

Madagascar Country Programme Evaluation

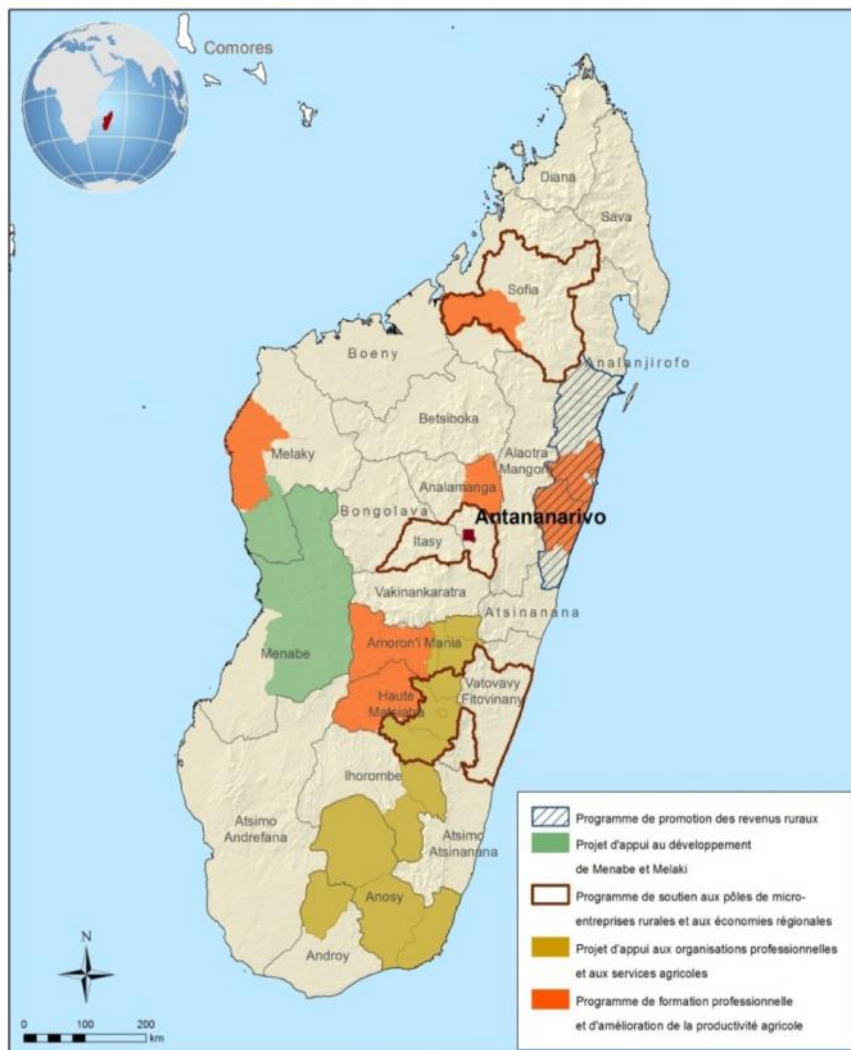


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A. Madagascar – IFAD Cooperation

Madagascar

Opérations en cours financées par le FIDA



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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
- Political crises in : 1972, 1991, 2002, 2009. In 2009-2013 International cooperation suspended except IFAD
- 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 a 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.