Environmental Conservation and Poverty Reduction Programme Ningxia and Shanxi

Project Performance Assessment (2015)
92nd session of the Evaluation Committee

21 June 2016
## Project basic facts

<table>
<thead>
<tr>
<th>Approval Loan signature</th>
<th>Approved</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 December 2002</td>
<td>Project costs</td>
<td>Approval (US$ m)</td>
</tr>
<tr>
<td>21 February 2003</td>
<td></td>
<td>90.3</td>
</tr>
<tr>
<td>IFAD loan</td>
<td></td>
<td>28.97</td>
</tr>
<tr>
<td>(32.9%)</td>
<td></td>
<td>(33.7%)</td>
</tr>
<tr>
<td>Borrower</td>
<td></td>
<td>46.94</td>
</tr>
<tr>
<td>(50.8%)</td>
<td></td>
<td>(46.7%)</td>
</tr>
<tr>
<td>WFP</td>
<td></td>
<td>7.28</td>
</tr>
<tr>
<td>(8.3%)</td>
<td></td>
<td>(6.7%)</td>
</tr>
<tr>
<td>Loan closure</td>
<td>30 June 2012</td>
<td></td>
</tr>
<tr>
<td>Effectiveness Loan amendments</td>
<td>11 February 2005</td>
<td>46.94</td>
</tr>
<tr>
<td>25 March 2009</td>
<td></td>
<td>(50.8%)</td>
</tr>
<tr>
<td>20 April 2011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrower</td>
<td>7.12</td>
<td>(8%)</td>
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<tr>
<td>(8%)</td>
<td></td>
<td>(13%)</td>
</tr>
<tr>
<td>No of beneficiaries</td>
<td></td>
<td>300,000 hhs</td>
</tr>
<tr>
<td>466,855 people</td>
<td></td>
<td>419,661 people</td>
</tr>
<tr>
<td>IFAD loan disbursement at project completion (%)</td>
<td>97.95%</td>
<td></td>
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</tbody>
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Project objectives and scope

• **Programme objective:** “achieve sustainable increase in productive capacity, both on- and off-farm, and to offer households increased access to economic and social resources, including financial services, education, health and social networks”.

• Comprehensive poverty reduction programme including land-based activities, financial services and social development component

• Aligned to **2001-2010 Outline for Poverty Reduction**, 

• Designed with WFP, but implemented after WFP exit from China.
Overall achievements

• Well implemented project;
• Contributed to multiple poverty objectives (agricultural productivity, food security, rural income, education, health, environmental protection, women’s development).
• Most activities achieved their physical output targets.
• Project completion report overstates achievements and understates challenges and shortcomings.
• Large government programmes and demographic trends more important drivers of poverty reduction.
• Efforts to establish comprehensive M&E system
Poverty targeting

• **Multisectoral approach** relevant at time of design (2000-01);
• But had lost its relevance when bulk of IFAD financing was finally disbursed (2009 -2012).
• Coordination of multisectoral approach was challenging.
• **Geographic targeting** of poor township and villages satisfactory.
• Targeting of ethnic minority people (Ningxia)
• Targeting of households through participatory development planning not followed through.
Efficiency

- Negative effects of **long implementation period**
- Three periods of different implementation guidelines, procedures and supervision (from WFP, to UNOPs and finally IFAD).
- Changes of management and staffing
- Significant changes in unit prices between design and implementation
- Slow disbursements of some components and activities (financial services, tree planting and women’s development)
Effectiveness

- **Sequencing of activities** not implemented as planned due to long delays.
- **Thin stretch** over large programme area
- **Insufficient coverage** of targeted villages
- Most effective: Health and education because of better coverage and infrastructure provided (WFP).
- → **Moderate contribution** to rural poverty reduction and environmental conservation, given the overall scale of government investments.
Poverty and environmental impact (1)

- Programme’s main added value: extensive training; met the existing demand.
- Contribution to food security and agricultural productivity
- Education and health services (mobile health service)
- **Net per-capita income growth**, but below county average
- Households incomes and assets increased mainly as a result of Government programmes and overall economic and social progress
- **Human development indicators** improved in line with general trend
• IFAD support came at a very late stage of the transformation of Loess Plateau area.
• Government programmes (land retirement, grazing prohibition, reforestation, etc.) played primary role in the environmental recovery across the Loess Plateau.
Gender equality

• Programme mobilised large numbers of women
• Training and Microloans well received
• Poor women from **ethnic minorities** not specifically targeted.
• **Feminization of agriculture** considered at a late stage
Conclusions

- **Complexity** of the approach and programme **stretch**
- Missed opportunities to address **environment-poverty linkages** in a strategic way.
- Late start-up and **slow implementation** eroded relevance and undermined effectiveness and efficiency.
- Limited impact on local institutions, **insufficient institutional linkages** and support to consolidate emerging good practices.
- **Missing strategic partnerships** after WFP’s exit.
Recommendations

• **Targeting.** Continue focus on chronic poverty and ethnic minorities, but develop more sophisticated strategies to ensure that the economically active poor benefit.

• **Partnerships.** Stronger engagement in partnerships, to improve performance on the ground and learn from partners’ experience.

• **M&E:** PMD should (a) design key performance indicators that are linked to the intervention logic at realistic levels and that can actually be monitored and evaluated at programme level; (b) build on national data systems; and (c) secure credible data and statistics at the point of completion.