



# Impact Evaluation of the Agricultural Support Project: Georgia

Ninety-eighth Session of the Evaluation Committee

5 September 2017, Rome

Independent Office  
of Evaluation



Investing in rural people

# Background of the project

**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.

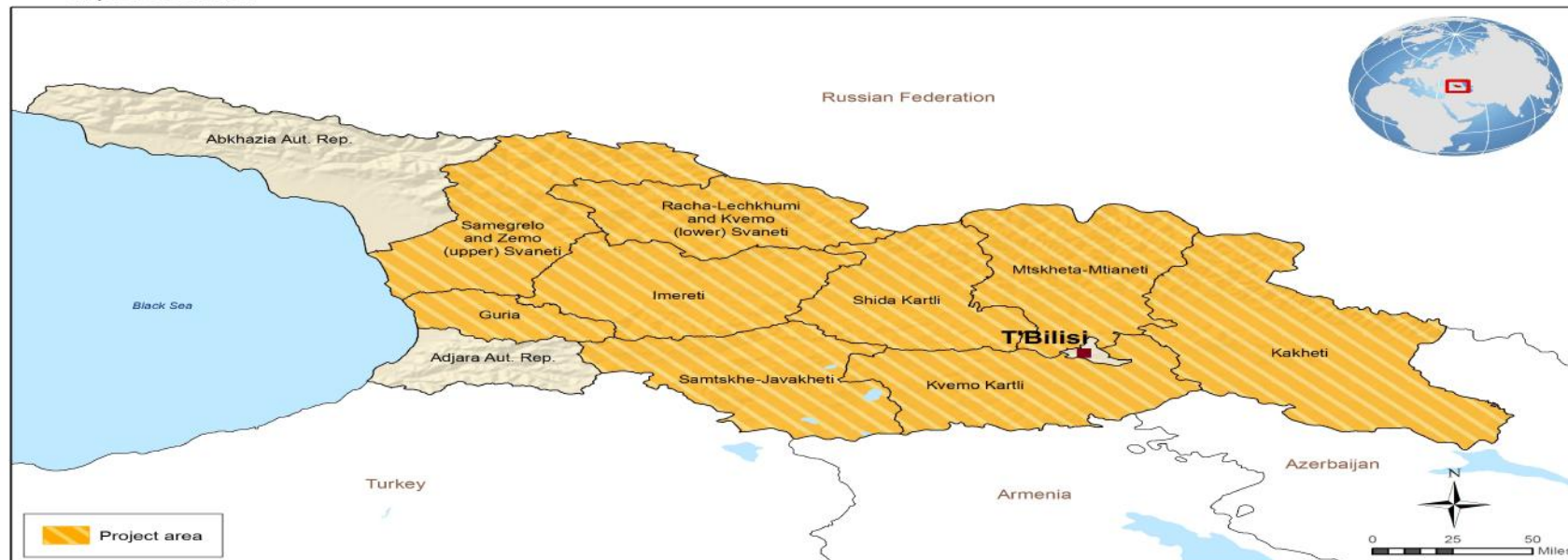
**Duration:** 2010 to 2015; **Project Cost:** US\$12.6 mill.(IFAD 81%)

# Background of the project

**Selection criteria.** Regions: high incidences of poor rural people and a high productive potential in agriculture.

**Beneficiaries:** Direct – smallholder farmers and livestock owners.  
Indirect - farmers and rural people seeking employment.

**Georgia**  
Agricultural Support Project  
Impact evaluation



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 08-03-2017

# Impact evaluation methodology: highlights

- 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

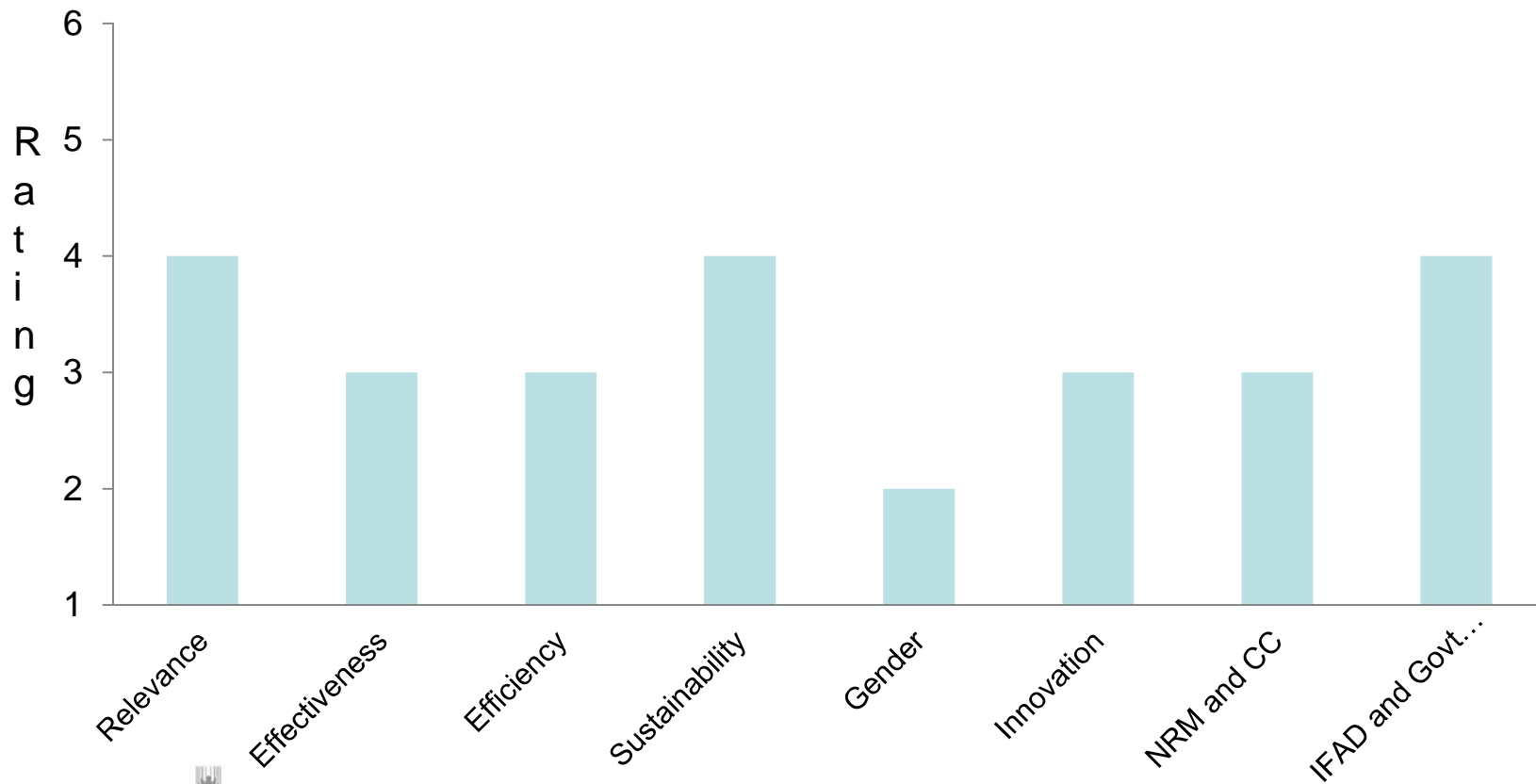
Outcome of interest	Irrigation	Bridges	Drinking water	Leasing (indirect)
Income	no statistically significant change			increase of 14%
Assets	no statistically significant change			increase
Move out of poverty(25%)	no statistically significant change			205% likelihood
Food security	no statistically significant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

## Other results:

NDVI (greenness of surface area) increase of 1.24%

# Highlights of results

## Other criteria



# 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.