Madagascar Country Programme Evaluation

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A. Madagascar – IFAD Cooperation

Basic data
Since 1979: 14 IFAD loans
- IFAD h.c. loans: US$ 175m (34%)
- Government: US$ 91m (18%)
- Cofinancing: US$ 249 m (48%)

Major cofinanciers: EU, AFD, WB, Switzerland

The CPE
• Evaluation time frame: 2000-2012
• COSOPs: 2000 and 2006
• Six loan-projects
• 6 regional grants + 1 country grant
B. Country context (key issues)

• Low-income country (GNI p.c. US$ 430 in 2012), high potential primary sector (spices, fruits, vegetables, livestock, aquaculture/fisheries)

• Decline of agricultural value added per worker (real terms) between 1980 and 2009: -14%

• Structural problems: (i) environmental degradation; (ii) land tenure insecurity. 2005 land reform: certification of users’ rights


• Prevalence of poverty increased from 1993 and 2010: from 70% to 76.5% (82% rural, 2010)
C. Portfolio Performance (highlights)

• **Relevance.** Projects well adapted to small farmers (extension packages for improved rice growing techniques); and for micro and small entrepreneurs

• Design of last two projects (support to farmers’ organizations; and agricultural vocational training system) very complicated. Problematic partnerships (Chambers of agriculture, NGOs, farmers’ organizations)

• **Effectiveness.** Satisfactory or higher for irrigation schemes (impressive yield increases for paddy, pulses, onions), and rural enterprises.

• Slow progress in professionalization of farmers’ organizations, varying success of components that supported marketing
C. Portfolio Performance - 2

- **Efficiency.** Varying benefit-cost ratios across projects, overall modestly satisfactory

- **Impact.** High increases in household food production and productivity, and in profitability of micro / small enterprises.

- But limited attention for watershed protection and management and for countering the decline in soil fertility

- **Sustainability.** Good prospects for agricultural interventions: (i) low maintenance costs; (ii) efforts made to connect to value chains

- Same for rural enterprise support thanks to partnership with network of Chamber of Commerce (permanent institution)

- But single project phase is not sufficient: need for longer support in key intervention areas
C. Portfolio Performance -3

• **Innovations:**
  (i) improved cropping techniques (intensive rice systems);
  (ii) district level multiservice one-stop shops to support microenterprises

• Weak fiscal base of the Government and retreat of international cooperation after 2009 reduced opportunities for up-scaling

• **Gender equality.** All projects have helped increase visibility of gender-related aspects. Over 40% of grass-roots organization members and 60% of microcredit beneficiaries are women.
D. Non-lending activities

Partnerships

• Well developed with national public institutions, and international organizations: IFAD country office’s active role in donor coordination.
• Supported private-public partnerships
• So far, no real cofinancing with WB and AfDB but opportunities exist (rural infrastructure, watersheds)

Knowledge management

• Well articulated knowledge products (dvd, brochures, internet websites, radio programmes)
• Computer-based system (SEGS/ZARAFIDA) to extract, aggregate, analyse project data and indicators
D. Non-lending activities - 2

Policy dialogue

- Systematic efforts to analyse and extract project experience to inform policy formulation and review on:
  (i) land tenure security;
  (ii) rural enterprises

Supporting instruments

- CAPFIDA: programme support unit within Ministry of Agriculture, funded through IFAD loans, assisting in project implementation, COSOP monitoring, supporting partnerships, policy dialogue and knowledge management

- IFAD country office since 2011
E. COSOP Performance (2000 and 2006)

Relevance

• Good mix of focus on (i) staple crop yields (e.g. rice, sorghum and maize); (ii) higher value crops (e.g. spices, fruits, vegetables) and (iii) non-ag activities (rural enterprises) for a country afflicted by 30-year agricultural productivity stagnation

• Evolution from geographically dispersed projects to a more coherent programme with enhanced thematic focus

• From 2006, more attention for supporting public and semi-public institutions such as the Chambers of trade and industry and the Chambers of agriculture (the former more successful)

• Regionalization of project management, in line with national strategies
E. COSOP Performance - 2

- Systematic M&E at the **COSOP** level through SEGS/ZARAFIDA, harmonizing indicators at project – strategic level. This is rarely found in IFAD-supported programmes.

- Took risks on the latest two operations (AROPA, FORMAPROD): over-complicated institutional set-up, not yet fully mastered.

- Gap in 2006 COSOP: limited strategic directions on natural resource management and climate change although these are recognised as serious issues in the document.
E. COSOP Performance - 3

Effectiveness

• Overall remarkable results in spite of an adverse socio-economic context since the 2009 political crisis

• Satisfactory achievements in two result areas of COSOPs 2000 and 2006:
  (i) Improving farmers’ risk management, reducing vulnerability (e.g. yields, land tenure)
  (ii) Diversification of agricultural activities, promotion of rural entrepreneurship

• Mixed performance in a third area:
  (iii) Professionalization of association of producers and contribution to their participation to policy dialogue
F. Main Recommendations

1. Thematic priorities.
   • Continue focus on agricultural extension
   • Continue and strengthen support to agricultural value chain and contract farming, work with private entrepreneurs
   • Support regionalization of project management and local governance

2. Include natural resource management and environmental change more forcefully in the strategy

3. Have a clear strategy for consolidating project results (beyond a single phase)

4. Better articulate the roles of IFAD country office (CPM out-posting) and of CAPFIDA.