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# Federal Republic of Nigeria

# **Country programme evaluation**

# **Executive summary**

Evaluation Committee — Fifty-fifth Session Rome, 8 April 2009

# For: Review

### Note to Evaluation Committee members

This document is submitted for review by the Evaluation Committee.

To make the best use of time available at Evaluation Committee sessions, members are invited to contact the following focal point with any technical questions about this document before the session:

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# Abbreviations and acronyms

AfDB	African Development Bank
ARRI	Annual Report on Results and Impact of IFAD Operations
CBARDP	Community-based Agricultural and Rural Development Programme
CBNRMP	Community-based Natural Resource Management Programme –
	Niger Delta
CDD	community-driven development
COSOP	Country Strategic Opportunities Programme
CPE	country programme evaluation
CPM	country programme manager
IITA	International Institute of Tropical Agriculture
KSACDP	Katsina State Agricultural and Community Development Project
LGAs	Local Government Areas
NLAs	non-lending activities
NRM	natural resource management
ODA	official development assistance
OE	Office of Evaluation
PA	Western and Central Africa Division
PCU	project coordination unit
RTEP	Roots and Tubers Expansion Programme
RUFIN	Rural Finance Institution-building Programme
RUMEDP	Rural Microenterprise Development Programme
SSACDP	Sokoto State Agricultural and Community Development Project

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# Executive summary

### I. Introduction

- 1. Nine loans with a total value of US\$187 million have been provided by IFAD, with the first loan to Nigeria approved in 1985 (see appendix I). The total cost of the entire IFAD-funded project portfolio is US\$642 million, out of which counterpart funding amounts to US\$276 million and cofinancing to US\$177 million. In addition, since 1979, IFAD has provided technical assistance grants with a value of over US\$23 million to the Nigeria-based International Institute of Tropical Agriculture (IITA), principally for undertaking research on cassava and other root and tuber crops. Further small grants have been provided to other research institutions and NGOs for trials on millet and sorghum, as well as for assistance in community development and capacity-building.
- 2. At the time of the country programme evaluation (CPE), four IFAD-funded projects and programmes were closed, three were ongoing and the remaining two had not yet been declared effective. The World Bank was the cooperating institution responsible for project supervision and loan administration in six projects. The United Nations Office for Project Services (UNOPS) was the cooperating institution in one project, whereas IFAD is directly responsible for supervision, implementation support and loan administration in the two most recent projects funded.
- 3. Cofinancing by other donors such as the European Union, Ford Foundation, the United Nations Development Programme (UNDP) and other institutions was planned during project design, however, only limited cofinancing ensued. The institutions that actually cofinanced IFAD-supported projects and programmes in Nigeria were the Ford Foundation (US\$0.5 million), UNDP (US\$3.6 million) and the World Bank (US\$16.2 million).
- 4. Official development assistance (ODA) plays a minor role in Nigeria's economy. Total ODA is estimated at 0.5 per cent of Nigeria's GDP, significantly lower than the 8 per cent average for developing countries as a whole (Development Assistance Committee, 2007). The IFAD contribution is small as compared with the total ODA received by the country. In fact, the Fund's resources account for around 18 per cent of the total ODA contribution to Nigeria. The contribution is also relatively small in comparison with federal, state, and local government area budgets for agriculture and rural development activities.

#### Evaluation objectives, methodology and process

- 5. The objectives of the first CPE by the Office of Evaluation (OE) in Nigeria were to: (i) assess the performance and impact of IFAD operations, including non-lending activities (i.e. policy dialogue, knowledge management and partnership-building); and (ii) generate findings and recommendations that can serve as building blocks for the preparation of the new results-based country strategic opportunities programme (COSOP) for Nigeria by the IFAD's Western and Central Africa Division (PA) and the Government of Nigeria.
- 6. In terms of methodology, as for all other such evaluations by OE, the CPE uses internationally recognized evaluation criteria to assess the results of the portfolio. These include relevance, effectiveness, efficiency, rural poverty impact, sustainability, performance of partners (i.e. IFAD, the Government and cooperating institutions), as well as innovation, replication and scaling up.

- 7. The CPE covers seven out of the nine projects funded by IFAD in the country. The first two projects funded by IFAD in Nigeria were excluded from the cohort as they were designed in the 1980s, and considered too old to generate useful lessons for future strategy and operations. The sample includes two projects that closed around eight years ago, thus allowing the CPE to gain a thorough appreciation of impact and sustainability. Out of the seven projects analysed by the CPE, three were ongoing and two were approved recently but not yet effective, thus permitting the evaluation to also assess the extent to which lessons from past operations were incorporated into the design of new projects and programmes supported by IFAD.
- 8. The findings of the CPE are based on: (i) a comprehensive desk review of existing evaluative documents (such as supervision reports, project progress reports, project status reports prepared by the IFAD country programme manager (CPM), mid-term reviews, project completion reports, etc.); (ii) self-assessments by PA and staff of the Roots and Tubers Expansion Programme (RTEP), the Community-based Agricultural and Rural Development Programme (CBARDP), and Community-based Natural Resource Management Programme – Niger Delta (CBNRMP); (iii) a country portfolio review undertaken by PA in 2007; (iv) dedicated performance and impact assessments, which were commissioned by OE as part of the CPE, of two IFAD-funded projects, namely the Katsina State Agricultural and Community Development Project (KSACDP) and RTEP. These assessments were conducted by the Nigerian Institute of Social and Economic Research; and (v) four weeks of work at the country level by a multidisciplinary seven-person CPE team, which held discussions with beneficiaries, project staff, government officials, other donors, and civil society members, and also visited various project sites and activities in the country.
- 9. With regard to country work, a preparatory CPE mission was fielded in October 2007, which was followed by the main CPE mission in November/December 2007. In line with the provisions in the IFAD Evaluation Policy, comments from PA and the Government have been duly considered in preparing the final CPE report. A national round-table workshop was held in Nigeria in November 2008, which provided an opportunity to discuss the main issues emerging from the CPE. The outputs from the workshop provided useful inputs towards the preparation of the CPE's agreement at completion point between the Government of Nigeria and IFAD.

#### Economy and poverty

- 10. Nigeria is the world's twelfth largest producer of oil. Its GDP has increased fivefold since 1990 and stood in 2007 at US\$140 billion, giving a GDP per capita of over US\$1,000. However, the country's 140 million people are still among the poorest in the world: the country is ranked 158<sup>th</sup> out of 177 nations on the Human Development Index in UNDP's 2007/2008 *Human Development Report*. Income disparity and widespread poverty persist despite increasing foreign revenues. Until the return of democratic government in 1999, Nigeria was characterized by a series of military dictatorships and economic challenges.
- 11. Agriculture is crucial for Nigeria's economic growth since it contributes around 45 per cent to the country's GDP. The sector is dominated by smallholder farmers with small parcels of land, most less than one hectare, who account for over 90 per cent of the country's entire food production. Nigeria is Africa's largest producer of yam and cowpea, the world's leading producer of cassava,<sup>1</sup> and a major fish producer with annual outputs of over 300,000 tons. However, the importance of investment in agriculture and rural development is declining in the face of the growth of other sectors. Government and donors' efforts to stimulate expansion and commercialization of agriculture have yet to yield the desired result.

<sup>&</sup>lt;sup>1</sup> Partly as a consequence of IFAD's assistance, working in conjunction with IITA and the federal and state governments.

12. Government policy for rural and regional development is set out in the National Economic Empowerment and Development Strategy and in complementary state and local strategies. In Nigeria's 2008 budget, US\$1 billion was devoted to agriculture, which is three times more than previous allocations. These resources will have to be used to address the various challenges the country faces in reducing rural poverty, including rapid population growth, prevalence of inappropriate technology and resource allocation, low rate of investment, poor distribution of social services and limited infrastructure, low agricultural productivity and food insecurity.

### II. The quality of IFAD's strategy

- 13. The Nigeria COSOP was considered by the Executive Board in April 2001. It was the first formal strategic planning document developed by IFAD on Nigeria. The COSOP was produced following about two years of consultations at the country level, which included a number of workshops and studies. The COSOP was prepared in compliance with Management guidelines at the time, before the adoption by IFAD's Executive Board of the new results-based COSOP format in 2006.
- 14. The 2001 COSOP built upon IFAD's sound project track record in the country. It also carefully considered the Government's and IFAD's overall strategic priorities, as well as those of other donors and the Millennium Development Goals. The three main elements of the 2001 COSOP are: (i) policy advocacy in agriculture and rural development for pro-poor reforms and improved local governance; (ii) development of effective rural institutions; and (iii) productivity and natural resource management (NRM). Major strategic thrusts are: empowering core target groups and community-based organizations to generate higher on- and off-farm incomes; supporting expansion of access to information, communication, infrastructure and technologies; and improving access by the poor to financial and social services.
- 15. The 2001 COSOP envisaged that IFAD would finance three projects and programmes in order to implement the country strategy. These were: (i) a community-based rural development and demand-driven support services programme; (ii) a rural financial services development programme; and (iii) a community land, water and common property resources management scheme.
- 16. According to the CPE, the first key element related to policy advocacy for pro-poor reforms and improved local governance was important at the time of COSOP development. Policy advocacy of this type remains relevant in today's development context in Nigeria. However, the pursuit of this element was particularly challenging in the early years of return to democratic government partly because IFAD did not at the time have any form of country presence but also because policy debates and public advocacy were not deeply rooted in the development environment of the country until that time. In any case, the CPE considers policy advocacy in agriculture and rural development to be even more important today, in the light of the need to enhance the access of the rural poor to resources, village infrastructure, and technology and services.
- 17. The COSOP's second key element development of effective rural institutions also continues to be relevant. That is, rural institutions are central to ensuring inclusive development actions. In this regard, it is noteworthy that IFAD has played an important role in Nigeria in promoting the community-driven development (CDD) approach to agriculture and rural development, which has contributed to building ownership and lowering costs in the delivery of project activities, as seen for example in the development of community infrastructure. The support provided in fostering, mentoring and supporting local government councils in dealing with community issues has also been meaningful.
- 18. The third key element of the strategy productivity and NRM also continues to remain relevant in a large country such as Nigeria whose sizeable rural population

derives its main livelihood from agriculture-related activities. However, according to the CPE, the attention devoted to increasing productivity and NRM has not been sufficient, especially in recent operations, which have focused primarily on microfinance and rural microenterprise activities.

- 19. In general, the CPE concludes that the strategy and provisions contained in the 2001 COSOP provided a useful framework for collaboration between Nigeria and IFAD, for instance, in its mapping out of some of the dimensions of the country's institutional landscape for agriculture and rural development (e.g. the role of the federal and state governments and LGAs in development planning and implementation).
- 20. That said, there are areas to which the COSOP could have devoted greater attention. For example, it would have benefited from a more thorough analysis of the characteristics and challenges to rural poverty reduction in Nigeria. In this regard, a more comprehensive description of the key target groups would have been useful in determining the geographic locations and people on which to focus. On another issue, the COSOP did not make sufficiently explicit those areas related to agricultural productivity and NRM where improvements were needed to enhance food security and rural incomes. This would have been useful in determining the policy, political and institutional enhancements that IFAD could have supported to ensure more effective results on the ground.
- 21. Moreover, the comparative advantage of IFAD was not adequately discussed, which would have allowed for easier identification of potential partnership with other development organizations, for example, in terms of joint programmes, cofinancing arrangements, analytic work and policy dialogue. The possible engagement of the private sector was only briefly covered, partly due to the emphasis on capacity-building of local government and on social rather than productive investments. Finally, the lessons from the past in the provision of rural financial services, microenterprise development, and implementation difficulties (e.g. delays in the provision of counterpart funds) within earlier projects could have been more widely documented.
- 22. The COSOP provided useful guidance for future operations, for example, in terms of the attention devoted to the promotion of innovations, gender equity and geographic coverage (i.e. priority was given to projects with national coverage). However, it did not clearly foresee the emergence of more formal agreements for collaboration with other major players in agriculture and rural development, such as the World Bank and the United Kingdom's Department for International Development (DFID), that have a significant presence in the country.
- 23. Overall, the CPE rates the quality of the strategy as moderately satisfactory. Further details on the assessment of the strategy may be found in appendix II.

# III. Performance of IFAD-supported projects in Nigeria

- 24. As mentioned in paragraph 7, the CPE reviews seven out of nine IFAD-funded projects in Nigeria. While five of the seven projects were assessed across all evaluation criteria, the two most recent operations (i.e. the Rural Finance Institution-building Programme (RUFIN), approved in September 2006 and the Rural Microenterprise Development Programme (RUMEDP), approved in December 2007) were only assessed for relevance, given that they had not yet become effective at the time of the CPE. In addition, the CPE reviewed 11 technical assistance grants and eight Special Operational Facility grants, dating from 1997 to 1999 (see appendix III).
- 25. Except for the KSACDP and SSACDP (Sokoto State Agricultural and Community Development Project), all other IFAD interventions have national geographic coverage. The execution of projects and programmes is the responsibility of state-level authorities. Broadly speaking, the CPE found that the evolution of the

portfolio up to 2006 followed a logical pattern of synergy between existing and new interventions in terms of geographic coverage, approaches and content (see next paragraph).

26. This is best seen in the CDD modality and LGA involvement that have characterized the various operations supported by the Fund in Nigeria. For example, the successful results achieved in capability–building in the projects in Katsina and Sokoto States were reflected in the design of the CBARDP and CBNRMP. The latter also benefited from lessons emerging from earlier cassava multiplication and artisanal fisheries development projects funded by IFAD. That said, the new RUFIN and RUMEDP programmes take IFAD into a different spectrum of development, in terms of content, institutional framework for implementation and geographic coverage.

#### Relevance

- 27. The objectives of the IFAD-financed projects are by and large in line with the Government's policy priorities of improving rural livelihoods; empowering individuals, groups and communities to raise incomes; and supporting local authorities to improve their performance. Similarly, the project portfolio is aligned with the main elements and thrusts of the 2001 COSOP, for example, in terms of building community organizations, promoting local governance and developing small-scale infrastructure.
- 28. More specifically, the community-based programmes were relevant with respect to their pioneering of beneficiary involvement and empowerment, and their strengthening of LGAs using the CDD paradigm. The latter empowered communities to identify and prioritize infrastructure, and to establish it in a cost-effective manner. The sustainable agricultural subcomponents of the earlier interventions were also relevant.
- 29. However, projects and programmes did not pay adequate attention to NRM, promotion of commodity value chains, or the sustainability of enterprise and income-generating activities. Moreover, the practicability and challenges of providing rural financial services through banks was not sufficiently studied.
- 30. The CPE expressed some concern with regard to the relevance of the second phase of RTEP, which emphasized the processing and marketing of cassava. While the broad objective of the operation was appropriate, project design did not pay the required attention to involving the private sector and financial institutions during implementation. Neither did it give adequate consideration to the viability of investments in processing activities, the competitiveness of trade, and the limitations in market demand for cassava.
- 31. The two most recent programmes (RUFIN and RUMEDP) are relevant given their overall objectives and focus on developing sustainable rural financial systems and rural microenterprises. However, among other issues, the CPE found significant challenges in their institutional arrangements, which are constraining project execution and effectiveness (see paragraph 17).
- 32. Taking all of these factors into account, the CPE concludes that overall the project portfolio was moderately satisfactory in terms of relevance. More specifically, 50 per cent of the projects assessed in Nigeria were considered to be satisfactory in this respect. The 2008 Annual Report on Results and Impact of IFAD Operations (ARRI) shows a similar result for IFAD operations globally: about 58 per cent received a satisfactory rating for relevance.

#### Effectiveness

33. The assessment of effectiveness – that is, the extent to which project objectives have been achieved – was carried out for the KSACDP and SSACDP. Two further projects (the RTEP and CBARDP) have been assessed for effectiveness in terms of the progress made to date against their physical and financial targets. No formal

effectiveness assessment could be made of the remaining three projects (CBNRMP, RUFIN and RUMEDP), given that they are either in the early stages of implementation or have not yet been declared effective.

- 34. On the whole, based on the four projects assessed and rated for effectiveness, the CPE noted that projects had made good achievements in terms of social and community investments, but had been less successful with regard to agricultural productivity and NRM. This is partly explained by the greater emphasis placed on social development activities (e.g. community participation and investments in drinking water supply), as compared with agriculture-related interventions.
- 35. More specifically, the Katsina State project showed impressive achievements, for example, in terms of the number of community development associations formed, the number of boreholes rehabilitated and constructed, and kilometres of roads built. However, performance was less impressive with regard to women's development, agricultural activities and environmental conservation (e.g. acreage of degraded arable and grazing land rehabilitated). The Sokoto State project recorded better achievements in terms of agricultural activities than the Katsina State project, evident in the production of improved seeds and number of farmers benefiting from extension services.
- 36. The RTEP was effective in improving the production of cassava. However, the programme's effectiveness was constrained by the lack of emphasis on training in business development for farmers, on agro-processing, on access to rural finance and on market linkages for cassava production. These dimensions were introduced into the programme following the tri-term review, and there are expectations that effectiveness will improve by the time of programme closure. The CBARDP and CBNRMP faced similar limitations to those of the Katsina and Sokoto State projects and the RTEP. That is, they focused mainly on developing community and social infrastructure and on enhancing production and productivity, without adequate consideration for access to input and output markets.
- 37. The RUFIN and RUMDEP are recent programmes that, at the time of the CPE, had not yet been declared effective. The CPE expressed concern about the effectiveness of RUFIN given the limited outreach and inadequate supply of loan funds from formal sources, insufficient provision for training and understanding of microfinance at the community level, and the generally poor repayment culture and weak savings propensity. The institutional complexities within RUMDEP – whereby programme execution is entrusted to the Small and Medium Enterprise Development Agency of Nigeria – have created communication challenges with the Federal Ministry of Agriculture and Water Resources (the designated executing agency in most previous projects) that may eventually constrain programme effectiveness.
- 38. The CPE concludes that the Nigeria project portfolio is overall moderately effective. More specifically, 75 percent of the projects assessed are considered either moderately satisfactory or satisfactory in terms of effectiveness, which is slightly lower than the global comparable average (83 per cent) for all IFAD operations contained in the 2008 ARRI.

#### Efficiency

39. The CPE found a very good level of efficiency in the execution of social investments using the CDD approach. Where communities were deeply involved in planning, implementation and monitoring, they built community infrastructure to the same standard of quality and timeliness as that achieved in similar activities by formal service providers and contractors, but at lower costs. The communities achieved this by using their own labour and local materials and by directly contracting artisans. This is an important area of achievement that deserves to be underlined.

- 40. Two overarching factors have hampered the efficiency of IFAD-funded projects and programmes in Nigeria. The first one relates to the long delays between loan approval and effectiveness. Typically, several projects have taken from two to three years from loan approval to be declared effective. In one case, the delay extended to 40 months. There are numerous reasons for this, including unclear institutional arrangements and slow procedures for ensuring that necessary loan covenants are fulfilled in a timely manner. The second crucial factor relates to the provision of funding for project execution. The track record for the portfolio is one of protracted bureaucratic processes for the drawdown of funds and frequent hold-up, and at times even denial of funding. This has caused delays in the approval of project annual workplans and budgets, leading to slow implementation progress.
- 41. The key factors underpinning efficiency at the farm level are high costs of operations, narrow gross margin, low net returns, poor benefit-cost ratios and high break-even point. This is particularly true for RTEP (especially in its second phase), where most of the cassava processing is unlikely to be viable and sustainable. Since the tri-term Review, the shift towards encouraging grower groups to process the cassava appears to be based on assumptions of technical and financial feasibility and end-product marketability that are not entirely realistic. For example, the CPE noted that many small and medium-sized cassava-processing mills were not functioning at full capacity, and that new ones were not taking off because of the lack of markets and/or because they were operating in a position of marginal profitability or outright loss. In the view of the CPE, there is a danger that inappropriate processing investments will undermine the potential effectiveness of the RTEP.
- 42. The efficiency assessment and ratings are based on four out of the seven projects considered by the CPE, given that the three recent operations (CBNRMP, RUFIN, and RUMDEP) had either just started implementation or had not been declared effective at the time of the CPE. In sum, half the projects assessed were moderately satisfactory in terms of efficiency, whereas the other half were moderately unsatisfactory. The performance in terms of efficiency is broadly the same in Nigeria as for IFAD operations globally (50 per cent moderately satisfactory) as reported in the 2008 ARRI.

#### **Rural poverty impact**

- 43. The rural poverty impact of the country programme is assessed primarily on the results of KSACDP and SSACDP. The likely impacts of CBARDP and RTEP which are expected to close in 2010 have also been considered by the evaluation. The impact of CBNRMP, RUNEDP and RUFIN was not assessed as the former has been under implementation for only a few years, and the latter two operations were not effective at the time of the CPE.
- 44. Generally speaking, while the CPE found that outreach to the targeted population has been less than planned, IFAD-supported projects have contributed to enhancing food security; increasing family incomes; improving access to health, education and transport services; and prompting important changes in community and women's confidence and self-reliance. For example, the dedicated KSACDP impact study indicates that 86 per cent of the beneficiaries have reported progress in social capital and empowerment, as compared with 39 per cent for those not covered by IFAD operations.
- 45. Furthermore, impact is apparent in the enhancement of physical assets: more secure land ownership, more household appliances, greater access to farm equipment and livestock, more effective means of transport, and bigger and better quality houses. Less impressive impacts have been recorded in agricultural productivity (excluding cassava), NRM and the environment, and market access.
- 46. With respect to gender, the dedicated impact studies undertaken during the CPE found that projects in general had promoted appreciable degrees of gender

equality. That is, 38 per cent of beneficiaries interviewed indicated positive developments in terms of gender equity, as compared with 26 per cent in the control group covered by the impact studies. Given the cultural constraints on participation by women in community development activities, a particular achievement of the CBARDP was to engage religious authorities in facilitating women's involvement in development initiatives.

- 47. The CPE concluded that there have been increases in total yields for most crops. However, there has been limited emphasis on value addition of crops, which has constrained sales and incomes to farmers. In this regard, processing technologies are still basic, and post-harvest and marketing methods are too weak to make agriculture fully competitive and beneficiaries self-reliant. Additionally, the involvement of the private sector in agro-processing, marketing, research, extension and rural finance provision has not been fully developed thus far. Also, even though average cassava yields have increased slightly,<sup>2</sup> productivity is somewhat low.
- 48. The lack of willingness by communities to invest in NRM and the environment is attributed, among other issues, to the long period of payback for such activities. The CPE mission noted that, apart from one micro earth dam in Katsina State, little had been done under IFAD-supported projects in water management. No specific activities had been proposed/undertaken to rehabilitate dilapidated earth dams or to control storm water runoff and groundwater utilization. These activities would reduce the incidence of water erosion and improve water quality or reclaim lost lands, and contribute to water availability for crops and livestock production.
- 49. With regard to markets, the CPE observed a number of factors that constrain greater market access, including inadequate linkages to industrial processors, exporters and supermarkets; the lack of support for improvements in group marketing, quality control and packaging; and insufficient market information services. Moreover, attention to capturing consumer preferences could have been greater.
- 50. Interventions have also obtained a positive impact on changing the mindset of government institutions and community leaders towards governance, through an inclusive decision-making and resource allocation process. This is an important achievement given that mindset is a significant determinant in building the ownership and commitment essential for better development effectiveness and sustainability.
- 51. In conclusion, the rural poverty impact all in all is considered to be moderately satisfactory across the portfolio assessed by the CPE. More specifically, 75 per cent of the projects in Nigeria achieved a moderately satisfactory rating and 25 per cent a satisfactory rating. The 2008 global averages for IFAD operations (see ARRI 2008) demonstrated that 55 per cent of operations evaluated by OE in 2008 were moderately satisfactory in terms of performance and 36 per cent were satisfactory in terms of impact. The evaluation believes that with due attention in the future to the range of issues raised by the CPE, there are promising signs for further improvements in results and impact in Nigeria.

#### Sustainability

52. Four projects have been assessed and rated for sustainability of benefits, including the Katsina and Sokoto State projects, and the CBARDP and RTEP. The three most recent operations are in early phases of implementation or not yet effective and thus cannot be assessed for sustainability.

<sup>&</sup>lt;sup>2</sup> Information from the self-assessment exercise indicates that average cassava yields have been increased from 10 tons per hectare in 1997 to 15 tons per hectare in 2006. But, field interviews suggested that most small farmers are achieving yields of only 8 to 10 tons per hectare, partly because the problem of marketing larger outputs in periods of glut is a disincentive to produce more.

- 53. To a certain degree, sustainability has already been assured by IFAD funding of subsequent operations in the country over time, focused on cassava multiplication, CDD approaches and social investments. Moreover, specific aspects and activities promoted under the country programme (e.g. community participation, women's empowerment, the CDD approach and user group formation) have shown resilience and have been adopted by other donors, as well as by the states and LGAs themselves, thus contributing to enhancing the sustainability of benefits.
- 54. The CPE observed that the CDD approach encourages and fosters the sustainability of infrastructure activities in particular. However, the ability of the communities to maintain the facilities after programme funding will depend to some extent on their incomes and on the sustainability of the agricultural enterprises that are the mainstay of the local economy. As mentioned before, little has happened in the area of NRM, and therefore the sustainability of natural resources and environment is an area of concern. With regard to the CBNRMP, the likelihood of social sustainability is less certain, given the insecurity in the region as a result of communal militancy and prevalent criminality.
- 55. In terms of technical sustainability, community infrastructure activities are based on well-known technologies and standards of construction and their operating and maintenance requirements are familiar and not too resource-intensive. Technical sustainability could be further assured by greater attention to supervision and implementation support, including systematic mobilization of the necessary technical experts in supervision and review missions.
- 56. At the federal level, sustainability of programme operations and benefits will be determined also by the role played by the project coordination unit (PCU) within the National Food Reserve Agency. At present, in addition to its IFAD commitments, the PCU handles numerous other projects funded by the World Bank, the African Development Bank (AfDB) and the federal Government. It is also responsible for undertaking routine statistical, reporting and monitoring and evaluation (M&E) tasks for line departments of the Federal Ministry of Agriculture and Water Resources. This is a complex and demanding remit, especially in the light of the present resources and capacity available in the PCU.
- 57. Overall, 75 per cent of the projects assessed were found to be either moderately satisfactory or satisfactory in terms of sustainability, whereas one quarter of the portfolio assessed was moderately unsatisfactory. This is a good achievement, which is above the global average for sustainability in IFAD operations (67 per cent moderately satisfactory or satisfactory) outlined in the 2008 ARRI.

#### Innovation, replication and scaling up

- 58. The promotion of innovation and the propensity for replication and scaling up of the approaches introduced through IFAD-funded projects are already well-proven, as demonstrated by the replication and scaling up in 26 states of the cassava development activities in the RTEP, and more broadly by the adoption of CDD approaches in projects funded by the AfDB and in other states, LGAs and communities. The CDD approach is now widely advocated by both state and federal authorities and other donors as a good practice for rural development, agricultural production and NRM. This approach has also proved to be an innovative and effective tool in HIV prevention. In this regard, IFAD-supported programmes have successfully integrated prevention activities<sup>3</sup> within its interventions.
- 59. However, even though the recent RUFIN and RUMEDP programmes have been designed to be replicated and scaled up, the CPE has concerns that the institutional context in which they are to be implemented and the less than certain commitment of potential partners may make this difficult to realize.

<sup>&</sup>lt;sup>3</sup> Such as HIV/AIDS awareness-raising and voluntary counselling and testing.

60. All in all, the Nigeria programme has been successful in promoting innovations, both in technical terms (e.g. adaptive research in introducing improved and pest-resistant varieties of cassava) and in terms of social activities (e.g. CDD approach). There are greater opportunities for replication and scaling up in the future, which will require more proactive attention to knowledge management, partnership-building, policy dialogue, as well as strengthened country presence and direct supervision and implementation support. All projects assessed have either a moderately satisfactory or satisfactory performance as far as promotion of innovations is concerned, which compares slightly favourably with the average of IFAD operations globally (91 per cent satisfactory or moderately satisfactory) evaluated in 2008.

# IV. Performance of partners

- 61. **IFAD.** IFAD has provided due support in the design of projects and programmes funded in Nigeria. The interventions have in general focused on community participation and institutional development. One important issue emerging from the evaluation is that the recent emphasis on rural finance and rural microenterprise development has diverted attention from IFAD's engagement in more traditional agricultural activities. Among other issues, this has created some communication difficulties with the federal Government, as there have been challenges in defining the institutional arrangements for the execution of the two recent programmes in the country. The latter is the main cause for the delay in declaring effectiveness of the two most recent loans, approved by the Executive Board in 2006 and 2007 respectively.
- 62. Moreover, as mentioned previously most projects and programmes funded by IFAD in Nigeria have had serious effectiveness delays. This is due to a combination of factors and IFAD cannot be solely held responsible for this, but it could be argued that projects were brought to the Executive Board for approval with some design limitations. One example relates to the unclear institutional arrangements of the two recent programmes.
- 63. On another issue, given its past operating model, the Fund did not take an active role in supervision and implementation support, thus limiting its ability to follow up in a more timely manner in resolving bottlenecks (such as delays in the provision of counterpart funds) that emerged during project execution. This is being redressed by the recent establishment of a country presence office in Abuja and direct supervision and implementation support by PA.
- 64. Even though the preparation of the 2001 COSOP was participatory in nature and benefited from greater resources than did COSOPs in other countries at the time, some stakeholders felt more consultations could have been held during the process. Moreover, the functioning of monitoring and evaluation systems has not been strong enough to contribute to better performance management of individual operations and grant-funded initiatives. IFAD also could have played a more proactive role in ensuring the internalization of the results of grant activities within lending activities. In conclusion, 50 per cent of the projects assessed for IFAD performance in Nigeria have been found satisfactory or moderately satisfactory, as compared with 67 per cent of projects evaluated by the OE in 2008 in all regions.

#### Performance of the Government and its agencies

65. The Government input into the country programme is intensive, due mainly to the involvement of various state authorities and LGAs. The main organ at the federal level has been the national PCU in the Federal Ministry of Agriculture and Water Resources. As part of the National Food Reserve Agency (an organ reporting to the Ministry of Agriculture), the PCU has a demanding mandate of responsibility for IFAD alone, leaving aside its other tasks related to other donors. Increasing demands are being made on the PCU to support implementation and ensure coordination, monitoring and reporting. On another issue, the PCU and the Federal

Ministry of Agriculture and Water Resources do not appear to be appropriately equipped for the management of rural finance services, micro- and small enterprise development and non-agricultural activities, due to lack of previous experience and competencies. It therefore needs to do more in terms of building strategic partnerships with other government agencies.

- 66. The federal Government is responsible for the provision of counterpart funds to IFAD-supported projects and programmes. It has periodically been the source of delays in the provision of such funding. In fact, state authorities have not always been forthcoming with their contributions in a timely manner. The combination of these factors has limited programme implementation and performance. Some measures are being taken to address these problems, involving agreements for budgeted amounts to be secured according to project implementation plans at the time of loan approval. This may solve the problem in the future. In addition, the staffing of implementation agencies has experienced a high level of turnover due mainly to political decisions, which has caused disruptions in project management and project performance. The performance of states and LGAs has been reasonable, even though there is room for further enhancement.
- 67. As already mentioned in the section on IFAD performance, monitoring and evaluation systems have by and large been of low quality. The reporting on the Results and Impact Management System indicators is restricted to a few activities and inputs, the reporting formats are not standardized, financial reporting is rarely prepared at the state level, and baseline information is often lacking.
- 68. All in all, the performance of the Government has been moderately unsatisfactory in 75 per cent of projects assessed. This is below the average performance of the Government recorded in evaluations conducted in all regions in 2008 by OE, which demonstrate that 33 per cent of the projects assessed were moderately unsatisfactory in terms of government performance.

#### Performance of the cooperating institution

- 69. As mentioned in the first paragraph, the World Bank was the cooperating institution in six out of the nine projects and programmes funded by IFAD in the country, UNOPS was the cooperating institution in one project, whereas the two most recent projects are to be directly supervised by IFAD. Overall the quality of supervision and loan administration has been good. UNOPS experienced difficulties in getting IFAD to participate regularly in supervision missions, whereas the Bank acknowledges that the human resources available to IFAD for such missions were limited.
- 70. Supervision reports were generally succinct and of sound quality, even though at times supervision missions were comprised of too many members (sometimes eight to ten) and did not have all the required expertise to allow for a thorough assessment of the project or programme under consideration. Furthermore, recommendations for change in project or programme operations were not always followed up proactively. In terms of discharging its fiduciary responsibilities, the World Bank was constrained by the complexity of its financial management systems.
- 71. The performance of both cooperating institutions has been moderately satisfactory in all projects assessed by the CPE.

### V. Non-lending activities

72. The non-lending activities (NLAs) include policy dialogue, partnership-strengthening and knowledge management. The 2001 COSOP outlined areas for IFAD's involvement in NLAs, which were broadly to support loan-funded activities. The COSOP underlined the importance of engagement in policy issues such as strengthening pro-poor governance and accountability, rural finance and decentralization. In terms of partnerships, the COSOP spelled out the need to seek collaboration with a range of donors, research institutions, civil society, NGOs and the private sector.

- 73. In terms of partnership, IFAD established useful collaboration with IITA to undertake agricultural research on a number of crops, including cassava, yam and other root and tuber crops, which has been of regional, national and international relevance. However, the Fund did not monitor periodically nor make an in-depth assessment of the use and impact of the resources provided to IITA.
- 74. The results in building partnerships with donors have been limited. For instance, despite close working relations in project supervision, IFAD is still not party to the country partnership strategy of the World Bank, the United Kingdom's Department for International Development (DFID) and, prospectively, the United States Agency for International Development (USAID) and AfDB. On the other hand, IFAD has developed a strong relationship and good communication with the Federal Ministry of Agriculture and Water Resources, the Federal Ministry of Finance and other government agencies, as well as with state authorities and LGAs. Partnership with the private sector is lagging.
- 75. In knowledge management, some progress has been made, such as the production of technical publications under the RTEP and the broadcasting of IFAD-promoted approaches (such as CDD and agricultural technology) on radio and television programmes. However, knowledge management activities have not been driven by a clear definition of purpose, targets, responsibilities and an action plan. Moreover, limited resources were devoted for the purpose, which has also affected the Fund's capacity to engage comprehensively in policy dialogue at different levels and subsectors.
- 76. In terms of policy dialogue, the main contributions of IFAD were in promoting wider application of the CDD approach in development programmes funded by the Government and other development partners. The development of the 2001 COSOP provided a useful occasion to engage stakeholders in discussions around key policy issues related to agriculture and rural development. However, IFAD's efforts have not been continuous and systematic, partly due to the relatively high turnover of staff (i.e. CPMs) responsible for country programme development and management. Policy dialogue has also been constrained by limited capacity and resources for undertaking analytic work. In any case, moving forward, there now appears to be an opportunity for the Fund to become more deeply engaged in policy matters, in the light of the recent establishment of an IFAD country office in Abuja and direct supervision and implementation support of programmes.
- 77. In general, the performance in NLAs has been limited in Nigeria (see appendix V), mainly due to the fact that insufficient attention was devoted to these important areas in the past.

# VI. Summary of CPE ratings

78. Table 1 below provides an overview summary of CPE ratings for the Nigeria project portfolio across all evaluation criteria. Moreover, appendix IV shows the ratings of the individual projects and programmes assessed in the CPE. The summary ratings for NLAs may be seen in appendix V.

Table 1	
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Aggregate evaluation ratings <sup>a</sup> of IFAD-funded projects in Nige	Nigeria	
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Evaluation criteria	Rating
Portfolio performance	4.4
Relevance	4.5
Effectiveness	4
Efficiency	3.5
Rural poverty impact	4.3
Sustainability	4.3
Innovations, replication and scaling up	4.8
Partner performance	3.8
IFAD	3.8
Government	3.5
Cooperating institutions	4

<sup>a</sup> The rating scale adopted by OE is the following:

6 = highly satisfactory; 5 = satisfactory; 4 = moderately satisfactory; 3 = moderately unsatisfactory; 2 = unsatisfactory; 1 = highly unsatisfactory.

### VII. Conclusions and recommendations

#### Conclusions

- 79. The pro-poor development environment in Nigeria presents an unusual set of circumstances and conditions compared with those of most IFAD borrower countries in Africa owing to its vast oil and gas reserves, which provide Nigeria with a huge and, in recent times, burgeoning stream of hard currency export earnings. The country therefore has adequate financial resources to promote economic and social welfare, including the agricultural and rural development activities that are crucial to reducing poverty. In fact, Nigeria allocated about 4 per cent of its federal public expenditure to agriculture in 2007; this figure rose to 7 per cent (of a greatly increased GDP) in 2008. It is, however, still less than the 10 per cent target established by the African Union Summit on Food Security, held in Abuja in December 2006.
- 80. Despite this, Nigeria has not yet managed to resolve its rural poverty problems. The per capita gross national income was around US\$620 in 2005, based on data quoted in the 2008 World Bank Development Indicators database. More recent statistics from the Central Bank of Nigeria put the GDP purchasing power parity at US\$1,256 for 2007. The challenge of poverty is illustrated by the fact that around 25 per cent of all rural poor people in sub-Saharan countries live in Nigeria. The population living below the poverty line in 2006, as estimated by the Government Core Welfare Indicator Survey, was 64 per cent, down from 71 per cent in 2003. Poverty incidence has a rural bias, with an overall rural prevalence in excess of 67 per cent for all households and 77 per cent for woman-headed households. The rural population has extremely limited access to infrastructure and services such as education and health.
- 81. The ODA that Nigeria receives is extremely limited compared with the federal budget. It comprises only around 0.5 per cent of GDP, which is significantly lower than the 8 per cent for developing countries as a whole and is equivalent to only US\$2 per capita compared with the average of US\$28 per capita for Africa. ODA figures make up around 1 per cent of overall public spending, which is US\$14.1 billion. In such a context, therefore, the resources that IFAD provides for rural poverty reduction are minimal in terms of volume when compared with total government revenues.
- 82. In spite of this, IFAD is seen by Nigeria as an important development partner because of its focus on sustainable agriculture and rural development as a means of reducing rural poverty; the comparative advantage of the flexibility and quality of its interventions; and its experience in participatory and bottom-up approaches and in innovative solutions to poverty alleviation that can be replicated and scaled up by the Government, the private sector, donors and others. Nigeria is entitled to more

than 40 per cent of the Fund's overall financial allocations to the Western and Central Africa region. This high level of allocation has significant implications for the resources required and for the way IFAD manages its strategy and operations in the country.

- 83. Agriculture and rural development are crucial to Nigeria's rural economy and social fabric. Around 45 per cent of GDP is generated from agriculture and almost 70 per cent of the poor live in rural areas and derive their livelihoods primarily from small–scale agriculture and rural occupations. Small farmers constitute the major echelon of producers. Women play a major role in the production, processing and marketing of food crops. Limited accessibility to markets, inputs, equipment and new technology have kept agricultural productivity low. Small farmers are also more acutely affected by exogenous factors such as climate change and rising commodity prices. Long-standing structural weaknesses with respect to infrastructure, business climate, involvement of the private sector, and the fertilizer distribution system are among others factors negatively affecting the agricultural sector.
- 84. Thus, given its mandate, IFAD is a natural choice of development partner, and the Government has clearly indicated its commitment to the sector in the National Policy on Integrated Rural Development and the new agricultural policy thrust.
- 85. On the question of the importance of agriculture, the CPE findings indicate that, with programmes devoted to rural finance and rural enterprise development, in recent years the level of attention devoted by IFAD to agricultural activities in its Nigerian operations has not been commensurate with the centrality of agriculture to the overall economy and the role of agriculture as the main means of income and food security of the rural poor. In spite of its modest financial contributions, IFAD has a distinct and catalytic role, in collaboration with the Government and other donors, in supporting the achievement of the Millennium Development Goals related to the elimination of poverty and hunger. In sum, with its focus on enhancing the productivity of small and landless farmers, IFAD is well positioned to support the Government in improving the livelihoods of small farmers (including women), artisanal fishers, pastoralists and other disadvantaged communities.
- 86. **Promotion of replicable innovations.** The Fund has been fairly successful in promoting pro-poor innovations in its operations. The grant-funded support to IITA for research on developing new pest- and disease-resistant cassava varieties, the promotion of CDD in projects in Katsina and Sokoto States, and the ongoing community-based programmes are examples of successful innovations. The evaluation also observed that a number of successfully tested innovations in IFAD operations have been replicated and scaled up by local governments and others, although no evidence was found of IFAD's playing an instrumental role in this process. The CPE finds that a more systematic and organized effort by IFAD might have ensured wider replication and scaling up of successfully promoted innovations in IFAD operations.
- 87. Related to the above, the evaluation found that insufficient human and financial resources and time were devoted to IFAD engagement in policy dialogue, knowledge management and the development and nurturing of strategic partnerships with key players in agriculture. These are important ingredients for replication and scaling up, which is in fact the ultimate test of IFAD's capacity to promote innovations. Even though there are some improvements in such (non-lending) activities as a result of the recent establishment of the country presence office, IFAD's performance in non-lending activities was only moderately satisfactory.
- 88. The CPE concludes that the innovation promotion process was not systematic, and that the synergies between grant- and loan-funded activities could have been greater. Moreover, the innovations promoted were not sufficiently integrated into

broader project activities, which would have allowed them to contribute more effectively to achieving project objectives.

- 89. Local governance. IFAD interventions have contributed to changing the mindset of local governments and community leaders towards local governance through an inclusive process of decision-making. Positive results under the CDD approach in particular were: (i) pioneering of participatory processes to empower beneficiaries, and foster group and community cohesion and self-reliance for development actions; (ii) involvement of LGAs in development planning and execution and the consequential support of improved local governance; and (iii) with regard to social infrastructure, contribution to its construction, cost-effective completion, timely achievement, and organization for operation, maintenance and management.
- 90. Furthermore, the approach and content of IFAD-supported programmes have lent themselves to rapid and sound expansion and replication at the national, state and LGA level, as demonstrated by the broad support of the CDD model both by state and federal Government and by other donors as best practice for local development.
- 91. However, while the demand-driven CDD approach was appreciated by the rural poor and their organizations, little attention was devoted to positioning this approach within the broader local governance framework with linkages to the private sector, such as rural banks that could have provided credit for enterprises and income-generating activities. The strengthening of the capacity of other key players at the local level, such as local government and local elected bodies at the state and LGA level, could have been pursued more strongly.
- 92. **Country strategy issues.** The CPE found the analysis of rural poverty and of opportunities and constraints in the agriculture and rural sectors to be limited in the 2001 COSOP. This may reflect inadequate capacity and skills on the part of the Fund to undertake thorough analytic work while preparing COSOPs. However, the COSOP provided a useful framework for cooperation with the country. Its attention to policy advocacy in agriculture and rural development, to promoting effective rural institutions, and to productivity and NRM were relevant at the time of COSOP formulation and remain equally relevant and important in today's aid architecture in Nigeria.
- 93. The strategy did not, however, pay adequate attention to smallholder agriculture activities. The vast geographic coverage of IFAD's activities in Nigeria, with near national coverage of some operations, also raises concerns related, inter alia, to synergies within and across projects and programmes, as well as to the sustainability of benefits. With regard to the latter, for example, a wide geographic spread of activities would pose greater challenges to the Government in providing the technical assistance and follow-up (in terms of extension) needed by the rural poor after project completion.
- 94. The CPE underlines three specific issues related to partnerships that call for reflection. First, the recent development of operations outside the purely agricultural sector has created new challenges in terms of defining the respective institutional roles and responsibilities within federal agencies, for which a clear solution is yet to be found. Second, while the evaluation recognizes the importance of working with federal and state governments, it has found that the various administrative layers introduce complexity into operations: delays and denials of fund flows arising from difficulties in securing counterpart funding; and implementation, coordination, monitoring and communication issues. Third, there has been only limited cofinancing of IFAD interventions, meaning that opportunities for replication, scaling up and joint pro-poor policy dialogue have not been maximized.

95. Finally, the evaluation acknowledges that the sound move towards direct supervision and implementation support in recent operations should contribute to better development effectiveness on the ground. Similarly, the evaluation commends IFAD for strengthening its presence by establishing an office in such a large and important country as Nigeria. However, its view is that the current human resources arrangements, level of delegation of authority and resources deployed for the country presence are not of the calibre to ensure that the office plays an appropriate role in improving IFAD assistance.

#### Recommendations

96. The CPE includes three overarching recommendations for improving IFAD's development effectiveness in Nigeria. These are: (i) renewing the focus on agricultural development for rural poverty reduction; (ii) promoting pro-poor innovative solutions; and (iii) adapting IFAD's operating model to changing circumstances.

# Renewing the focus on agricultural development for rural poverty reduction

- 97. The evaluation recommends that the future IFAD strategy and activities in Nigeria pay critical attention to addressing the main challenges related to the low productivity of smallholder farmers. This would serve as the main vehicle for improving small farmer competitiveness, for example by enhancing their incomes and promoting better livelihoods. The heterogeneity of small farmers would require different approaches that cater to the needs of both subsistence and marketoriented individuals and groups. The prime importance of a value-chain-based and commercialized approach to enhancing small farm livelihoods is acknowledged. As such, particular attention should be given to ensuring more systematic access to markets by adopting a value chain approach promoting linkages with the private sector, for example, for the provision of sustainable rural financial services and agro-processing. It is also recognized that rural finance and microenterprise development, adaptive research and extension, environmental management, and improvement of livestock production and marketing are key elements of small farm development.
- 98. In addition, it is recommended that the renewed focus be accompanied by a reduced geographic coverage of IFAD-supported operations, both those with national coverage and those taking an area-based development approach. This would, inter alia, contribute to better development effectiveness in general and at the same time facilitate supervision and implementation support; promote innovations, monitoring, evaluation and coordination; and ensure wider synergies within and across projects. The criteria for selecting future target areas will be further discussed during the formulation of the next Nigeria COSOP. Levels of rural poverty and gender inequality are examples of two important criteria in ascertaining the intensity of support to states and identifying the LGAs upon which to focus.
- 99. Adaptation of the institutional framework and partnership. The CPE also recommends that the current operational arrangements whereby the roles and responsibilities of the federal Government and state and local governments are adequately stratified be further deepened to emphasize intensity of action at the local levels. Lending to state governments under the subsidiary loan agreements with the Federal Ministry of Finance is an effective way of increasing ownership and allocating greater direct responsibility to facilitate the flow of funds and allocation of counterpart financing by the state authorities.
- 100. The CPE recommends that IFAD ensure that the federal partner agencies selected have the required skills, experience and competencies to ensure effective implementation and support to IFAD-financed activities. In this regard, the CPE recommends expeditious development of a mutually satisfactory understanding on

pending institutional issues in terms of coordination, division of labour and implementation, especially as they relate to RUMEDP, which has not yet been negotiated. In the absence of such an understanding, IFAD Management may consider a cancellation of the corresponding loan in the near future, thereby allowing IFAD to devote its limited resources to other pressing country strategy, programme development and implementation issues.

#### Promoting pro-poor innovative solutions

- 101. The total volume of ODA to Nigeria is minimal and the IFAD financial contribution is a very small proportion of total ODA. Therefore, the CPE recommends that IFAD focus its future country strategy and programme on promoting pro-poor innovative solutions to rural poverty that can be replicated and scaled up by the Government, donors, the private sector and others. It is proposed that a more systematic approach be taken to finding and piloting innovations, and greater attention be paid to policy dialogue, knowledge management and development of strategic partnerships, which are important factors in replicating and scaling up successful innovations. Similarly, proactive efforts are required to link grants to loan-funded investment projects. Grants may be used for testing innovative solutions, which can then be applied more broadly through loans. Among other areas, innovations should be centred on the objective of improving smallholder farmer productivity, taking account of the challenges currently facing farmers, including those of rising commodity prices. This should also include due consideration of adaptive research oriented to the needs of small farmers. Likewise, innovative solutions that would assist farmers in limiting the effects of climate change should be explored. The CPE advocates that more attention be given to private/public sector partnerships, donor coordination and policy dialogue.
- 102. **Strengthening local governance.** The CPE recommends that more attention be devoted to positioning CDD within the broader local governance framework, strengthening the capability of all actors at the local level, such as states and LGAs, elected local bodies, the private sector, local NGOs and community-based organizations. In particular, at the state and LGA level, there is a need to reinforce grass-roots and local government capabilities in development planning, delivery and improvement of service provision. Empowerment and consolidation for progressive devolution of governance to the local level should be supported through policy dialogue and improved knowledge management. The CDD approach should in fact be adopted even more widely as an instrument for participatory agriculture and rural development activities in Nigeria.
- 103. The development of robust farmers' associations as part of a stronger local governance framework that can lead to better empowerment of the poor would be another area of innovation for IFAD and the Government to pursue in the future. In this regard, IFAD's positive experience of promoting farmers' associations in both Western and Central Africa and in other regions might prove valuable. IFAD can play a role in supporting the broader participation of local governance institutions and grass-roots organizations in development, principally through sensitization, capability-building, counselling and mentoring.

#### Adaptation of the IFAD operating model

104. Nigeria is a large country of strategic importance to IFAD. Given the vast number of rural poor, the increasing financial allocations under the performance-based allocation system (PBAS) and the proposed re-emphasis on promotion of replicable innovations, it is recommended that IFAD should seek ways and means of strengthening its country presence, for example in terms of human and financial resources, infrastructure, roles and responsibility. In this regard, the option of outposting the CPM should be explored. Such an IFAD country presence could eventually have a subregional dimension, which would entail the CPM (responsible for Nigeria and based in Abuja) assuming responsibilities for IFAD operations in selected neighbouring countries. A stronger country presence would allow IFAD to

be more fully engaged in policy dialogue, further its commitment to meeting the provisions of the Paris Declaration on Aid Effectiveness, improve its knowledge management and ensure even better implementation support.

105. The introduction of the PBAS has important implications for the projects funded by IFAD in Nigeria. Increasing the total volume of resources allocated to the country under the PBAS calls for serious thought as to the number of projects to be developed and the corresponding volume of loans. Given the current levels of IFAD human resources allocated to Nigeria, it is suggested that financing fewer projects with larger loan amounts would appear to be the most plausible option.

# **Evaluation team**

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<sup>&</sup>lt;sup>1</sup> Deep appreciation is due to the late Mr Jim Semple, who passed away in January 2009. The Nigeria CPE was his last assignment for IFAD, and it benefited from his vast experience and knowledge of agriculture and rural development as well as his outstanding collaboration as the consultants' team leader.

# IFAD projects in Nigeria

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Project Title	Total Cost	IFAD Loan	Date		Cooperating Institution	
			Approved	Effective	Closing	
Multi-State Agricultural Development – Cassava Multiplication Project (MSADP-CMP)	256.4	12.0	5/12/85	25/09/87	30/06/97	World Bank
Artisanal Fisheries Development Project	19.7	15.0	30/11/88	05/04/91	30/09/97	UNOPS
Katsina State Agric and Community Development Project (ACDP)*	28.8	12.1	12/12/90	08/07/93	30/06/01	World Bank
Sokoto State ACDP*	17.2	9.6	08/09/92	04/11/94	30/06/01	World Bank
Roots and Tubers Expansion Programme (RTEP)*	36.0	23.0	09/12/99	31/07/01	31/03/10	World Bank- IFAD since 2007
Community-based Agricultural and Rural Development Programme (CBARDP)*	101.6	29.9	12/09/01	31/01/03	31/09/10	World Bank
Community-based Natural Resource Management Programme (CBNRMP)*	82.2	15.0	11/12/02	06/07/05	31/03/14	World Bank
Rural Finance Institution-building Programme (RUFIN)*	40.0	27.6	14/09/06	not yet effective	-	IFAD
Rural Micro-enterprise Development Programme (RUMEDP)*	57.9	42.8	13/12/2007	Not yet effective	-	IFAD
Total USD million	641.9	187.2	(IFAD 29 per cent)			

# Quality of the country strategy

Assessment Criteria	Rating	Discussion of Rating
	Rating	
Understanding key challenges to rural poverty reduction	Satisfactory (5)	Main causes and manifestations of rural poverty described, but others – corruption, ineffectual local governance, politicization and dependency not well accounted for. No problem tree.
Analysis of IFAD Target Groups and their needs	Moderately unsatisfactory (3)	Target group definition general/descriptive, not explicitly differentiated, for instance for gender aspects; no guidance on targeting issues or means; no reference to any survey on the poor, their characteristics and expectations.
Relevance and clarity of goal and objectives	Moderately satisfactory (4)	The rudimentary nature of the logframe left the reader searching for an understanding of the explicit intent of these objectives. But this tool was not required as it is today. The rating is justified in line with the CPR in the way in which the goal, purpose, and objectives of the strategy were articulated, that is in a general way that does not lend assistance to the design and implementation of IFAD interventions.
Structure of strategy and sequence of assistance	Moderately satisfactory (4)	Structure of the strategy was reasonable, but sequence or prioritization of interventions or activities not mentioned.
I dentification of partners and partnership opportunities and plan for building partnerships	Moderately satisfactory (4)	Existing donor agencies and arrangements noted and proposed for continuation and extension of cooperation; but no clear picture of how and when of joint working opportunities, or sector or national approaches.
Innovation, replicability and scaling-up	Moderately satisfactory (4)	Innovation and scope for replication and scaling-up reasonably well described, albeit without specifics.
Agenda for policy dialogue	Satisfactory (5)	Issues for, and approach to policy dialogue stated in clear terms; these included specific focus on pro-poor economic and social policies; local governance and accountability; financial system liberalization; the environment; the progressive replication of the CDD approach demonstrates the relevance and effectiveness of these aspects; however, more on process, responsibility would have been helpful.
Overall Assessment	Moderately satisfactory (4.2)	The COSOP 2001 can serve as a broad basis for preparation of the COSOP.

Note: Ratings from 1 to 6, where 1 is the lowest score and 6 the highest

# IFAD technical assistance grants to Nigeria-based institutions since 1997

Grant Number and Recipient	Title	Amount USDm	Date Approved	Effective	Closed
412-IITA	Biological control of cassava greer mite	1.5	10/09/98	30/03/99	31/07/03
457-IITA	Improved yam technology	1.25	18/09/99	03/12/99	12/04/06
487-IITA	Cowpea adaptive research	1.6	03/05/00	26/05/00	15/11/05
189-FBFI	Info data systems development ir community-based food and nutrition	0.0725	15/12/00	02/05/01	30/09/03
204-NIRADO	Community sensitisation and mobilisation under community-based rural development	0.059	20/11/01	11/12/01	31/05/03
633-IITA	Integrated pest management for cassava	1.0	11/12/02	16/12/04	ongoing
649-IITA	Farmer field school (FFS) systems dynamics – I	0.07	na	21/01/03	16/02/06
661-IITA	Cowpea development, diffusion and adoption	1.0	11/09/03	29/03/05	ongoing
704-IITA	Productive and competitive yam systems	1.5	09/09/04	19/05/05	ongoing
769-IITA	Farmer field school systems dynamics – II	0.03	na	31/12/05	ongoing
874-IITA	Cassava emerging pests and diseases	1.3	14/09/06	21/03/07	ongoing
Total Grant Valu	ue: USD 9.3815 million				

# Overall performance and impact of IFAD-funded operations\*

Evaluation Criteria					CPE
	KSACDP	SSACDP	RTEP	CBARDP	Assessment
I. Project Performance	4	4.3	3	4.7	4
Relevance	5	5	3	5	4.5
Effectiveness	4	4	3	5	4
Efficiency	3	4	3	4	3.5
II. Rural Poverty Impact	4	4	4	5	4.3
III. Sustainability	5	5	3	4	4.3
IV. Innovation, Replication and Scaling-up	5	5	4	5	4.8
Overall Programme					
Achievement	4.5	4.6	3.5	4.7	4.4

Rating scale: 6-Highly satisfactory; 5-Satisfactory; 4-Moderately satisfactory; 3-Moderately unsatisfactory; 2-Unsatisfactory; and 1- Highly unsatisfactory.

\* RUFIN and RUMEDP are evaluated only for relevance.

# Ratings for non-lending activities

	KSACD	SSACD			CPE
Evaluation Criteria	Р	Р	RTEP	CBARDP	Assessment
Non-lending					
Activity	3.3	3.3	4	4	3.7
Policy Dialogue	3.5	3.5	4.5	4.5	4
Partnerships	3.5	3.5	4.5	4.5	4
Knowledge					
Management	3	3	3	3	3