review proposals in 1981. During those first four years, some $10.3 million of aid money (IDA, USAID, WFP) was largely wasted.

Three main reasons were identified for this early failure:

(i) **Lack of Project Preparation**: There was no programme of site testing and preparation before settlement. No knowledge of the necessary dry-land agronomy before implementation. No consideration of the means and ability of Nomadic pastoralists to adopt the social change to settled agriculture.
(ii) **Inflexibility in Implementation:** Although mistakes in project design were recognised during the early years of implementation, the SDA Management was unable to take the necessary corrective action. G.O.S. Policy seemed to be inflexible and "pursued unrealistic targets and resisted advice to modify project approach". The morale and productivity of SDA Staff was reportedly low; Management and decision making was on an ad hoc basis of meeting crises without sufficient attention to advance planning.

(iii) **Poor handling of consultants:** Mistakes were made in the contracting for consultants services. These mistakes were costly and followed an inadequate process of bids evaluation.

The lessons to G.O.S. planners and management can be summarised as:

(a) **Technical.** Shortening the processing of the project cycle in planning should not be at the expense of quality of project design. Hastily prepared plans can be ineffectual and costly.
(b) Administrative. No plan can ever be perfect. Management at all levels should allow some flexibility in project design based on the experience which is accumulated during implementation. Targets may have to be reviewed. A more adequate system of monitoring and annual work plans is essential.

(c) Supervision. The preparation of terms of reference and the hiring and supervision of consultants cannot be left to the individual Agency or Project Management. A system of coordination and vetting should be insisted upon by a central responsible authority such as the Ministry of National Planning.

We thank you for this draft copy of your Report and have taken note of its contents. Necessary actions have been and are being taken to ensure that similar implementation weaknesses do not occur in the future.

Yours Sincerely,
Hussein Elabeh Mahie
Permanent Secretary

TELEPHONE: N. 80384/7 — 80634
SOMALIA

DROUGHT REHABILITATION PROJECT
(CREDIT 623-SO)

COMPLETION REPORT

September 20, 1985
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I. Introduction

A. Drought Background

1. The successive droughts of 1973 and 1974 gravely affected the central and northeastern parts of Somalia involving a large part of the population, mostly nomads. Government acted promptly by setting up relief camps in November 1974. Relief camp population peaked at 270,000 in mid-1975. Despite these efforts, recorded loss of human lives reached about 19,000. In addition, there was an extensive loss of livestock estimated at 25 to 30 percent of the national herd which constitutes the main livelihood of the population. As a result, exports of livestock, the largest foreign exchange earner, was reduced and large imports of foodstuffs were also required to feed destitute nomads in northern Somalia.

B. Project Origin

2. After the emergency situation had been contained in 1975, the Government decided on a comprehensive strategy to resettle and rehabilitate the northern nomads through (i) establishment of three agricultural settlements in the southern parts of the country; (ii) establishment of fisheries settlements along the coastal areas; and (iii) initiating measures to arrest deterioration of the northern rangelands. In 1975, GOS asked assistance from IDA for Drought Rehabilitation, and eventually requested that IDA concentrate on an emergency settlement scheme in the South and the Northern Rangelands Rehabilitation Project. It was finally agreed, that the Kuwait Fund would finance the Northern Rangelands Project in its entirety, and that the other donors (IDA, the Arab Fund, the African Development Fund) would finance the settlement scheme, with the Arab Fund concentrating on irrigated crop development, ADF on health services, and IDA on crop production under rainfed conditions. In addition, assistance for housing, food and other supplies would be provided by the donors.

C. Project Identification, Negotiation and Board Presentation

3. Because of the extraordinary circumstances of the Somali drought/settlement situation and in the light of the high priority placed by the GOS on this project, IDA agreed to handle the request for assistance on an expedited basis. Following brief visits in March, May and July 1975, the mission put forward a project for the settlement areas which was negotiated in February 1976 and presented to the Board on April 14, 1976,
in the form of a President's Report only—but backed later by a Technical Report of June 1976. At the time of Board presentation, it was stressed that substantial risks were involved in the strategy. The project was nevertheless approved by the Board and financed without the benefit of detailed technical investigation and preparation. No substantive issues were raised by the Executive Directors.

4. The Development Credit Agreement was signed on July 7, 1976, with a Closing Date of June 30, 1980, subsequently extended four times to September 25, 1984.

5. This report is based on information contained in supervision reports, various technical reports and Bank files on the Credit. It is also backed by field visits and discussions with and GOS officials, Bank staff and consultants.

D. Project Design

6. The Drought Rehabilitation Project of US$10.8 million, with an IDA Credit of US$8 million were aimed to finance rainfed crop production in the Juba-Sheb’eli Area Emergency Settlement Scheme. The Arab Fund and the African Development Fund also helped finance the settlement scheme in amounts of about US$22.4 million and US$5.5 million, respectively, concentrating on irrigated crop development and on health services. The Kuwait Fund provided US$21 million for Northern Rangelands Rehabilitation as part of Government's efforts to rehabilitate the drought affected areas.

7. The Project was to support, over three years, the development of 15,000 ha of rainfed crop production within newly established settlements (total settlement population of about 105,000 in 1975). Project activities were to consist of (i) land clearing and (ii) agricultural operations on virgin lands within the three settlements of Dujuma (9,000 ha), Sablaale (3,000 ha) and Kurtun Warey (3,000 ha) in the Juba-Sheb’eli inter-riverine area of southern Somalia.

8. Project financing included provision for heavy equipment for bush clearing; agricultural machinery and equipment for land cultivation and planting; vehicles, mobile workshops, office buildings, and local operating costs. Technical assistance was financed to strengthen the organization and management of the settlements, to advise on clearing and agronomic techniques, for project monitoring and evaluation and the preparation of future projects.

E. Project Objectives

9. The major objective was a fast-disbursing credit to establish a low cost and technically simple intervention that would provide a sound base for later expansion of production in the same areas.
10. At full development in four years, the project was to produce annually from three settlements a volume of cereals estimated to be about 7,000 tons of maize and sorghum annually, sufficient to provide the basic food requirements of some 7,000 families or about 35,000 persons.

11. Other benefits were seen in the contribution of the project to the GOs overall program to rehabilitate and settle drought-affected nomads, providing them with alternative income-earning opportunities; relieve the population/grazing pressure in the north of Somalia and assist the Government to formulate development plans for the southern inter-riverine area based on the results of monitoring and evaluation and other studies to be undertaken during project implementation.

II. Project Implementation

A. Before Mid-Term Review

12. Implementation problems emerged almost immediately after the Effectiveness Date and included:

(a) inadequate staffing and lack of expertise in the Settlement Development Agency (SDA) to carry out its duties;

(b) lack of experience among SDA staff over selection of consultants (including a procurement specialist) which led to an untimely delay in specifying machinery and equipment to meet production objectives;

(c) failure of consultants to recruit and retain specialists experienced in rainfed crop production agronomy; monitoring and evaluation and financial control;

(d) the lack of stability of the settlement populations in terms of numbers, sex and age balance; and

(e) the Dujuma settlement area was found unsuitable to sustain a rainfed cropping regime due to high salinity of the soils.

13. Despite the above, problems were compounded by the inflexibility of the implementing agency (SDA) which:

(a) pursued unrealistic targets to develop 15,000 ha of land for settlement and grain production in order to achieve the targets; and

(b) resisted attempts by IDA supervision missions to modify the project approach;

From 1976 to 1979 nothing had been achieved to justify the objectives of the project. For credit expenditures of US$3.8 million as of December 31, 1979, total production was as follows:
Land Cleared

<table>
<thead>
<tr>
<th></th>
<th>Der 1978</th>
<th>Guu 1979</th>
<th>Der 1979</th>
<th>Guu 1980</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Hectare)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kurtun Warey</td>
<td>41</td>
<td>240</td>
<td>200</td>
<td>600</td>
</tr>
<tr>
<td>Sablaale</td>
<td>20</td>
<td>135</td>
<td>335</td>
<td>675</td>
</tr>
<tr>
<td></td>
<td>61</td>
<td>375</td>
<td>535</td>
<td>1,275</td>
</tr>
</tbody>
</table>

Crop Production

<table>
<thead>
<tr>
<th></th>
<th>Kurtun Warey</th>
<th>Der 1978</th>
<th>Guu 1979</th>
<th>Der 1979</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ha</td>
<td>kg/ha</td>
<td>ha</td>
<td>kg/ha</td>
</tr>
<tr>
<td>Maize</td>
<td>12</td>
<td>-</td>
<td>190</td>
<td>1,400</td>
</tr>
<tr>
<td>Cowpeas</td>
<td>12</td>
<td>270</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Sorghum</td>
<td>17</td>
<td>50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Sablaale</th>
<th>Maize</th>
<th>10 100</th>
<th>65 1,500</th>
<th>135 -</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cowpeas</td>
<td>10</td>
<td>180</td>
<td>70</td>
<td>200</td>
<td>750</td>
</tr>
</tbody>
</table>

The figures above clearly demonstrate the total ineffectiveness of project activities.

14. Heavy costs were incurred to maintain the settlements. Apart from investments financed by IDA, agricultural operations in the two settlements had cost about US$3.0 million in 1979 and administrative and welfare costs amounted to another US$3.5 million, financed by direct grants from GOS, food grants from the EEC, and WFP contributions.

15. In addition to the production failures, the settlement population dwindled significantly in the period from 1975 to 1980 from 105,000 to about 60,000. The 1980 population is shown below:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Dujuma Male</th>
<th>Dujuma Female</th>
<th>Sablaale Male</th>
<th>Sablaale Female</th>
<th>Kurtun Warey Male</th>
<th>Kurtun Warey Female</th>
<th>Total Male</th>
<th>Total Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>8,535</td>
<td>6,386</td>
<td>5,428</td>
<td>4,378</td>
<td>4,987</td>
<td>4,247</td>
<td>18,950</td>
<td>15,011</td>
</tr>
<tr>
<td>15-30</td>
<td>2,438</td>
<td>2,631</td>
<td>1,998</td>
<td>1,803</td>
<td>2,263</td>
<td>3,323</td>
<td>6,699</td>
<td>7,757</td>
</tr>
<tr>
<td>31-45</td>
<td>847</td>
<td>2,594</td>
<td>715</td>
<td>1,410</td>
<td>819</td>
<td>1,917</td>
<td>2,381</td>
<td>5,921</td>
</tr>
<tr>
<td>46+</td>
<td>820</td>
<td>780</td>
<td>438</td>
<td>452</td>
<td>459</td>
<td>522</td>
<td>1,717</td>
<td>1,754</td>
</tr>
<tr>
<td></td>
<td>12,640</td>
<td>12,391</td>
<td>8,579</td>
<td>8,043</td>
<td>8,528</td>
<td>10,009</td>
<td>29,747</td>
<td>30,443</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>60,190</td>
<td></td>
</tr>
</tbody>
</table>
16. In the light of problems in project implementation and the lack of response of SDA and its consultants to come to grips with the problems of rainfed crop production, IDA staff insisted in 1978 on actions either to terminate the project as originally conceived or to turn the project concept around. This insistence culminated with a Mid-Term Review (MTR) in 1980.

Procurement

17. Procurement of project inputs followed Bank Guidelines and those established in the Development Credit Agreement. Considerable delays in procurement resulted from the late arrival of the consultant's procurement specialists and over technical specifications for land clearing and agricultural machinery. In the absence of a known technique for land clearing and dryland farming system, much of the machinery and farm implements was not appropriate. The situation was remedied after the MTR when the consultants engaged for the rainfed farming trials were very specific on requirements and rapid in procurement. Surplus machinery acquired in the early years of the project were transferred to other operations of the SDA.

Auditing and Reporting

18. Being a strongly centralized agency, SDA record keeping and accounting was inadequate for project purposes and useless for management at the settlement farm level. Even after the arrival of the monitoring and evaluation specialist, the field data generated did not provide SDA management with adequate information. After MTR a system of farm record keeping was devised which was much more appropriate to management needs. Early financial records were inadequate and information was not generated from primary field data. With the appointment of a financial advisor to the Project Implementation Unit of the Ministry of Planning, the situation on financial control improved, but was still hampered by lack of support staff and low efficiency. After MTR financial records and reporting at the farm level were good. Accounts for SDA for FY 1979 (CY 1979) were prepared for audit by the public Magistrate of Accounts. The report concentrated on the routine aspects of bookkeeping without offering comments on the adequacy of the record keeping system. That audit was of no use for project implementation. After 1980 external auditors were appointed, whose comments have improved the format of financial record keeping.

B. After the Mid-Term Review

19. Faced with technological, management and social uncertainties in the marginal rainfed settlements, IDA, in November 1978, proposed to limit the area to be developed to about 1,000 ha (350 ha in each settlement) and conduct large-scale trials (for about four seasons) and to determine suitable crops, cropping patterns, cultivation techniques and crop protection needs, etc. SDA was to provide a plan of operations, on how to spend the remainder of the funds (US$3.0 million). Following the critical MTR review in 1980, IDA proposed to concentrate on the following:
(a) trials program at Kurtun Waarey and Sablaale;
(b) training program for Somali staff;
(c) technical assistance for rainfed farming; and
(d) PIU expenditures to begin in early 1981.1/

20. In late 1980, the consultants:

(a) identified crop production specialists familiar with the rainfall and soils environment and to recruit appropriate back-up services of a qualified and experienced dryland farming agronomist; and

(b) produced technical specifications for machinery and equipment for dryland farming.

21. In early 1981, the selected consultants established a regime of weed-free fallow to conserve limited moisture; tested equipment and organized settler activities. A limited introduction and testing of crop varieties was also carried out; together with the introduction of a legume and oil seed rotation.

22. Innovations in land clearing, cultivation, planting and weed control practices were introduced. These crop regimes were practiced in Australia but adapted to Somali conditions. Indicative yields in the project area are shown below. Concentration on the key aspects of technology, land tenure and settler participation resulted in dramatic increases in crop yields.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td>nil</td>
<td>nil</td>
<td>1,400</td>
<td>nil</td>
<td>3,000</td>
<td>2,500</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>Sorghum</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>2,000</td>
<td>2,000</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Sunflower</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>550</td>
<td>2,000</td>
<td>675</td>
<td>250</td>
</tr>
<tr>
<td>Safflower</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>560</td>
<td>800</td>
<td>600</td>
<td>N/A</td>
</tr>
<tr>
<td>Cowpea</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>200</td>
<td>600</td>
<td>650</td>
<td>Failed</td>
</tr>
<tr>
<td>Barley</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>Failed</td>
<td>Failed</td>
<td>Failed</td>
<td>Failed</td>
</tr>
<tr>
<td>Cotton</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>nil</td>
<td>&quot;</td>
<td>&quot;</td>
<td>&quot;</td>
</tr>
<tr>
<td>Area planted</td>
<td>(ha)</td>
<td>N/A</td>
<td>61</td>
<td>420</td>
<td>1,275</td>
<td>600</td>
<td>1,200</td>
<td>1,200</td>
</tr>
</tbody>
</table>

1/ PIU being a Project Implementation Unit in the Ministry of Planning financed from this project. This unit looked at the overall portfolio for the Ministry of Planning.
23. Funds for the trial program financed under Credit 623-SO were exhausted by September 1984. However, in view of the importance of the trials and their use as a basis for the further development of rainfed farming in Somalia and other areas in East Africa, IDA review missions of November 1983 and June 1984 recommended further financial support until a project could be prepared for wider application of the trials results. As the trials had adequately identified the main features of production technology, the missions recommended and arranged financing from on-going IDA projects for a further two year period for additional field testing and to propose and test an institutional system that could ensure sustained and stable production in the settlement areas as well as serve as a model for further expansion. Aspects would include analysis of land tenure, cost recovery, market and credit and long-term commitment to training of Somalia farm managers and key technical field staff.

24. Although the Drought Rehabilitation Project officially closed in September 1984 and funds were fully disbursed (Annex 1), trials and project preparation are continuing. GOS is keen that an expanded effort in rainfed farming should continue and has given continuation and expansion of the project high priority. Project preparation is expected to be completed during 1985 and formal request for Bank financial assistance was received from GOS in August 1983. Response to this request would be based on a special Bank mission to investigate the technological basis, economics, scope and institutional arrangements. Land tenure problems would also have to be resolved. Future prospects based on the trial results and settlers' interests to date are promising.

III. Institutional Performance

A. The Settlement Development Agency

25. The SDA was established in 1976 to handle the settlement and production aspects of a nationwide Drought Rehabilitation Program funded by a variety of donors. Its organization was strongly centralized (in Mogadishu) under a general manager to whom various heads of departments report. The institution did not lend itself to specific project implementation, monitoring, reporting or financial control. Moreover, SDA suffered from critical staff shortages in key positions and relied heavily on consultants. Morale of SDA staff and attendance was low and productivity minimal. Throughout its life, SDA management and decision-making has been on the ad hoc basis of meeting crises. While the Agricultural Department of SDA functioned reasonably well, its Director was overloaded with responsibilities of an administrative nature. Advance planning and preparation were not in evidence and institutional performance at headquarters remained marginal throughout the project. The dramatic change occurred at field level where the new consultants were able to assume line responsibilities in the early years and established good relationships with SDA headquarters staff which became extremely supportive. They also initiated an effective training program for Somali staff who now run the day-to-day affairs of the settlement farms.
B. Performance of Consultants

26. Two sets of consultants were concerned with project implementation. Prior to the mid-term review, technical assistance at SDA headquarters and at the field level was provided by a newly-established consulting firm in association with a well-known firm. The contract to provide technical assistance was based (in part) on that association. The cost of the contract was shared between the Arab Fund (Kuwait), with IDA financing a monitoring and evaluation specialist, a procurement officer, a master mechanic and a dryland agronomist. Performance was mixed. Rapid staff turnover and the inability of the consultants to secure the long-term services of a competent dryland agronomist, contributed to poor execution in the early stages of the project. Despite efforts of Bank staff, SDA could not be persuaded to change the consultants because of poor performance. Moreover, when Bank staff called upon the foreign-based consulting partner to provide the expertise required, particularly in rainfed-farming, it turned out that the association was dissolved a long time ago. Even then, SDA refused to terminate the contract but continued to make use of the consultants. The CV's of the proposed personnel did meet requirements; what was lacking was effective performance.

27. When IDA/SDA staff decided to discontinue the original plan to clear 15,000 ha, SDA continued to insist to retain the original consultants. This was not acceptable to IDA and after long and protracted negotiations, SDA agreed during the mid-term review to employ a new consulting firm with specific expertise in rainfed farming. IDA and GOS agreed in 1980 on a contract with rainfed production consultants to undertake comprehensive trials to determine the viability of rainfed crop production in the remaining two settlement areas of Kurtun Waarey and Sablaale. They proved to be an unqualified success and their efforts resulted in solid achievements demonstrating the economic, financial and technical feasibility of rainfed farming in the interriverine area.

C. The Bank's Performance

28. During project identification, preparation and appraisal, Bank staff was faced with formidable difficulties. Most of the technical, social and institutional parameters on which to base judgments on the feasibility of the project were not known. This was clearly brought to the attention of the Board. However, at that time it was thought that experienced consultants would provide the necessary technical backstop to move the project. As it turned out, this was not the case. Bank mission after Bank mission pointed out the shortcomings - not only those of the consultants but also that one of the settlement areas was not suitable for farming because of high soil salinity. This settlement was eventually abandoned.

29. Up to the mid-term review, Bank/SDA relations were mixed. The technical solutions were known and sound but not acceptable to SDA and the Government at large. However, successive failures, high budget costs to maintain the settlements and possible closure of the project, led to a
change in attitude. Following agreement on how to proceed, supervision missions and Bank management proved very supportive and flexible to make the trials program the success it has become.

IV. Lessons Learned

Design Problems

30. In hindsight, three major areas were insufficiently addressed. The first deals with the time it takes for a nomadic population to adjust - even if deprived of a livelihood - to sedentary conditions. Secondly, the ability of a newly created institution, the Settlement Development Agency, to deal with technical complex problems while establishing its institutional framework. And most importantly, the absence of a suitable and appropriate technology.

31. Bank staff brought project design problems to the attention of management very early in the credit processing cycle. Nevertheless, the project was initiated in 1976 with clear gaps in project design due to inadequate preparation; lack of appreciation of the difficulties of large-scale rainfed crop production to be run on a highly centralized mechanized basis by an agency yet to be formed and with only rudimentary ideas on organization and management of on-farm production and the role of the settlers.

32. Project design did not take sufficiently into consideration the substantial difficulties and complexities of rainfed farming on a large scale in an area with low and erratic (unquantified) rainfall. In addition, soils were of low and deteriorating fertility and local agricultural technology to deal with such conditions, was not available. The objectives of rapid grain production, under these rainfall and soil conditions, was questionable. The project proposal was to cultivate and plant the whole of the 15,000 ha in the project settlement areas twice every year after clearing had been effected and the tractor and machinery requirement was designed to meet the clearing and cropping targets. To overcome inadequate project preparation and to ensure that crop development programs were properly planned and executed, substantial funding for technical assistance was proposed including the crucial position of Dryland Agronomist. Continuous project monitoring and evaluation were also provided for under the Technical Assistance component, to provide management with tools to modify the project approach in the light of practical experience. Because of the urgency attached to financing the rehabilitation program, project design also failed to pay sufficient attention to the social aspects of nomad responses to displacement from their traditional grazing/tribal areas in the north and to their attitudes to being sedentarized farmers under strong centralized control.

Conclusions

33. The principal conclusion to be reached from this review is that Bank group procedures involving careful identification, preparation and appraisal are both useful and necessary. Shortcutting of these procedures for emergency reasons, however well intentioned, can be self-defeating as
in the case of this project and several similar projects designed to address drought emergency problems in West Africa and East Africa. The lesson here is to ensure that shortening the processing of the project cycle should not be at the expense of quality of project design. Had it not been for a strong Bank effort, combined with good performance of SDA's consultants, the project could have resulted in a complete failure of 15,000 ha on which there would have been no hope of developing sustainable rainfed cropping based on the double cropping, hand planting technology proposed at appraisal.

34. The success of the trials program has been firstly the ability of Bank staff to establish a relationship with the implementing agency to change the original project concept. This task was extremely difficult since the highest political authorities were watching the drought rehabilitation process and any attempt to deviate from the target of 15,000 ha to a more modest trials program was seen as heresy. Secondly, the performance of the consultants to successfully transfer a technology package from Australia to Somalia conditions. Thirdly, GOS commitment to the project trials by arranging financing from on-going projects, which obviously was resisted by other implementing agencies. Finally, GOS and SDA improved the institutional arrangements by giving the settlers permanent title to their holding, resulting in dramatic production results.

35. The trials program is now at crossroads. The technology has been proven and the institutional arrangements for the existing program are probably adequate. However, a substantial expansion as requested by GOS needs a closer look at sustainability. The challenge would be in building local institutions capable of implementing and managing large scale production, and of developing appropriate policies for cost recovery and incentives to producers. Fortunately, a long-term program to train Somali farm managers has been started three years ago and four Somalis have been trained successfully to the extent that the day-to-day operations are handled by them. The consultants are now mainly engaged to prepare the ground for institutional arrangements that would safeguard the interest of settlers, farm management and the public sector. It is expected that a proposal for external financing be ready by 1986.
SOMALIA

DROUGHT REHABILITATION PROJECT - CREDIT 623-SO

PROJECT COMPLETION REPORT

Disbursements
(US$ '000)

| IBRD/IDA Fiscal Year | Accumulated Disbursements | Actual Disbursement | % of Appraisal
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Closing Date: 09/30/80 06/30/84

1/ After the 24-month extension from July 1, 1982 to June 30, 1984, with disbursements to be continued to September/October 1984. Accounts closed September 25, 1984.
DROUGHT REHABILITATION PROJECT (CREDIT 623-SO)

PROJECT COMPLETION REPORT

Final Disbursements by Categories and Closing of Credit Account

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The Credit was fully disbursed on September 25, 1984, and the Account was therefore closed as of that date. GOS was so informed by IDA—letter of October 30, 1984.
SOMALIA
DROUGHT REHABILITATION - JUBA/SHEBELLI AREA SETTLEMENT PROJECT

NEW AGRICULTURAL SETTLEMENTS (50% RAINFED, 50% IRRIGATED)
METALLED ROADS
OTHER ROADS, TRACKS AND TRAILS
MAIN PORTS
NEW INTERNATIONAL AIRPORT
REGIONAL BOUNDARIES
INTERNATIONAL BOUNDARIES

OCTOBER 1995