Impact Evaluation of the Agricultural Support Project: Georgia

Ninety-eighth Session of the Evaluation Committee
5 September 2017, Rome
Objectives: (i) increase assets & incomes among rural poor through commercial agricultural and rural enterprises. (ii) remove infrastructural bottlenecks that inhibit the participation of rural poor in enhanced commercialization of agriculture.

Activities: (i) loans on favourable terms through leasing companies and MFIs for leasing equipment; (ii) rehabilitation of 2 bridges and 6 irrigation schemes; iii) construction of one drinking water scheme.

Duration: 2010 to 2015; Project Cost: US$12.6 mill.(IFAD 81%)
Outcomes of interest determined using theory of change.

Quasi-experimental method: counterfactual for better attribution of project effects.

Genetic matching for creating comparison group.

Geo-spatial analysis for assessing Normalised Differentiation Vegetation Index (vegetation changes) caused by irrigation.
### Highlights of results

#### Difference in difference effects

<table>
<thead>
<tr>
<th>Outcome of interest</th>
<th>Irrigation</th>
<th>Bridges</th>
<th>Drinking water</th>
<th>Leasing (indirect)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>no statistically significant change</td>
<td></td>
<td></td>
<td>increase of 14% increase</td>
</tr>
<tr>
<td>Assets</td>
<td>no statistically significant change</td>
<td></td>
<td></td>
<td>205% likelihood</td>
</tr>
<tr>
<td>Move out of poverty (25%)</td>
<td>no statistically significant change</td>
<td></td>
<td></td>
<td>no change</td>
</tr>
<tr>
<td>Food security</td>
<td>no statistically significant change</td>
<td></td>
<td></td>
<td>no change</td>
</tr>
<tr>
<td>Ag productivity</td>
<td>no change</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Crop diversification</td>
<td>no change</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Livestock change</td>
<td>n.a.</td>
<td>increase</td>
<td>n.a.</td>
<td></td>
</tr>
</tbody>
</table>

#### Other results:

NDVI (greenness of surface area) increase of 1.24%
Highlights of results

Other criteria

- Relevance
- Effectiveness
- Efficiency
- Sustainability
- Gender
- Innovation
- NRM and CC
- IFAD and Govt...
Conclusions

✓ Project based on correct premise: infrastructure and rural finance key to Georgia’s rural growth.
✓ Novel attempt to innovate.
✓ Project has triggered some revitalised interest in agriculture.
✓ Sustainability of infrastructure.
Conclusions

❖ Widespread and diverse interventions (large spread, different types of interventions and beneficiaries).
❖ Late start and partial design failure.
❖ Missing involvement of grass-roots organizations.
❖ Lacking a gender focus.
❖ Unrealistic targets for project duration.
Recommendations

• Recommendation 1: Apply a holistic approach to infrastructure rehabilitation to achieve a measurable change in the lives of farmers. Assess the institutional voids of the particular context for long term sustainability of infrastructure.

• Recommendation 2: A longer term programmatic approach is necessary for infrastructure related interventions.

• Recommendation 3: Minimize the gap between irrigation potential created and that utilized by promoting environment and natural resource management.

• Recommendation 4: When introducing innovating products in the rural financial space, undertake analysis of both the demand and supply sides to ensure that new products meet the needs of all concerned.
Thank you.