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Report Number: ICRR0022662

1. Project Data

Project ID	Project Name	
P124720	DRC Western Growth Poles Project	
Country	**Practice Area(Lead)**	
Congo, Democratic Republic of	Agriculture and Food	

L/C/TF Number(s)	Closing Date (Original)	Total Project Cost (USD)
IDA-H8600	30-Aug-2019	101,498,674.54
Bank Approval Date	**Closing Date (Actual)**	
11-Jun-2013	30-Oct-2020	

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	110,000,000.00	0.00
Revised Commitment	109,644,887.12	0.00
Actual	101,498,674.54	0.00

Prepared by	Reviewed by	ICR Review Coordinator	Group
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2. Project Objectives and Components

a. Objectives

The project development objective (PDO), as stated in the Financing Agreement (FA, 2013) and the Project Appraisal Document (PAD, 2013), for this Democratic Republic of Congo Western Growth Poles Project (WGPP), was to: “increase productivity and employment in selected value chains in target zones”.

While the WGPP had four restructurings during implementation, the PDO remained the same. There were some adjustments in some of the outcome and output indicators and targets with respect to the same PDO and components, as described in section 2 (e) below. Notwithstanding the reduction of some of the targets

(especially restructuring no. 3, in early 2018), the revisions were relatively minor, and therefore, do not warrant split evaluation.

For purposes of assessing the extent to which the PDO was achieved (in Section 4), this review parses the PDO into two objectives:

Objective 1: to increase productivity in selected value chains in target zones; and

Objective 2: to increase employment in selected value chains in target zones

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

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

11-Jun-2013

c. Will a split evaluation be undertaken?

Yes

d. Components

Component 1: Agriculture Value Chains Development in Bas-Congo (Original allocation: US$ 48 million; Actual: US$ 76 million). This component aimed at increasing the agricultural supply capabilities of farmers' organizations and provide basic rural infrastructure to strengthen the targeted value chains and better supply markets. There were two sub-components, with their associated activities: (i) Enhancing Agricultural Supply Capabilities through provision of capacity building of producer organizations, development of partnerships, construction of processing facilities and establishing technical platforms for agro-processing; and (ii) Support to rural infrastructure through building a core integrated infrastructure network;

Component 2: Special Economic Zone of Maluku (Original allocation: US$ 27 million; Actual: US$6). This component aimed at developing the Maluku SEZ (Special Economic Zone) by providing access to needed industrial land equipped with critical infrastructure and a more friendly business environment for investors and private sector operators. There were three inter-linked subcomponents, with their corresponding activities: (i) facilitation of public-private partnership (PPP); (ii) strengthening the capacity of relevant Ministries in SEZ development; and (iii) provision of physical infrastructure. The reduced allocations involved reducing project activities and outputs involving each of these sub-components (especially involving the infrastructure for the Maluku SEZ, and number of enterprises established), and were due to project implementation delays;

Component 3: Proactive Business Development (Original allocation: US$16 million; Actual: US$4.6 million). This component aimed at improving the business environment, with a view to promoting investments and support productive activities in the targeted value chains and growth poles. This component had three sub-components: (i) Project Development Fund (PDF) for Investment Promotion,

which was cancelled during the first restructuring, due to Government's changed priorities, and the inability to anchor the funds in another entity, due to governance/accountability issues (ICR, para. 17); (ii) Targeted Regulatory Reforms; and (iii) Trade Facilitation at the Port of Matadi in the Bas Congo. The reduced allocations, due primarily to project implementation delays, involved reducing project activities and outputs/outcomes for these subcomponents, especially involving the dropped PDF subcomponent, and therefore, the reduced number of enterprises established in the Maluku SEZ.

Component 4: Coordination, Monitoring, Communication and Impact Assessment (Original Allocation: US$8 million; Actual: US$15.3 million). This component aimed to strengthen the ability of Government to implement the project in a coordinated and integrated manner based on existing structures, and strengthened through TA. The additional re-allocated funds involved strengthening various entities involved in project coordination (e.g., an Executive Secretariat to provide additional TA to/capacity building of key entities; expanded TA support for the PMU in the Ministry of Finance, for the Project Unit in the Ministry of Agriculture, and for various other public and private sector entities at the national and regional level, including farmer cooperatives, in their roles to promote value chain development and increased investments for employment generation).

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

(i) Project Costs: The total project cost at approval was US$114.7 million (including Government counterpart funds). The actual project costs/disbursements at closing was US$105.9 million (or about 92% of original total costs), with Bank disbursements of 103.5 million, as of end of July, 2021. This difference was due to various factors, including: foreign exchange loss (of about US$7.0 million, ICR, footnote 21, p. 23), cancelled amount by Bank ($351,754) reduced Government counterpart funds ($278,000) and other factor(s) (not specified in the ICR).

(ii) Financing: At approval, the IDA credit (IDA-H8600) was US$110.0 million, with Government counterpart financing commitment of US$4.7 million, totaling US$114.7 million. By the end of the project, total financing (and disbursements) had decreased to US$105.9 million (IDA: US$101.5 million; Government: US$4.4 million), due to the above 2 main reasons.

(iii) Borrower/Recipient Contribution: At approval, the Borrower counterpart contribution was supposed to have been US$4.7 million, with a final contribution of US$4.4 million (94%) (ICR, data sheet).

(iv) Dates: The project was approved on June 11, 2013, became effective on October 16, 2013. A mid-term review was carried out in May 2017. The original closing date was August 30, 2019, with the actual closing date being October 30, 2020 (i.e., a 14-month extension).

Restructurings and Significant Changes During Implementation: The project had four restructurings, although there were two more significant restructurings (2015 and especially in 2018). While the PDO was not revised, several PDO indicators and targets were revised (with a decreased level of ambition of several outcome targets). The main revisions and rationale of the restructurings were as follows (ICR, paras. 15 – 22):

(a) First restructuring (in June, 2015): Sub-component 3.1 was revised, with the cancelling of the Project Development Fund (PDF), and replaced by Technical assistance and capacity building, with aim of developing a national agro-industrial parks strategy and providing TA for promoting small/medium

enterprises; and component 4 was revised/expanded to establish an Executive Secretariat to provide TA to key ministries;

(b) Second restructuring (in January, 2018): The aim was to re-assess feasibility of proposed activities and introduce important changes to the Results Framework (by changing some key indicators, reducing level of ambition/targets for PDO 1 and 3), and some major reallocations (especially for component 1, ICR, Table 2).

(c) Third Restructuring (in July 2019): Reallocation of funds between several categories; and extension of closing date by 8 months;

(d) Fourth restructuring (April 2020): extension of closing date by six months; and reallocation of funds between expenditure categories.

Rationale for Restructurings: The ICR provides sound explanations for the above cited restructurings and corresponding changes (paras. 18-22); they did not modify the project's PDO and underlying theory of change (which was reconstructed in the ICR, para. 11). The main reasons for the restructurings included: (i) shifting priorities of Government; (ii) increased allocation under component 1 due to substantial cost overruns (of electrification and rural roads network; developing the Agro-Industrial Platforms/AIPs); (iii) delays of some key activities, including procurement problems and suspension of disbursements due to non-adherence to WB safeguard standards and some project governance issues (see below, especially resulting from weak M&E system, until after the mid-term review). Accordingly, during implementation the project moved towards focusing on the first chain links of the targeted value chains, namely, agricultural production and rural infrastructure. Accordingly, the project (and its RF and indicators/targets) retained a focus on increasing productivity and employment in selected value chains, with some reduction in the level of ambition of selected indicators.

Especially due to more significant changes arising from the second restructuring (in 2018), while retaining the same PDO and introducing some reduction in the level of ambition of selected outcome indicators (3 out of 7 outcome indicators), the ICR and ICRR include a split evaluation (see below for further details).

3. Relevance of Objectives

Rationale

The project objectives were relevant to addressing the country's key developmental challenges and to contributing to the achievement of the key elements of the country's strategies, including: Second Poverty Reduction Strategy Paper/PRSP II (2011), the emerging Government's Action Plan (2012 – 2016) to operationalize PRSP II and its 4 pillars, and which included the Government's Growth Poles Program (GPP). The GPP envisioned developing eight growth pole corridors to promote resource-based inclusive growth by unleashing growth potential of key productive sectors, especially agriculture and agri-business. The Western Growth Poles Project (PDPC) was intended to pilot the Growth Poles Program in a specific strategic region/corridor, called, "Bas Congo", which is in the Kinshasa corridor; this region exhibits some of the greatest potentials in agriculture (e.g., cassava, maize, rice, palm oil, fruits and vegetables, coffee and

cocoa), with access to the large and growing Kinshasa market. The Government also prioritized support for the development of Special Economic Zones (SEZs). At about the same time, the World Bank had carried out a comprehensive Diagnostic Trade Integrated Study (DTIS, 2010), coupled with a growth-oriented economic memorandum for the DRC, and on Government's request, carried out a Project Preparation Advance (PPA) for the formulation of the PDPC, which would focus on the development of three agribusiness value chains in the region of Bas-Congo, because of its proximity to Kinshasa and vast productive natural resource and agricultural potential. Maluku was chosen as the site for construction of a pilot SEZ because of its strategic location for a multimodal transportation node.

Based on the above Government strategies and the Bank's analytical work, the PPA, and IFC's involvement in a Conflict Affected States in Africa initiative (called "CASA") which promoted the development of SEZ at Maluku, and the Bank's Country Partnership Strategy (FY2012-2016), the PDPC was designed as a joint Agriculture-Private Sector Development (PSD) Program, taking a multi-sectoral approach. Further Project Preparation culminated in the Bank's Project Appraisal Document (PAD) for the PDPC, which addressed the main constraints to reviving the agricultural sector and its vast potential, namely: low crop yields; urgent need to expanded private sector role in the competitive and sustainable development of strategic value chains (through partnerships between small holders and commercial actors; low productivity of labor force; infant financial sector; and access to land for agro-processing enterprises. Accordingly, the design of the PDPC, involving Bank, Government and private sector team work together, focused on operationalizing "key drivers" of change to increase productivity and employment in selected value chains in the target zone of the Bas-Congo region.

Although not stated explicitly in the SAR and ICR (nor in the reconstructed theory of change) of the project, these project documents imply that the project was designed to contribute to higher level objectives of reduced poverty and food insecurity (e.g., "….agricultural productivity growth is a necessary condition for rural poverty and food insecurity reduction in DRC", ICR, para. 4). Accordingly, the PDO formulation is pitched at a low level of the results chain ("to increase productivity" and "to increase employment"), and it does not directly address the more complex development problems of extensive poverty, low incomes and limited livelihoods. Focusing the objectives on increased productivity and employment is limited in understanding the project's developmental results as a consequence of the project's interventions, especially with respect to contributing to enhanced beneficiary outcomes and impacts involving their increased and sustainable household incomes and livelihoods.

In summary, the project's objectives and corresponding design, generally addressed key development challenges, and were clearly aligned with both Government and World Bank development strategies, taking a phased growth poles and multi-sectoral approach, with an emphasis on promoting the expanded role of the private sector. However, the objectives are pitched at a limited level, as stated above. Therefore, the relevance of the project's objectives is rated Substantial.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To increase productivity in selected value chains in target zones.

Rationale

While the project's original design included a results framework (RF) in the PAD, it did not include a theory of change (ToC) because it was not required at the time the PAD was written. The ICR reconstructed a ToC for the project which was consistent with its strategy, objectives and components, especially with respect to the overall outcome of promoting increased productivity and employment through its two sub-objectives (ICR, Figure 1). The ICR highlights the rationale for addressing the main constraints to increased productivity in selected value chains, at the production, processing and marketing levels, in the target area.

Theory of Change:

For the objective "To increase productivity in selected value chains in target zones", the project inputs were: (i) funding of technical assistance and training activities of targeted producer organizations; (ii) funding activities of two planting material producing public entities (INERA and SENASEM); and (iii) funding rehabilitation and maintenance of targeted rural roads networks and electrical lines. These inputs were expected to lead to the following outputs: (i) increased number of producer organizations received TA and trained; (ii) increased quantities of improved planting material of targeted crops, and an increased amount of production of targeted crops; and (iii) 542 kilometers of roads and increased electrical lines constructed and/or rehabilitated. These outputs were expected to lead to the following main outcomes: i) strengthened producer organizations capable of producing an increased amount of improved planting materials; (ii) increased numbers of farmers adopting improved technologies and contributing to corresponding increases of productivity and increased food supplies of targeted value chains; and (iii) a reduction in transport time and costs of exporting and importing inputs and outputs/commodities. Taken together, these outcomes contributed directly to the development of the targeted value chains.

Outputs:

- Two producer organizations (INERA and SENASEM) received technical assistance and training, as targeted; and
- Some planting materials were reported produced by these organizations in the ICR, however, what kind of planting materials produced and how much, including what the targets were, are not specified.

The volume of food crops produced by the supported farmers organizations and the agro-industrial farms, inter alia:

- 1,325.86 MT cassava against the original target of 3,900 MT (34% achieved);
- 35,400 MT rice against the original target of 37,000 MT (96% achieved);
- 113.7 million MT palm oil was produced against a target of 0.750 million MT, the target was vastly exceeded, by more than 15,000%. The ICR offers no explanation for this huge discrepancy in expectations and actual results;
- Altogether, the volume of processed food by project beneficiaries, were 163,861 MT against a target of 5,000 MT. This target was also vastly exceeded, by more than 3,200%.

The ICR did not show baseline values for these figures on volume of food crops.

- 542 kms of rural roads were rehabilitated against an original target of 500 kms (108% achieved);
- The ICR reports that some electricity lines were expanded, but no targets or achievements are specified.

Outcomes:

- No. of direct beneficiaries: target: 50,000; actual: 97,757; Percent of Target: 196%;
- % of female direct beneficiaries: target: 40; actual: 44; Percent of Target: 110%;

The ICR reports that the producer organizations were strengthened (due to the TA and training provided), but no outcome indicators measuring ways of which the organizations were strengthened were identified in the ICR. Training was provided and has been acknowledged as an input and output, however, no indicators were identified at outcome level to measure what kind of changes the training led to (how the organizations were strengthened).

Increased productivity of food crops:

- 10 metric ton (MT) of palm oil per ha were produced, against a baseline of 3 MT and an original target of 15 MT (i.e., 67% achieved);
- 3.1 MT of rice were produced per ha, against a baseline of 1.8 MT and a target of 3 MT (i.e., 103% achieved); and
- 18.4 MT of cassava were produced per ha, against a baseline of 8 MT and an original target of 20 MT per ha, almost achieved (i.e., 92% achieved).

The efficacy with which Objective 1 was achieved is rated **modest**, due to overall modest and mixed performance in meeting the original targets, and due to a lack of some indicators and targets (for e.g. for the production of planting materials and the construction and/or rehabilitation of electric lines).

Rating
Modest

OBJECTIVE 1 REVISION 1

Revised Objective
To increase productivity in selected value chains in target zones (2nd restructuring/2018)

Revised Rationale
Revised Objective

To increase productivity in selected value chains in target zones.

Assessed below are achievements against the revised targets arising from the 2nd & 3rd restructuring, in 2018 & 2019, respectively).

Revised Objective/Indicators-Targets:

While the PDO 1 remained the same (to increase productivity in selected value chains in target zones), the level of ambition of some of the targets were reduced during the 2nd restructuring in 2018, as follows (with other targets remaining the same as originally, per above):

Revised Rationale

Outputs:

The volume of food crops produced by the supported farmers organizations and the agro-industrial farms, inter alia:

- 1,325.86 MT cassava against the revised target of 2,500 MT (i.e., 53% achieved);
- 35,400 MT rice against the revised target of 25,000 MT (i.e.,142% achieved);
- 113.7 million MT palm oil was produced against a revised target of 0.450 million MT. The target was vastly exceeded, by more than 25,000%. The ICR offers no explanation for this huge discrepancy in expectations and actual results – and for why the target was lowered when the actual achievement was so much more.
- Altogether, the volume of processed food by project beneficiaries, were 163,861 MT against a revised target of 1,000 MT. This target was also vastly exceeded, with more than 163,000%. The ICR offers no explanation for this, - whether it has to do with unambitious and unrealistic targets or a change in measuring method or any other reasons.

There were no baseline values for these figures (on volume of food crops) in the ICR.

Figures for both planting materials produced by the producer organizations and for electrical lines constructed/rehabilitated were still missing in the restructurings.

The target for the other key output of “rural roads rehabilitated” was not changed. The ICR made no reference to the target (original or revised) of electrical lines rehabilitated/constructed.

Outcomes:

Increased productivity of food crops:

The targets for rice and cassava production per ha were not revised.

- 3.1 MT of rice were produced per ha, against a baseline of 1.8 MT and a target of 3 MT (i.e., 103% achieved);
- 18.4 MT of cassava were produced per ha, against a baseline of 8 MT and an original target of 20 MT per ha. (i.e., 92% achieved).

For palm oil, the achievement against the revised productivity target was as follows:

- 10 metric ton (MT) of palm oil per ha were produced, against a baseline of 3 MT and revised target of 10 MT (i.e.,100% achieved).

Revised Rationale/Theory of Change: There was no change in the underlying ToC reconstructed in the ICR and further elaborated above, except to scale down targets for the specified indicators (both outputs and outcomes), even for the one that was vastly overachieved. The rationale for these reduced targets was project implementation delays, which delayed the effects of the project's strengthening the agricultural seeds, research and extension activities. Furthermore, the ICR (and supporting available documents) did not address explicitly the attribution issues, aside from stating that there were no other project interventions in the project area, hence implying the reported increased productivity and production of target commodities resulted from project interventions.

Revised Rating:

Due to drop in level of ambition some targets, and meeting and exceeding other key targets, especially palm oil and rice productivity and production, and volume of processed food, the project achieved many of its revised targets. It is not clear why the revised target volume of palm oil was exceeded significantly. The Bank's project team clarified to IEG that one major reason for the large percentage increase of processed food is the Project's M&E system generated data on a wider range of products processed, than envisioned initially. This indicates that target values and achieved values are not comparable. In addition, despite achieving most of the production targets, figures for some expected outputs were still missing (e.g., planting materials and electrical lines).
While there was negligible production data systems prior to the Project, the Project team clarified to IEG evaluator that the Project's M&E system built up capacities for generating relatively reliable production and processing data. Given the limited technical capacities for managing and sustaining reliable M&E systems in the project area, there is a high risk that reliable M&E systems would not be maintained, unless there is sustained funding and technical support. The revised rating is **Substantial with some shortcomings**; due to lack of some relevant indicators, and weak M&E data due to discrepancies in measurements for volume of processed food.

Revised Rating
Substantial

OBJECTIVE 2
Objective
To increase employment in selected value chains in target zones.

Rationale
Theory of Change:

For the objective "To increase employment in selected value chains in target zones", the inputs were: (i) Financing of transaction advisor; (ii) Technical Assistance to AZES (Autorité des zones économiques spéciales/Special Economic Zone Agency), feasibility studies and financing of basic infrastructure; (iii) Technical Assistance and studies to develop business plans for private sector investors; and (iv) Technical assistance to support CPCAI (Comité de Pilotage por l'Amelioration du Climat des Affaires et des

investissements) and CTR to review laws related to internal and external trade. These inputs were expected to lead to the following outputs: (i) transaction adviser hired; (ii) staff trained, AZES established, with site selected and secured, and basic infrastructure constructed; (iii) business plans developed; (iv) trade reforms drafted; (v) reduced time to export and to import (ref. doing business). These outputs were expected to lead to the following main outcomes: (i) increased number of jobs created in target value chains; (ii) functional AZES, with establishment of SEZ of Maluku.

It is worth noting that the PDO formulation does not cover the totality of the project's activities and expected outcomes, especially those related to the functioning and effects of a special economic zone and related legal trade reforms.

Outputs (ICR, Annex 1):

- 542 kms of rural roads rehabilitated against an original target of 500 kms (i.e., 108% achieved);
- The achieved number of hours required to export was 488 against a baseline value of 1,213 and a target of 900. The target was exceeded by 46%;
- The achieved number of hours required to import was 510 against a baseline value of 804 and a target of 550. The target was exceeded by 7%.

Note: The PAD and ICR did not show targets for the other outputs cited in the above reconstructed Theory of Change.

Outcomes: (also directly linked to objective 1, including the productivity and production measures which indirectly contribute to increased employment, while recognizing the limited available baseline data):

- 5,026 jobs created in selected value chains against an original target of 11,000 (i.e., 46% achieved);
- 19% of the jobs created in the value chains were occupied by females, against an original target of 50% (i.e., 38% achieved).

The following original indicators and targets were not achieved, as they were dropped in the restructuring:

- A target of US$ 1 billion of private investment flows in targeted value chains (facilitated by project).
- A target of 10 enterprises in the SEZ; and
- A target of 40 feasibility studies (resulting in investments).

The efficacy with which Objective 2 was achieved is rated **modest**, due to low achievement against original targets.

Rating
Modest

OBJECTIVE 2 REVISION 1

Revised Objective
To increase employment in selected value chains in target zones (2nd Restructuring: 2018)

(Assessment of achievement against both the 2nd and 3rd revised targets are combined here)

Revised Rationale

Revised Rationale: In the restructurings, some targets were added, dropped or reduced in light of project implementation delays.

Outputs:

- A private developer was recruited, as per revised target.
- AZES was put in place, as per revised target.
- 163,861 MT of processed food by project beneficiaries, against a revised target 1,000 MT. Target vastly exceeded (by 16,300%). It is worth noting that as clarified by the World Bank's project team, the major reason for the large percentage increase of processed food is that the Project's M&E system generated data on a wider range of products processed, than envisioned initially. This indicates that target values and achieved values for this indicator are not comparable.

Outcomes (ICR, Annex 1, while recognizing that increased crop productivity and production contributed to increased employment):

- 5,026 jobs created in select value chains against a revised target of 5,000 (i.e., 102% achieved). (note: no change in original target of percentage of females – target of 50% vs. actual of 19%, hence 38% of target);

The efficacy with which Objective 2, Revision 1 was achieved is rated **substantial**, as reflected in the good progress toward achieving the targets for the output and outcome indicators. Due to project delays, the project's two restructurings dropped 3 key outcome indicators/targets: value of private investment flows in the targeted value chains (facilitated by the project); number of enterprises established in the SEZ; number of feasibility studies supported by project, resulting in expanded private sector investments. The World Bank's project team clarified that the value chains needed adequate support to become "investment ready".

This rating also is supported by the information provided in the project's independent impact evaluation study on positive progress regarding strategic actions/results, including (ICR, Annex 7): enhanced access to seeds and markets; farmer organizations strengthened to engage in commercial transactions; enhanced marketing and regulatory policies and business climate to enable expanded private sector agro-based investments; strengthened institutional capacities of agro-based entities, including one SEZ in Maluku, although coming late in project implementation, thereby warranting follow-up Government, development partner and private sector support to scale-up and sustain the benefits.

Revised Rating

Substantial

OVERALL EFFICACY

Rationale

The overall efficacy is rated **"Modest"**, with respect to the original objectives.

Overall Efficacy Rating

Substantial

OVERALL EFFICACY REVISION 1

Overall Efficacy Revision 1 Rationale

The overall efficacy is rated "**Substantial",** with respect to the revised objectives (combining the main restructurings).

Overall Efficacy Revision 1 Rating

Substantial

5. Efficiency

Overall, the project performance and results demonstrated an efficiency rating of **Modest**, based on the various evidenced-based tools and analyses applied and presented in the ICR (paras. 43 – 53, Annex 4, and the impact evaluation study, summarized in Annex 7). These tools included: development of nine production models to cover seeds, consumption and development of micro/small/medium-sized enterprises; financial and economic margin ex-post analyses of the three target value chains, while also estimating financial and economic returns, based on sound assumptions, and including sensitivity analyses of key parameters. The economic rate of return (ERR) at completion was estimated to be 21.9 percent, a NPV of US$33.7 million, a Benefit-Cost ratio of 1.55, and a financial rate of return of 21.3 percent. The actual ERR of 21.9 percent is significantly lower than the one estimated at appraisal, of 32.4 percent, due to the following reasons: (a) overly optimistic assumptions that a large number of small and medium enterprises (SMEs) were supposed to start generating positive cash flows earlier, whereas, the actual cash flows of the SMEs started only in year six (2019); (b) delays in component 1 activities affecting crop productivity and production and SME performance; (iii) more realistic production models used in the ex-post EFA; (iv) exchange rate losses; (iv) different/higher and more realistic annual recurring costs; and (v) higher economic prices used at the design stage, than prices used in the ex-post EFA for the three target crops. Notwithstanding the shortfall in the original ERR, the EPA showed that the project was robust with respect to changes in key variables (e.g., reduction of benefits, increase of costs, delayed benefits and economic prices). At the same time, the sensitivity analyses show the relative sensitivity of the project to delayed benefits: a delay in achieving benefits of one-year results in an ERR of 13.7 percent (just above the opportunity cost of capital of 12 percent); and a delay of two years gives an ERR lower than the OCC (ERR of 11% vs. OCC of 12%).

The project confronted and addressed effectively various challenges involving administrative efficiencies, including (ICR, paras. 51 – 53): (a) a substantial increase in funds allocated to Component 4 (coordination, M&E), from US$ 8 million to about US$15.3 million, attributed to unrealistically low original allocation, considering a large and complex country; (b) significant cost overruns and a large foreign exchange loss (of about US$7 million); (c) favorable comparative and competitive costs of similar activities/expenditures (agro-services and rural infrastructure) carried out in other Sub-Sahara Africa countries; (d) coordination challenges between different Ministries and low institutional capacities of producer organizations. In addition, the project management team made various adjustments to enhance project efficiencies, including: reduced scope of some activities; reduced initial project implementation delays; re-allocated selected activities/funds; low staff turnover.

Modest efficiency rating, due to the significant shortfall in the ERR, the administrative inefficiencies cited above and the relative sensitivity to the various threats to project benefits, especially delayed and potentially unsustained benefits, which reflect underlying public institutional weaknesses, limited private sector and farmer organization capacities.

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	✓	32.40	0 ☐ Not Applicable
ICR Estimate	✓	21.90	0 ☐ Not Applicable

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

6. Outcome

The overall outcome rating is based on the assessment of the 3 dimensions of (as discussed above/summarized), and a split evaluation of the performance of the project's objectives, for reasons stated in section 2 (e), and influenced by the revisions arising from the restructurings (especially in early 2018 and mid-2019), with significant reallocations among components (especially 1), a reduced level of ambition of several key targets and significant improvements in some of the key outcome and disbursement indicators. Accordingly, this review concludes that the project's overall outcome is rated **"Moderately Satisfactory**". The following points provide a summary and Table 1 provides further details of this split outcome assessment.

(1) **Substantial rating for relevance of objectives**: based on the project's solid and continued alignment with Government's national and regional policies and strategies, and the Bank's country assistance strategy,

although the project documentation and ICR does not provide explicit documentation and attribution of the project's contribution to the higher-level outcome and impact indicators;

(2) **Modest and Substantial ratings for efficacy**, which reflected 4 restructurings, although 2 which are more substantial in terms of their reduced level of ambition of some of the performance indicator targets;

(3) **Modest rating for efficiency**, considering the significant shortfall in the ERR target (21.9% vs. 32.4%), and the various delays and administrative inefficiencies incurred during implementation

Table 1: Overall Outcome Rating for Split Assessment

Rating Aspects/Dimensions	**Original Objectives and Targets (from end of 2013)**	**Original Objectives and Revised Targets (Restructuring in 1/2018 and 7/2019)**
1) Relevance of PDO	Substantial	
2) Efficacy	Modest	Substantial
PDO 1: Increased Productivity in Selected Value Chains in target zones	Modest	Substantial
PDO 2: Increased employment in selected value chains in target zones	Modest	Substantial
3) Efficiency	Modest	
a) Outcome Ratings:	Moderately Unsatisfactory	Moderately Satisfactory
b) Outcome Rating Value:	3	4
c) Amount Disbursed: (US$ millions)	43.9 million	37.0+22.9 = 59.9 million
d) Disbursement Share (%):	42%	36% + 22%=58%
e) Weighted Value of Outcome Rating:	1.26	1.44+0.88=2.32
f) Final Outcome Rating	**Moderately Satisfactory** (1.26 + 2.32= 3.58, rounded to 4.0)	

a. **Outcome Rating**
Moderately Satisfactory

7. Risk to Development Outcome

There is a **high risk** to sustaining the project's outcomes and contribution to the project's expected impacts. The ICR provides sound evidence and rationale for this conclusion, while also identifying relevant mitigation

measures promoted by the project during implementation, including (ICR, para. 88). These main risks and mitigation measures include:

(a) Technical and Financial Risks: adequate technical and funding/financial operation and maintenance and further development of the physical investments/infrastructure (ref. to rural roads, AIP at Lukula, SEZ of Maluku) depend on the good functioning and continued technical strengthening and recurrent funding of key institutions at various levels (e.g., provincial and regional rural roads maintenance committees, management agency for Lukula and the Agency for SEZs at Makulu);

(b) Technical Risks: sustained social mobilization and effectiveness of the social mobilization that was achieved with the project's establishment of 300 cooperatives needs continued technical support to remain viable and effective;

(c) Political and Financial: adequate political stability and increased/sustained private sector participation and financing for expanding agricultural development along the value chains of rice, cassava and palm oil depend on sound, expanded and sustained government policies and political stability to promote competitive and inclusive private sector role;

(d) Technical and Financial: Since most of the physical investments were only completed towards the end of the last year of project implementation, there was little time to test the robustness of these institutions and policies, and therefore, this will require follow-up in terms of appropriate and sustained strengthening actions. In the case of the SEZ at Maluku, sizeable investments in physical infrastructure will have to be made before private sector investments can be attracted. It was understood that PDPC would build a "minimum" infrastructure inside the SEZ that would be further developed by the private developer, based on their business needs and development plans;

(e) Technical and Institutional: With respect to AIP at Lukula, Government and other relevant actors will need to take decisions regarding the ownership and management of the facility and connections/arrangements between agricultural producers and the processing facilities.

The ICR concludes that there is "a risk that some of the achievements of the project will be lost in a short time span, unless these issues are addressed by Government and there is adequate financing" (para. 88).

8. Assessment of Bank Performance

a. Quality-at-Entry

The quality-at-entry of this project is rated M**oderately Satisfactory**, based on the guiding criteria (outlined in the ICRR Guidelines, especially with respect to strategic relevance; policy and institutional aspects; risk assessment and Bank inputs), and the following specific points:

(i) The project design/preparation and appraisal documents show that the WB team was highly aware of the developmental context and the major challenges in formulating and financing a multi-sectoral and complex project, taking an untested and innovative growth poles approach. The World Bank team was also keenly aware of the post-conflict environment resulting from many years of civil strife, very limited public sector capacity to provide public goods and services and an infant private sector to assume a

quick and major role and strategic partnership, and a fervent, inclusive and continuous public-private sector dialogue. This awareness was used to guide the project formulation process and technical content, including emphasis to the strategic context, policy and institutional aspects, relevant technical components and risk assessment, with relevant mitigation measures;

(ii) The World Bank's team considered various design options and existing capacities, especially in terms of geographic location and opted for a more traditional investment project financing (IPF), instead of an adaptable program lending instrument (APL);

(iii) The World Bank's project team incorporated various measures and World Bank technical inputs to help ensure overall project implementation readiness, especially through the Project Preparation Advance (PPA), but the ICR reports that the envisioned measures were delayed and partially carried out. Also, the M&E system did not receive the required attention during the design and early implementation phases; the World Bank team, working closely with counterparts, subsequently accorded priority to enhancing M&E operational design and implementation aspects, especially during the project's restructurings. Actions to rectify the M&E system weaknesses were delayed to about mid-2015, during project restructurings; also, various key performance indicators were not developed and operationalized (e.g., with respect to improvements in investment climate; ICR, para. 72).

Quality-at-Entry Rating

Moderately Satisfactory

b. Quality of supervision

The quality of supervision was **Moderately Satisfactory**, based on the evidence provided in the ICR (para. 86), and other project documentation, especially the Implementation Support Reports/ISRs, including:

i. The Bank team emphasized various actions to enable readiness for project launching, and also emphasized the follow-up to help ensure fiduciary, procurement and safeguard (for Category A) requirements were met by the implementation entity, especially following some initial misprocurement of Bank-financed contracts, which was subsequently rectified, with active Bank engagement
ii. Several internal changes within the World Bank which undoubtedly contributed to the initial slow start and significant implementation delays in the first three years, namely: task team leaders/TTLs changes four times during the first three years of the project's implementation; immediately following Board approval, the accountability and decision-making arrangements --- Administrative TTL and the Global Practice/GP
iii. Implementation Support Missions/ISMs did not formulate comprehensive action plans to address project problems, while recognizing that the reports highlighted the nature/scope of the issues, many of which were externally driven;
iv. A delay in conducting a much-needed mid-term review (MTR) mission, which took several months to work out an agreed restructuring plan (about mid-2017);
v. Bank staff based in the DRC country office/Kinshasa consistently participated in ISMs and conducted follow-up support on project developments; and

vi. During the last year of the project, due to COVID 19, ISMs were conducted remotely, without field visits, with Bank staff in the Kinshasa office taking an active role with Project counterparts.

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The design of the M&E system was perfunctory and superficial, especially given the complex nature of the project and its ambitious PDO, for the following reasons (ICR, para. 72):

i. The PAD stated that a baseline survey would be carried out to ensure systematic, reliable and timely measurement of the productivity and production targets, and two rigorous impact evaluations were to be undertaken during the MTR. These activities were delayed and partially carried out (see below);
ii. Prior to project closing, independent external consultants were to be contracted to conduct a project review, which did take place;
iii. Some of the PDO level results and intermediate result indicators were not clearly defined (e.g., beneficiaries, jobs created, volume of food processed, value of private investment flows in the targeted value chains and percentage of women participation;
iv. Delay in elaborating a much-needed M&E operational manual describing data sources, methodology and arrangements for their collection (delayed until February, 2015, rather than in 2013); and

Specific operational indicators were not developed to assess qualitative improvements in social mobilization (e.g., strength and cohesion of cooperatives) and specific improvements in business climate.

b. M&E Implementation

The ICR presents a progressively improving performance of M&E implementation, for the following reasons (ICR, para. 73):

(i) notwithstanding that one local and one international M&E experts were hired at the onset to work on data collection and capacity building of the Project Implementation Unit (PIU) staff, the ICR concluded that M&E system, arrangements and staffing were not given the needed attention, and therefore, inadequate during implementation;

(ii) a project baseline survey was carried out, but delayed to 2015;

(iii) the M&E responsibility was initially placed in the Fragile States Unit, the Project Coordination Unit/PCU within the Ministry of Finance; during/following the MTR (mid-2017), the M&E arrangements were addressed and rectified;

(iv) an international consultant formulated a much-needed project M&E manual;

(v) in the light of project implementation delays, targets for several key indicators were reduced, or indicators dropped;

(vi) the institutional arrangements for M&E were revised, decentralized and strengthened, especially following the MTR: collection of data for Component 1 (Agriculture Value Chain Development) became the responsibility of SNV and the staff of the Ministry of Agriculture (MOA) at the provincial level; a Project Executing Unit (UEP-1) within the MOA at the national level was put in charge of M&E for this component; to improve M&E, a technical committee was established at the provincial level. The project team informed IEG's Evaluator (August 7, 2021, during the ICRR interview meeting) that the Project's M&E system contributed to improvements in the data collection systems, generation of improved production and processing data, and its utilization;

(vii) During June 2017, the National Agency for Investment Promotion (ANAPI), which was supported by the Project, carried out a survey of private companies their assessment of the impact of the reform measures adopted to improve the business climate;

(viii) In September 2020, a comprehensive beneficiary assessment under Component 1 was carried out covering the opinion of farmers, seed multipliers, small entrepreneurs, and representatives of the various public and private entities involved in project execution;

(ix) As an extension of the Project's M&E system, the Government arranged to carry out an independent Impact Evaluation Study (IES). It was based on a rigorous methodology for impact evaluation, while the IES also noted some inherent weaknesses (e.g., especially with respect to using a mixture of project area beneficiary and non-beneficiary households, and the inherent difficulty of not being able to make a clear distinction between beneficiaries and non-beneficiaries; the IES included assessment for only component 1; ICR, see Annex 7). Considering the challenging conditions in DRC, and the methodology and reported results of the IES, IEG evaluator concludes the IER is of overall "good" quality and reliability; and

(x) The Government prepared a comprehensive implementation completion report (ICR, in 2020), incorporating relevant results from the project's M&E system and the IES.

c. M&E Utilization

The ICR presents positive evidence on the progressive utilization of the improving M&E system and its results. The following actions are cited (ICR, para. 74):

(i) Both the Government's PCU and subsequent Bank ISMs utilized the data generated by the improving M&E system to periodically make adjustments to the scope of the project; however, the institutional arrangements were not appropriate for a multi-sectoral project, with dispersed field activities;

(ii) The main indicator used by the PCU/Government and the Bank to judge project progress were the lagging disbursement figures;

(iii) During the MTR (May, 2017), the M&E data were used within a results-oriented approach to re-structure remaining project activities so that they could be achieved within the existing timeframe of the project;

(iv) However, qualitative aspects regarding social mobilization (strength of the cooperatives being created) and the investment climate (foreign investment flows) were not operationalized due to weak M&E design; and

(v) The Government's PCU utilized results from the Project's M&E system to prepare its version of the Project Completion Report; also, data generated by the Project's improved M&E system also provided inputs for the Project's Impact Evaluation Report. In addition, the Project's IER provided adequate evidence and progress on achieving the project's outcomes (especially following the project's restructurings), despite the project's modest M&E quality rating, while also noting that the M&E system improved during implementation (ICR, Annex 7).

Notwithstanding the "modest" rating of the Project's M&E system, the ICR and supporting documents, especially the findings from the IES, provide adequate evidence to justify the final overall outcome rating of "Moderately Satisfactory" (ref. ICRR, Table 1).

M&E Quality Rating

Modest

10. Other Issues

a. Safeguards

The project was classified as an environmental category A project (full assessment), and triggered the following safeguard policies: (i) OP/BP 4.01 for Environmental Assessment (EA); (ii) OP/BP 4.04 for Natural Habitats; (iii) OP/BP 4.09 for Pest Management; (iv) OP/BP 4.11 for Physical Cultural Resources; (v) OP/BP 4.12 for Involuntary Resettlement; (vi) OP/BP 4.36 for Forests; and (vii) OP/BP 7.50 for Projects on International Waterways.

For the riparian notification requirement under OP/BP 7.50, an exception was received on May 1, 2013. To deal with these issues, the Government prepared the following key documents: an Environmental and Social Management Framework (ESMF); a Resettlement Policy Framework (RPF); as well as several Environmental and Social Impact Assessments - ESIAs and RAPs, in particular for the works of (i) rehabilitation of agricultural feeder roads in six hubs of Kongo Central ; (ii) construction of the Lunga vasa – Moenge power line; (iii) development of physical infrastructure and commercial activities in the SEZ of Maluku; and (iv) development of the rice growing areas of Boma and Lukula.

By the end the project implementation, more than 35 safeguard instruments were prepared in order to establish the principles and mechanisms for mitigating negative environmental and social risks and impacts of project activities. These instruments were implemented in the project area, and the PCU ensured regular

monitoring of their implementation on the sites. A quarterly environmental and social monitoring report was sent to the WB on a regular basis.

The instruments prepared for environmental and social safeguards included: an ESMF, an RPF, ESIAs, RAPs and Pest Management Plan (PMP); they were all disclosed through the World Bank Info Shop between 2012 and 2013. Successive WB ISMs regularly checked on the observation of the measures prescribed under these policies and concluded that they were being adhered to. The Bank's project team carried out site visits along the rural road network being rehabilitated and the sites selected for the AIP in Lukula and the SEZ in Maluku. Non-observance by the Government/PCU of the World Bank's environmental and social safeguards policies led to the suspension of disbursements under Category 2.3 (Physical Infrastructure for SEZ in Maluku, per ICR, para. 80). The PDPC, with funds from the Government, executed the payment for 622 persons residing in the project area (totaling US$ 4.4 million).

Occupational Health and Safety – OHS Aspects: The Government/PCU reported about ten OHS incidents arising at the various project sites (mostly minor injuries). The PCU monitored, recorded and resolve these incidents. No deaths were reported by the PCU during the project's implementation.

Grievance Redress Mechanism (GRM): The PCU established an operational GRM. Beneficiaries also had the option of sending their complaint by courier or in person. The PCU received complaints for activities directly linked to PDPC, via various channels. The ICR confirms that all complaints linked to the Project have been documented, and included mostly: access restriction to resources or loss of revenue, resettlement of populations and compensations, as well as conflicts on the ownership of particular assets (ICR, para. 79).

b. Fiduciary Compliance

(i) Financial Management: There were various aspects which showed mixed performance, including (ICR, para. 84 for further details):

(a) Report Submission and Quality: The first contract for the external auditor was signed with a six-month delay, in May 2014. Audit reports for 2014 and 2015 were qualified but all subsequent reports were submitted without qualification. The Audit report for 2020 was submitted to the Bank by the Government in June, 2021. Concerning Interim Financial Reports - IFRs, a few were submitted late;

(b) Eligibility of expenditures. In September 2014, Government requested the WB to change the project scope to retroactively finance an electricity line connecting the Bukanga Lonzo agro-industrial park. This was rejected, and also put the project on hold for 10 months, negatively affecting financial management and disbursements. At the end of 2014, component 3 suffered from difficulties with hosting the US$10 million Project Development Fund (PDF), which was initially to be with SOFIDE, a national development agency that was to receive financial resources from the Government to finance private investments. This agency was audited as part of the 2013 FSAP and considered non-compliant with WB standards. Instead, the PCU/Project had to work with ANAPI;

(c) Other Key Financial Issues: The project suffered a foreign exchange loss estimated at US$6.9 million. Since 80% of the budget was disbursed after 2017, the exchange rate had a significant impact on the PDPC. At project closing, disbursement rate was around 92%. In 2020, disagreements related to contracts

with SNV and SIM mobilized both the PCU and the WB for several months until the situation was resolved. For SNV, the issue was linked to eligibility of invoices above agreed contract ceiling. After several discussions, a tentative external review and signature of a transactional agreement, the Ministry of Finance/PCU finally agreed with the payment of SNV's pending invoice (by end of 2020, for $1.3 million).

(ii) Procurement Aspects (ICR, para. 83):

(a) Procurement was rated unsatisfactory early on due to long delays in getting key PCU staff hired (coming from another PCU of a project being closed, plus temporary diversion to address emergent priorities of the Government), as well as for delays in major contracts to get finalized and signed (e.g., the contract for SNV took 18 months to be completed);

(b) These procurement-related delays translated in very low disbursement in the first three years of implementation (around 20% by the end of 2016);

(c) The hiring of SEZ agency suffered from perceived lack of transparency in the recruitment of its key personnel, which led to multiple procurement complaints that had to be addressed before proceeding;

(d) A MoU signed with CPCAI (refers to a Climate Change Committee) in September 2015, which had to be suspended in November 2015, due to the Government's closure of this entity, with activities subsequently assumed by ANAPI; and

(e) some contract issues with SNV and SIM were only resolved at project closing.

c. Unintended impacts (Positive or Negative)

Not Applicable.

d. Other

The ICR highlights four other positive aspects arising from the project involving: gender; institutional strengthening; mobilizing private sector financing; and contributions to poverty reduction and shared prosperity. While there are some attribution issues to determine the precise role of the project in generating these benefits, the nature and scope of these benefits are summarized below, based on the evidence presented in the ICR; the evidence is mostly qualitative, which also was documented during the various implementation support review missions (and supporting Aide Memoires).

(i) Enhanced Gender (ICR, para. 57): The specific gender benefits documented in the ICR included: (a) the Netherlands Development Organization (SNV), the NGO charged with capacity building of producers' organization, especially cooperatives, did a good job in putting forward activities for the structuring and professionalization of Producer Organizations, promoting women within the cooperative movement, and helped ensure that 40 percent of women were elected to leadership positions in their cooperatives. SNV training modules focused on (a) integrating women in the value chains; (b) preparing women to assume leadership roles within cooperatives and along the value chains; and (iii) increasing the degree of the autonomy of women in economic matters.

In terms of job creation for women, the project had a 50% end-target. At Project closing, this target could not be reached, with a final figure of only 19%. The main reason was due to delays in implementation, with late financing of matching grants and delays in the AIP of Lukula. This had a major impact in the processing sector, which was considered most promising for women for job creation, vis-à-vis for men. Also, the project's focus on infrastructure works favored jobs for men. The target was not changed during the MTR, which shows the need for realism and appropriate interventions.

(**ii) Strengthened Institutions** (ICR, paras. 58 – 61): The project made various substantial contributions to enhanced institutional roles and capacities, including:

(a) PDPC contributed to strengthening the institutional capacity of various stakeholders, civil servants and staff working at the Ministry of Finance (which has a PCU managing other Bank and donor-funded projects), and included other units that were established to work on component 1 of the Project, especially the Ministry of Agriculture, the Ministry of Industry, the ANAPI as well as in the Bas Congo Province (para. 58). This strong capacity building effort contributed to very strong ownership of beneficiaries on the ground, with PDPC coverage of six different cities in the Bas Congo Province and at very high-level leadership. PDPC also contributed to the establishment, role and increased capacities of the PCU (CFEF) at the Ministry of Finance. The CFEF is now managing many projects from the WB and other development partners;

(b) the project helped to strengthen three key institutions that lie at the basis for agricultural productivity increases, namely (para. 59): (i) the National Institute for Agronomic Research (INERA), for the production of improved seeds and planting material, laboratory equipment and operational funds; (ii) the Seed Certification Agency (SENASEM), also with project-funded laboratory equipment and operational funds, to enhance the see value chain; and a network of private seed multipliers were greatly strengthened through financial support and TA from International Institute of Tropical Agriculture (IITA); and (iii) the project engaged and funded an international NGO (SNV) to strengthen the weak capacities of the weak public agricultural extension system, focusing in the project area; the delays in contracting SNV limited the expected benefits from the extension system, hence limiting the potential increases in crop productivity, production and processed food;

(c) The project helped to strengthen institutions for rural roads maintenance, namely, the provincial and local road maintenance committees were strengthened by the elaboration of a rural roads maintenance manual and action plan, in consultation with provincial government officials;

(d) The agencies in charge of SEZ and the ANAPI were greatly assisted in the selection and training of their personnel, as well as with the definition of their respective roles and the elaboration of an appropriate policy framework, which contributed to an enhanced policy business environment;

(e) The project contributed to establishing a cooperative movement; at least 300 cooperatives were created and received material (improved planting material), technical (management training) and financial (matching grant) support. At the same time, the Farmers' Force in Kongo Central (FOPAKO) that represents farmers in the project area, was mobilized to play its role at the provincial and national levels.

(iii) Increased/Mobilized Private Sector Financing (paras. 62 – 64): The project made various substantial contributions to enhanced institutional roles and capacities for expanded private sector roles, including:

(a) The Project helped to mobilize an expanded private sector by providing TA and capacity building for ANAPI as well as on business climate reforms and cross-border trade. The PDPC produced seven thematic

studies within the framework of improving the business environment, the investment climate, and support for ANAPI;

(b) The Project's communication activities made it possible to sensitize economic operators and public services concerned by the reforms, which made it possible to significantly improve the time to import and export;

(c) The implementation of the Matching Grant encouraged the beneficiaries to mobilize their financial counterpart which represented 50% of the budget of the sub-project for MSMEs. The matching grant made it possible to set up 31 agro-industrial MSMEs, which annually process 9,000 tons of fresh cassava, 300 tons of cassava leaves, 9,000 tons of palm nut bunch and 750 tons of paddy rice. The operationalization of the SEZ will help mobilize more financing from the private sector, also with the best working conditions for companies that will be established in the area;

(d) The project contributed to a proactive business development environment, through: supporting targeted regulatory reforms, and to supporting various strategic studies which are laying the foundations for improving and sustaining DRC's investment climate, with respect to diagnostic work and sound action plans; organizing trainings or financed the participants of representatives from DRC (especially from ANAPI) to attend several Regional Peer to Peer Learning events that helped build the capacity of DRC stakeholders to learn more about Doing Business and Investment climate reforms, how to draft an action plan and how to monitor/follow up and evaluate it.

(iv) Improved Poverty Reduction and Shared Prosperity (ICR, paras. 65 – 67): Based on the findings from the IER and the ICR, the project had a positive impact on job and income generation of beneficiary households, although the quantitative dimensions were not measured by the IER. According to information from the Government's ICR (October 2020), and the beneficiary satisfaction assessment (September 2020), the 50,000 agricultural households that participated in the project, more than doubled their productivity, and their annual incomes are reported to have increased nearly 7-fol. Average annual family incomes increased from about US$150 to US$1,000, although the ICR did not provide clear evidence of the reliability of this large increase and the distribution patterns among direct beneficiaries.

The Project's Impact Evaluation Study (IES) contributed generally sound and reliable evidence on the project's role in helping to reduce poverty and promote shared prosperity, while also recognizing some of the study's attribution issues of improvements to the study's data collection and analyses methodology. It is noteworthy the IES recognized that it was difficult to distinguish who were and were not project beneficiaries, while also noting that there were not other similar projects in the project area. Based on the analysis of data collected during the baseline survey in December 2015, and data collected at the end of the project (in July 2019) with the same households, the main findings are summarized as follows (ICR, para. 67, with further details in Annex 7):

- The households benefiting from the project are generally smallholder farmers with total field plots of about 2.38 ha.;
- Activities of household members show very little diversification outside the agricultural sector. Few household members are engaged in non-agricultural or wage sectors. Those who are wage earners generally have short-term contracts that do not exceed one month of work a year;
- The results of the impact analysis suggest that the PDPC has resulted in a significant increase in the productivity of cassava-growing households;

- The project has also improved household farm income and had a positive impact on the processing of agricultural products;
- The project's findings show a significant increase in crops yields for the 3 target crops, vis-à-vis the baseline figures, respectively (while noting that differences with non-beneficiary families in the project areas were not clear): palm oil: 10 MT actual vs. 3 MT baseline; rice: 3.1 MT actual vs. 1.8 MT for BL; and cassava: 18.4 MT actual vs. 8 MT BL. On the other hand, the IER concludes "there is no significant impact of the project on rice and palm oil yields among households cultivating these crops, and there is little or no effect on other non-agricultural sources of income. Sales of unprocessed agricultural products and total household income appear to have stagnated or decreased".

These results suggest that the PDPC has led to an adjustment in household activity, as households have shifted from marketing their crops to processing. These effects may represent adjustment costs associated with the adaptation of their economic activity.

11. Ratings

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

12. Lessons

The ICR presents ten lessons arising from this project (ICRR, paras. 89 – 98, which also provides project-specific aspects, of which some were achieved, and others not achieved). This ICRR focuses on consolidating key elements of the ten lessons into **five strategic lessons. These lessons** focus on the broader significance of the project's experiences, drawing conclusions which are applicable for other projects, especially in the context of a Fragility, Conflict and Violence (FCV) environment. The ICR (paras. 89 – 98) provides further details on the experiences arising from this project, which provided the basis for the relevance of the strategic lessons which are applicable to other projects/countries.

(a) **Lesson 1: The importance of judicious project design in a Fragility, Conflict and Violence (FCV) context, which takes into account the following five key complementary elements:**

(i) importance of careful assessment of weak institutional capacities of the most relevant entities, involving public private and civil society sectors;

(ii) including in the design process contingency planning and multiple cost evaluation scenarios, to ensure flexibility and realism, given FCV aspects which may trigger changes during implementation;

(iii) the relevance of taking a sequenced and sound approach to expanding the role of a weak private sector, building on relevant recent initiatives;

(iv) taking a phased nation-wide approach, to lay the groundwork for subsequent sustainability, scaling-up and replication in other geographical areas/zones; and

(v) importance of formulating a sound results framework and effective operational monitoring and evaluation/M&E system, including the formulation, from the outset, the most relevant result indicators (e.g., by gender, scale of operation and operational);

(b) **Lesson 2:** Vital relevance of ensuring from the design stage three core complementary elements regarding sound formulation of **appropriate institutional arrangements and roles**:

(i) early and sound implementation capacity assessments (or "audits") of the most relevant entities (for both public and private sectors);

(ii) appropriate, clear and complementary arrangements and roles of relevant entities involving public, private and beneficiary/other stakeholder sectors, to stimulate expanded role of the private sector, especially in countries emerging from FCV;

(iii) appropriate and clear partnership arrangements to help ensure effective implementation, results, capacity building and sustainability, including: the role of relevant entities such as the IFC; fostering and strengthening partnerships with strategic local entities; promoting the role of NGOs to provide implementation support and capacity building;

(c) **Lesson 3:** Appropriately **designed and targeted technical assistance/TA and training activities** are vital to help ensure the most appropriate support and approach to enhancing implementation capacities of each of the key institutional actors, at various levels, consistent with their appropriate roles.

(d) Lesson 4: Timely Contracts and Meeting Safeguard Requirements: Importance of ensuring major project-financed contracts and safeguard requirements of key project components/activities are prepared and finalized during the early phases of project implementation. Under this project, these aspects were not adequately prepared, and resulted in project delays and reduction in the original targets and results. Also, the Bank's technical support role during preparation and early implementation to the relevant entities can play a vital role, especially since contracts/safeguards need to meet Bank (and other financier(s), as relevant) requirements.

(e) Lesson 5: Intensive and Appropriate WB Implementation and Sustained Support: (i) Adequate, timely and sustained WB implementation support, with necessary human and financial resources, can play an essential role, especially when working in weak capacity and FCV environments.

(ii) Also, these type of projects show the importance of ensuring adequate Bank staff continuity and travel and/or presence in the project area, especially in a large country like DRC. Having more

frequent missions and of shorter duration, managed from the field, can enable taking corrective measures much earlier and avoid significant delays in project implementation.

(iii) Another aspect of appropriate WB support which can also contribute to sustainability of project benefits applicable to other projects is the vital role of timely follow-up Bank-financed projects. This support can include providing sustained support for continued strengthening of the most relevant public sector entities (e.g., agricultural seeds, research and extension systems, SMEs) to help enhance an improved business "environment" and practices.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

Overall, the quality of the ICR is **Substantial.** The ICR is well written, consistent with the ICR guidelines, analytical (including the Theory of Change/ToC, albeit overly abbreviated and lacking a clear narrative on the results logic, and giving excessive emphasis to the project's components (rather than outcomes arising from the inputs and outputs). In addition, the ICR provides a generally sound results framework, Economic and Financial Analysis/EFA aspects), with candid and results-focused findings (incorporating results from the IES), and generally supported by adequate evidence to justify the assessment and proposed ratings, and outlines relevant strategic lessons which can be applicable to other similar projects (especially in FCV environments).

a. **Quality of ICR Rating**
Substantial