



1. Project Data :	
OEDID:	C2175
Project ID:	P001765
Project Name:	Agricultural Rehabilitation and Development Project (ARDP.)
Country:	Mozambique
Sector:	Agricultural Extension
L/C Number:	C2175
Partners involved :	
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Reviewed by:	Anthony J. Blackwood
Group Manager:	Gregory K. Ingram
Date Posted:	08/19/1999

2. Project Objectives, Financing, Costs and Components :		
Objectives :-		
The main objective of the project was to support Government efforts to assist the family -smallholder subsector to reverse the decline in cashewnut production and exports . Subsidiary objectives of restructuring state enterprises and funding investments to both smallholder producers and commercial processors, were abandoned in 1995. The project was approved in September 1991 and closed 2 years earlier than planned, in June 1997.		
Financing (\$ million):-	<u>At Appraisal</u>	<u>Actual/ Latest</u>
IDA	15.40	6.29
Government	1.20	0.39
Participating Banks	0.70	0
Credit Beneficiaries	0.50	0
Total	17.80	6.68
Components (\$ million Appraisal / Actual):-		
a) rehabilitation and development of the cashew subsector (13.09/4.15);		
b) assistance to state and commercial enterprises (3.49/1.21)		
c) basic studies to strengthen and guide agricultural development (1.22/1.33)		

3. Achievement of Relevant Objectives :
None

4. Significant Achievements :
<ul style="list-style-type: none"> • The project developed and implemented the core of a future extension service, which integrates food and cashew cultivation; • Valuable lessons were learned and studies completed, which are now being used for planning and managing current programs.

5. Significant Shortcomings :
<ul style="list-style-type: none"> • There were lengthy delays due to lack of counterpart capacity, shortage of funds and security constraints; • The planting program was a total failure and rehabilitation was not completed ; • the productivity and quality objectives of the research program were not achieved and farmers did not acquire the high level of skills necessary for successful tree grafting; • Coverage of the extension service was much lower than planned and none of 15,600 ha. of planned nurseries were ever established; • A deficient project design that failed to recognize that the technical nature of the project and complexity of Bank procedures were ill-matched to borrower capacity . • For a long time supervision missions bent over backwards to acknowledge the mitigating security /political circumstances and rated the project "Satisfactory", when it was clearly "Unsatisfactory" in relation to all its principal objectives; • The project was not feasible as designed but the region saved time and resources by recognizing this and closing it two years ahead of schedule;

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Unsatisfactory	Unsatisfactory	
Institutional Dev .:	Partial	Modest	
Sustainability :	Unlikely	Uncertain	The partially successful extension component has been transferred to the IDA funded Agricultural Sector Public Expenditure Program with 15 years funding
Bank Performance :	Deficient	Unsatisfactory	
Borrower Perf .:	Deficient	Unsatisfactory	
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

- Project objectives must be realistic in relation to operational and skill -levels of the institutions concerned;
- Continued disbursement should be linked to effective implementation of a policy framework;
- The design of research components should include upfront the activities, actions and results that are needed;
- If the counterpart is clearly unable to meet its funding commitments, the project should be scaled down to a sustainable size;
- Proactive closure of projects that cannot achieve their objectives is now recognized as an appropriate Bank action and is encouraged.

8. Audit Recommended? Yes No

9. Comments on Quality of ICR :

Clear and sufficiently comprehensive given the circumstances .