

Independent Office  
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**Arab Republic of Egypt**

**West Noubaria Rural Development Project**

PROJECT PERFORMANCE EVALUATION



Independent Office  
of Evaluation



**Arab Republic of Egypt**  
**West Noubaria Rural Development Project**  
**Project Performance Evaluation**

**March 2017**  
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Photos of activities supported by the West Noubaria Rural Development Project in Egypt

Front cover: El Shohada village, peaches harvest. ©IFAD/Marco Salustro

Back cover: Children attend a nursery in Ouzier village, ©IFAD/West Noubaria Rural Development Project (left); Young men play football at youth centre supported by WNRDP in Esraa & Meraage village, ©IFAD/Ann Wessling.

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## **Preface**

*The Independent Office of Evaluation of IFAD (IOE) undertook a project performance evaluation of the West Noubaria Rural Development Project (WNRDP) in the Arab Republic of Egypt in 2016.*

*WNRDP was an integrated rural development project which aimed to "enhance the livelihoods of the target population through increased and sustainable economic activity and greater social self-reliance" in the new lands of Egypt. The project addressed the most urgent needs of the newly settled smallholders and made an effective contribution to their overall wellbeing. The newly created community organizations are providing a range of basic services, including education, health, and credit. The community-based approach to settlement projects piloted by WNRDP is regarded as highly successful by Government and is now being scaled up within its 1.5 million feddan (land reclamation) programme, notably with IFAD's support through the Sustainable Agriculture Investments and Livelihoods Project (SAIL).*

*The evaluation highlights the need for increased attention to sustainability issues in WNRDP and similar projects (including SAIL) from the outset. The newly-created community organizations must have legal status to be able to provide effective services on a sustainable basis. Community-managed credit funds are effective and easy to access, but they do not address the longer-term need for financial services. Attention must also be paid to ensuring sustainable access to, and use of, limited water resources through appropriate technology and an adequate institutional framework.*

*The assessment was conducted by Catrina Perch, Evaluation Officer, in collaboration with IOE consultants Ann Wessling, Mohamed H. A. Nawar and William Oliemans. IOE Evaluation Assistant, Shaun Ryan, provided valuable administrative support.*

*IOE is grateful to the Government of Egypt and former programme staff for their invaluable support during the mission, and to IFAD's Near East and North Africa Division for the useful comments provided during the evaluation process.*

*I hope the results generated by this evaluation will be useful to inform similar operations and activities in Egypt for enhanced development effectiveness.*



Oscar A. Garcia  
Director  
Independent Office of Evaluation of IFAD

**Women received vocational training in sewing and knitting in Souliman village and made school uniforms and knitted children's sweaters to be sold through the Community Development Association.**

**©IFAD/West Noubaria Rural Development Project**



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## **Currency equivalent and measure**

### **Currency equivalent**

Currency unit = Egyptian Pound (EGP)

US\$1 = EGP8.878

### **Measure**

Metric measure

1 feddan (fd) = 0.42 hectares (ha)

## **Abbreviations and acronyms**

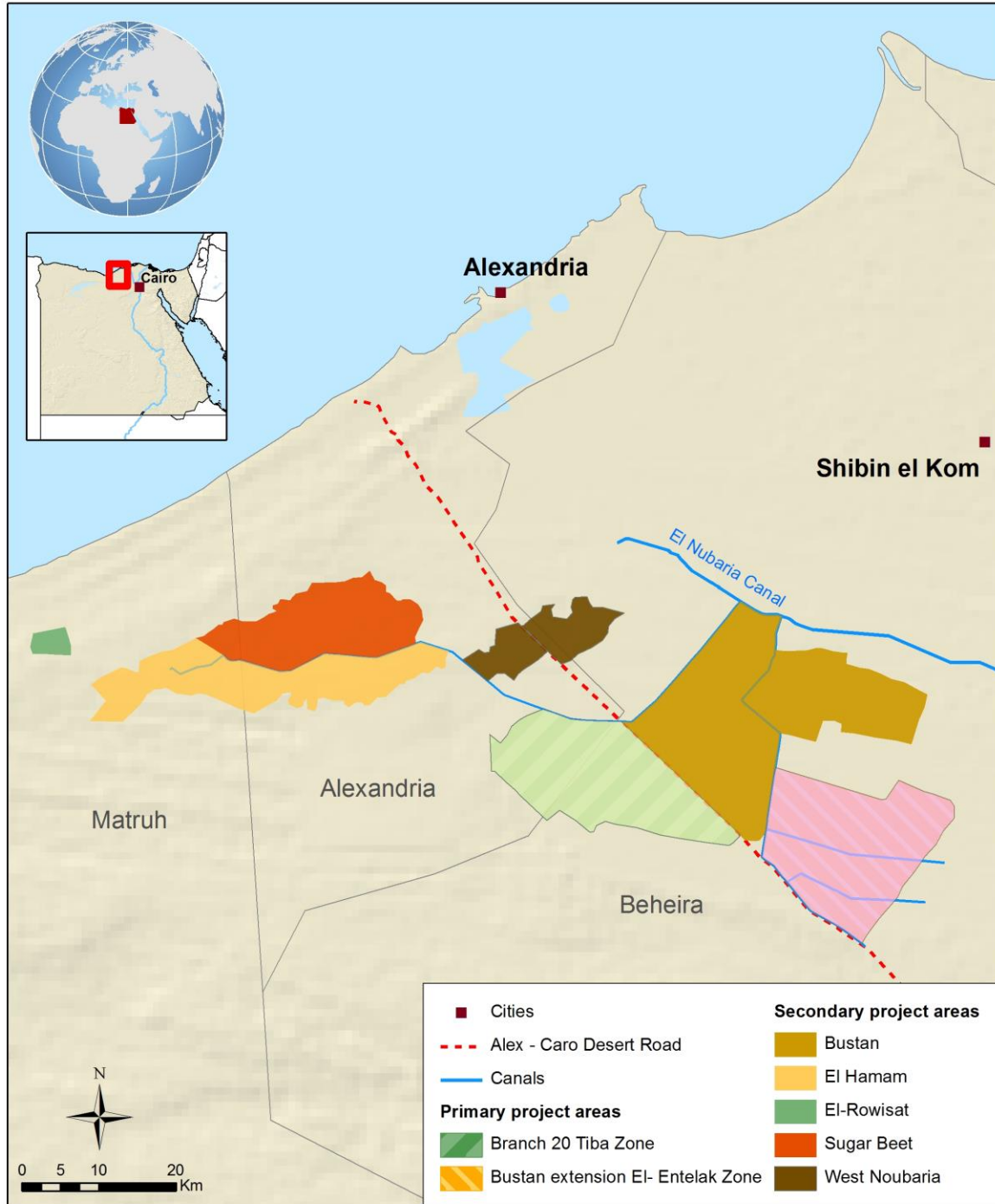
|       |                                                             |
|-------|-------------------------------------------------------------|
| AWPB  | annual work plan and budget                                 |
| CDA   | community development associations                          |
| COSOP | country strategic opportunities paper/programme             |
| CSPE  | country strategy and programme evaluation                   |
| EIRR  | economic internal rate of return                            |
| FAO   | Food and Agriculture Organization of the United Nations     |
| FMA   | farmers marketing association                               |
| GDP   | gross domestic product                                      |
| IDS   | Italian Debt Swap                                           |
| MALR  | Ministry of Agriculture and Land Reclamation                |
| M&E   | monitoring and evaluation                                   |
| MTR   | mid-term review                                             |
| NRM   | natural resources management                                |
| O&M   | operation and maintenance                                   |
| PBDAC | Principal Bank for Development and Agricultural Credit      |
| PCR   | project completion report                                   |
| PMU   | project management unit                                     |
| PPE   | project performance evaluation                              |
| RIMS  | Results and Impact Management System                        |
| SAIL  | Sustainable Agriculture Investments and Livelihoods Project |
| SKD   | Strategy and Knowledge Department (IFAD)                    |
| WNRDP | West Noubaria Rural Development Project                     |
| WUA   | water user association                                      |

# Map of the project area

## Arab Republic of Egypt

### West Noubaria Rural Development Project

Project performance 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.

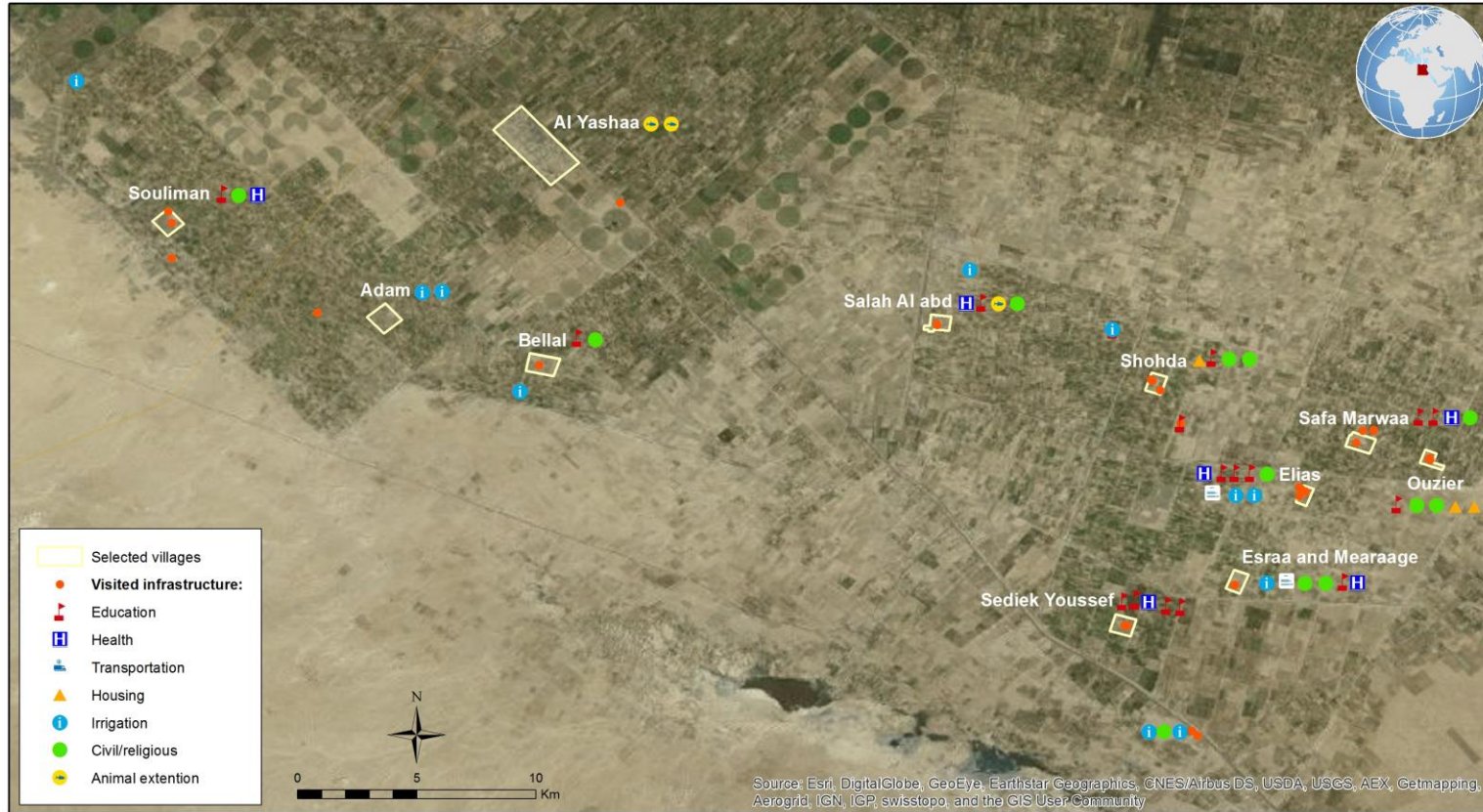
Map compiled by IFAD | 16-06-2016



# Egypt

## West Noubaria Rural Development Project

Types of infrastructures visited in selected villages by project performance evaluation mission



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



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Map compiled by IFAD | 16-06-2016

## Executive summary

### Background

1. The Independent Office of Evaluation of IFAD (IOE) undertook a project performance evaluation (PPE) of the West Nubaria Rural Development Project (WNRDP) in the Arab Republic of Egypt. The objectives of the evaluation were to: (i) assess the results and impact of WNRDP and generate findings and recommendations for the design and implementation of ongoing and future operations in Egypt; and (ii) build IOE's project-level evaluative evidence for the Country Strategy and Programme Evaluation of Egypt.
2. WNRDP was an integrated rural development project which aimed to "enhance the livelihoods of the target population through increased and sustainable economic activity and greater social self-reliance". The project had five objectives: (i) attainment of social cohesion and a sense of community in the villages; (ii) reliable and equitable access to the support services essential to economic and social well-being; (iii) diversified and profitable farming based on more efficient water use; (iv) establishment of self-sustaining arrangements for the provision of accessible and effective credit services; and (v) a diversified and strengthened local economy contributing to nationwide economic advancement.
3. WNRDP covered 78 villages in the Nubaria land reclamation zones located on either side of the Cairo-Alexandria desert road. The total targeted population was 36,180 households comprising 228,000 individuals. The primary target group were newly settled smallholders in 18 villages, including landless farmers, traditional farmers and young graduates. The project's secondary target group included unemployed youth and displaced small farmers in already established villages. The primary target group received the full package of project support, which included construction and rehabilitation of basic infrastructure, technical support on cropping and irrigation systems, marketing support and credit. The secondary target group had been settled longer and thus required technical support and credit, but no infrastructure activities.
4. Project cost at design was US\$54.75 million, financed by IFAD (US\$18.48 million), a grant from the Italian Debt Swap (IDS) (US\$30.13 million), Food and Agriculture Organization of the United Nations (US\$0.40 million), the Government (US\$5.54 million) and beneficiaries (US\$0.20 million). Actual project costs at completion were US\$52.2 million.

### Main evaluation findings

5. **Relevance.** WNRDP's goal was aligned with the Government's policies to reduce poverty and unemployment in the old lands of Upper Egypt by settling landless farmers and unemployed youth in the newly reclaimed lands in Lower Egypt. It was also aligned with IFAD's country strategic opportunities programme (COSOP) and the priorities of the poor. The project objectives and design were relevant and addressed the most urgent needs of the newly settled smallholders. The targeting approach was valid at design, but not sufficiently flexible to adapt to the demographic changes in the project area and the increasing socio-economic differentiation within the target population. The rating for relevance is *moderately satisfactory* (4).
6. **Effectiveness.** The combined delivery of social infrastructure, assets, training, credit and institution-building concentrated in a small area was generally effective and made an important contribution to enhancing the well-being of the target population and increasing the settlement rate. WNRDP achieved good results with diversification of crops and substantial conversion to drip irrigation. The infrastructure and services provided filled an important gap in the absence of local administration. Furthermore, the project set up community-level institutions (water

user associations and community development associations), but their effectiveness was limited as they are not institutionalized within the local administration framework. WNRDP improved access to credit for inputs and productive assets for beneficiaries in both primary and secondary areas, although this did not result in economic diversification as expected. This is partly due to the underperformance of the Principal Bank for Development and Agricultural Credit (PBDAC), which was characterized by onerous requirements, delays and poor follow up on repayment, leading to very few second loans being issued to clients. Finally, the project could have performed better in targeting women beneficiaries and very poor smallholders. The rating for effectiveness is *moderately satisfactory* (4).

7. **Efficiency.** Project implementation was characterized by budget overruns, slow disbursements, high staff turnover, slow loan effectiveness and delays in implementation, which resulted in two extensions of the project completion date. Efficiency is therefore rated *moderately unsatisfactory* (3).
8. **Rural poverty impact.** Despite those challenges, the project has made a significant impact on the target group. Above all, it has significantly improved the living conditions in the new settlements, thus contributing to community cohesion and a sense of belonging. WNRDP also contributed to improved incomes as well as durable and productive assets. Agricultural production in the settlement area has become more diversified, and productivity and food security have improved. Nevertheless, malnutrition rates have remained more or less unchanged. Access to schools, nurseries and health clinics, and the formation of literacy classes and various local institutions, improved human and social capital and filled an important void left by the absence of public services. Community organizations played an important role in implementing those activities in a participatory manner. Yet the project had only partial success in linking communities and with public administration. The relevant line ministries were slow to arrive and ensure the quality of services, for example on education, health and irrigation. Rural poverty impact is rated *satisfactory* (5).
9. **Sustainability of benefits.** Overall, the various constructed and rehabilitated community assets are being well maintained and used, even if operation and maintenance is constrained by the lack of resources. The local community institutions and groups are still in place, yet the degree to which they function differs – due in part to the legitimacy issues explained above. Of all the institutions, the village cooperatives seem the most successful and resilient, and are able to access credit for their members. The various advisory and extension services provided to the soil and water laboratory have been recognized as viable and sustainable project benefits. At the same time, the two credit lines through PBDAC and the IDS Revolving Fund have proven unsustainable. For these reasons, sustainability is assessed as *moderately satisfactory* (4).
10. **Innovation and scaling up.** WNRDP was the first project to satisfy all IDS conditions and be approved for cofinancing by the IDS management committee. Other innovations include: (i) the introduction of bottom-up participatory techniques in a context of centralized governance; (ii) the adoption of drip irrigation and the way it was adapted to smallholders; and (iii) the provision of artificial insemination services through private inseminators. A successful example of scaling up is the approval of the Sustainable Agriculture Investments and Livelihoods Project (SAIL) in 2014, which will scale up the successful experience of WNRDP in a different geographic area, with far greater government contribution in both proportional and absolute terms. In summary, the rating for innovation and scaling up is *satisfactory* (5).
11. **Gender equality and women's empowerment.** Gender issues were to some extent addressed in the community development and organization component, but since the project did not systematically target women, their overall participation

remained low. Many of the activities focused on women's traditional and domestic roles, mainly for domestic consumption, and to a lesser extent on income-generating activities, strategic needs and the reduction of workloads. The loan amounts provided to women were small and only few women became part of village-level institutions. At the same time, women greatly benefitted from access to health services, education, literacy classes and provision of identity cards, these latter being crucial for guaranteeing access to services and resources, such as credit, and the possibility to vote. This criterion has therefore been assessed as *moderately satisfactory* (4).

12. **Environment and natural resources management.** An important assumption is that converting from moveable sprinklers to drip irrigation would lead to water savings. However, findings on water efficiency are inconclusive because: (i) water savings figures stated in the project completion report seem to be based on projected savings, not on actual measurements; (ii) the impact survey reported that for 80 per cent of the farmers interviewed, water stress had increased over the past ten years; and (iii) water use and efficiency have not been systematically monitored over the years. At the same time, the project was able to establish reduced use of fertilizer as a result of the change in irrigation method, as well as the widespread introduction of fertigation. The rating for this criterion is *moderately satisfactory* (4).
13. **Adaptation to climate change.** Adaptation to climate change was not a specific objective of this project and as such there has been very little systematic data collection in this regard. Positive impacts on climate change resilience include: (i) the reduction in fertilizer use; and (ii) the drip irrigation and conversion of open (canals) to closed (pipes) systems. At the same time, these impacts are expected to be relatively small compared to the prominent decrease in irrigation reliability over the past ten years. The rating for adaptation to climate change is *moderately satisfactory* (4).
14. **Performance of partners.** IFAD's performance is rated as *moderately satisfactory* (4). While the quality of supervision is assessed as adequate and well-coordinated by IFAD, the PPE found that IFAD could have played a more proactive role in improving project design and the monitoring and evaluation (M&E) system. The Government was highly engaged in and supportive of WNRDP. It invested adequate time and resources in the project and fulfilled its fiduciary responsibilities, which contributed to its success in reaching the settler population. The Government fulfilled its responsibilities regarding M&E, although M&E capacities and focus on impact could have been improved. Government performance is rated as *satisfactory* (5).

## **Conclusions**

15. WNRDP's goal was to enhance the livelihoods of the target population through increased sustainable economic activity and greater social self-reliance. The main indication that this objective has been achieved is the increase of the settlement size, which at the time of this evaluation stands at 120 per cent. This is a significant achievement, considering that at appraisal absenteeism was reportedly 50 per cent. WNRDP filled an important gap through the provision of social and productive infrastructure and services in the absence of a local administration. The increase in the population coupled with the social infrastructure in turn attracted new settlers and triggered new social and economic activities in the villages.
16. **Institutionalization of community organizations.** Under WNRDP, a participatory process was initiated that helped the project to formulate its executive plan and to some extent rationalize the allocation of its investment resources through the creation and strengthening of various community organizations. However, there are concerns about the sustainability of these organizations, and there is little evidence that the community-driven development

approach has empowered the local communities to demand better services from local government. This is in part due to the fact that the communities are not integrated into the national administrative systems.

17. **Self-sustaining mechanisms for rural finance.** Egypt has a challenging rural finance environment characterized by a limited number of providers and high collateral and guarantee requirements to secure loans, thus limiting access to savings options or bank financing. IFAD has endeavored to accompany many of its rural and agricultural development initiatives in Egypt with financial services components to promote more sustainable access to investment capital and to ensure affordable, locally available alternatives. The two mechanisms used by WNRDP have served the purpose of channeling loans to small farmers, but are not viable. The PBDAC is currently being restructured and the IDS revolving fund operates outside the financial system, raising issues about its institutional sustainability.
18. **Gender equality.** Strengthening the gender impact of IFAD interventions in Egypt has consistently been raised in project design reports, at quality assurance and in COSOPs, yet progress on gender was slow and only partially achieved in the project. While women benefitted greatly from general infrastructure and some specific activities, their overall participation was low.
19. **Pressure on water resources.** The agro-ecological sustainability of reclaiming the desert remains an issue of debate. In WNRDP, despite introducing water-saving measures such as drip irrigation, farmers experienced increased pressure on access to allocated water. It seems likely that the increased scarcity of water is linked to the natural expansion of the population and the subsequent pressure on available water resources. There are also problems with drainage and salinization in several villages. Nevertheless, desert reclamation continues. For IFAD to continue to play a role in this development, it is important that appropriate safeguards are followed, such as the recently approved Social, Environmental and Climate Assessment Procedures, which will apply to future projects.
20. **Monitoring and evaluation.** Considerable effort went into establishing the M&E system, yet key impact data were lacking at the time of this evaluation. A main reason was that the M&E system was overly focused on outputs, with little analysis of outcomes. Moreover, an opportunity was missed to complement the participatory implementation with participatory M&E.

### **Recommendations**

21. The PPE offers the following five recommendations for IFAD to consider during the preparation of the forthcoming COSOP and for future operations:
22. **Recommendation 1: Institutionalize the role of community organizations and associations.** In order for the community-driven development approach to be more than merely a transitional instrument for service delivery, future projects must identify strategies to ensure that community-level organizations will be linked to formal public administration structures beyond the projects' lifetime.
23. **Recommendation 2: Undertake a financial sector assessment.** IFAD should conduct a financial sector assessment to inform the development of future IFAD projects in Egypt and provide clear technical advice for existing projects. The study should identify policy constraints, rural finance opportunities, and potential institutional partners and provide strategic guidance to the IFAD country office regarding engagement in the rural finance sector. This study would also help to position IFAD as a key partner at the policy level and contribute to dialogue with regulators, and other partners working with rural financial services and financial institutions.
24. **Recommendation 3: Devote adequate attention to gender issues throughout the project cycle.** Future projects should devote more attention to

gender issues and adopt a more proactive role in monitoring women's participation in project activities. This should be achieved by ensuring that: (i) dedicated and qualified gender experts are part of the project management unit and supervision missions; (ii) resources are allocated to gender activities; (iii) specific gender targets are formulated; and (vi) M&E systems track and report on the impact of project activities on women's empowerment and gender equality using the Women's Empowerment Index and other relevant indicators.

25. **Recommendation 4: Ensure that environmental impact assessments are undertaken.** For ongoing projects, such as SAIL, rigorous environmental impact assessments should be conducted, as recommended during the implementation of WNRDP. Assessments should focus on the long-term sustainability of water supply.
26. **Recommendation 5: Provide appropriate guidance on M&E.** IFAD should consider providing additional support to the Government by addressing project management competencies in all processes related to M&E (e.g. data collection and quality, analysis, reporting). In addition, in projects with an emphasis on community development, a participatory approach to M&E at community level should be considered. Sampling methods for all studies should be carefully selected and consistently adopted in follow-up studies.

## IFAD Management's response<sup>1</sup>

1. Management welcomes the Project Performance Evaluation (PPE) of the West Noubaria Rural Development Project (WNRDP) and appreciates the fact that all major performance criteria were rated positively by the Independent Office of Evaluation of IFAD (IOE). This reflects the success of the project and is a confirmation of the efforts invested in this region by IFAD, the Government of Egypt and the rural communities.
2. Overall, the PPE and earlier self- and independent evaluation products highlight that clear benefits were delivered to project communities. The ex-post impact evaluation carried out by IFAD's Strategy and Knowledge Department (SKD), the project completion report and even the survey conducted by IOE, all point clearly to higher benefits and incomes for the treatment group compared to the control group.
3. Despite the commendable results of the West Noubaria project, Management is conscious of some of the limitations of the project, as highlighted by the PPE. However, Management wishes to clarify a few points as a complement to the findings and conclusions of the PPE.
4. Management feels that the specificities of the context in which the project was implemented could have been more emphasized in the PPE. Despite the very challenging context, one of the most tumultuous periods in Egyptian history following the Arab Spring, the project managed to achieve significant results.
5. Management would like to highlight also that, in terms of relevance, throughout its implementation the project responded to the needs of the local communities through a fully participatory approach led by a strong involvement of the community development associations (CDAs) and the farmers marketing associations (FMAs). Two years after completion, both CDAs and FMAs are still providing services to the communities, confirming the sustainability of the institutions. The high relevance and sustainability of the project are acknowledged by Government counterparts and communities.
6. With regard to the recommendations, Management is broadly in agreement with the recommendations and will endeavour to ensure these are implemented in future design and in the country programme. Details responses are provided below:

- a) **Recommendation 1: Institutionalize the role of community organizations and associations.** *In order for the community driven development approach to be more than merely a transitional instrument for service delivery, future projects must identify strategies to ensure that community-level organizations will be linked to formal public administration structures beyond the project's lifetime.*

Not applicable. The CDAs are by definition non-governmental institutions with no formal links to formal public administration structures. Implementing this recommendation may require legislative and institutional changes that are beyond IFAD's immediate remit and would require explicit Government approval and commitment. Given that the Government is not formally a signatory to this project evaluation, this recommendation is considered not applicable. This is also in line with the methodology for follow up on evaluations.<sup>2</sup>

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<sup>1</sup> The Programme Management Department sent the final Management response to the Independent Office of Evaluation of IFAD on 7 February 2017.

<sup>2</sup> See para 2.c in the 2016 President's Report on the Implementation Status of Evaluation Recommendations and Management Actions, EB/2016/118/R.10: only recommendations directly addressed to IFAD in project evaluations are to be followed up on, since governments are not signatories to project evaluations).

- b) **Recommendation 2: Undertake a financial sector assessment.** *IFAD should conduct a financial sector assessment to inform the development of future IFAD projects in Egypt and provide clear technical advice for existing projects.*

Agreed. Management agrees with this recommendation. The assessment was already initiated in December 2016. The assessment will: (a) assess and identify relevant contextual, policy and regulatory issues that affect the development of smallholder farmers' finance activities in the country; (b) identify the main actors and their activities in the rural finance sector, (c) provide an assessment of current challenges facing smallholders with regard to rural finance, (d) provide strategic guidance to the role of IFAD operations in the country.

- c) **Recommendation 3: Devote adequate attention to gender issues throughout the project cycle.** *Future projects should devote more attention to gender issues and adopt a more proactive role in monitoring women's participation in project activities.*

Agreed. These principles will be adhered to in the Sustainable Agriculture Investments and Livelihoods Project (SAIL) and the new project under design. The supervision mission for SAIL already included a gender expert who reviewed gender mainstreaming strategies, gender targets and the development of monitoring and evaluation (M&E) systems to track progress with regard to gender mainstreaming and women's empowerment. The new design process will include from the beginning a gender and targeting specialist who will address these issues.

- d) **Recommendation 4: Ensure that environmental impact assessments are undertaken.** *For ongoing projects, such as SAIL, rigorous environmental impact assessments should be applied, as recommended during the implementation of WNRDP.*

Agreed. This has already been initiated for the relevant ongoing project (SAIL). Specific environmental assessments are also being designed for the new project in 2017: including a study on the long term usage and sustainability of drainage systems, and assessing the social and environmental implications of project activities.

- e) **Recommendation 5: Provide appropriate guidance on M&E.** *IFAD should consider providing additional support to the government by addressing project management competencies in all processes related to M&E (data collection and quality, analysis, reporting, etc.).*

Agreed. Management will provide additional guidance and will also ensure that the government benefits from ongoing corporate initiatives on M&E: (i) upgrading of the Results and Impact Management System (RIMS); (ii) improvement of key tools to measure and manage for results, including logical frameworks; (iii) establishment of processes to track results in real time through IT systems; and (v) use of broader impact assessments of IFAD activities to maximize learning. Moreover, through the US\$3.5 million CLEAR grant, approved by the Executive Board in September 2016, Management will sponsor systematic training and certification of project staff across IFAD's operations on M&E and impact assessment. A customized curriculum will be taught in a modularized way within a wider project management approach, as opposed to a purely technical competency.

7. Management thanks IOE for the productive collaboration during the evaluation process and is committed to internalize the learning generated from this exercise to improve future design and the overall country programme.



**Animal extension centre supported by the project near Bellal village.**

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# Arab Republic of Egypt

## West Noubaria Rural Development Project

### Project Performance Evaluation

#### I. Evaluation objectives, methodology and process

1. **Background.** The Independent Office of Evaluation of IFAD (IOE) undertakes project performance evaluations (PPEs) for a number of completed projects. The West Noubaria Rural Development Project (WNRDP) in the Arab Republic of Egypt was selected for a PPE to build IOE's project-level evaluative evidence for the Egypt Country Strategy and Programme Evaluation (CSPE).
2. IFAD's programme in Egypt has comprised two main themes and groups of activities, namely: support for settlement in lands reclaimed from the desert in Lower (northern) Egypt – the “new lands”; and support for productivity improvement in the “old lands” in the Nile valley and Upper Egypt.<sup>3</sup> WNRDP has been selected based on IFAD's long history of support to new lands settlements in Egypt. WNRDP was IFAD's eighth project in Egypt and its fourth settlement project<sup>4</sup> and ran for 11 years (2003-2014). It spanned two country strategic opportunities paper/programme (COSOP) periods (2002 and 2006)<sup>5</sup>, and had a total project cost of US\$52.2 million, of which IFAD financed US\$19.642 million through a loan. Furthermore, with the approval of the Sustainable Agriculture Investments and Livelihoods Project (SAIL) in 2014, IFAD responded to a request from the Government for assistance in helping to design new investments in some of the newly settled lands in other regions, therefore continuing its focus on settlements.
3. **Objectives.** The main purpose of this evaluation is to assess the results and impact of WNRDP and generate findings and recommendations for the design and implementation of ongoing and future operations in Egypt.
4. **Methodology.** The PPE follows the IFAD Evaluation policy and IFAD IOE Evaluation Manual (second edition). It adopts a set of internationally recognized evaluation criteria and a six-point rating scale (annex III). The PPE has prepared a theory of change to capture the intervention logic (see annex IV) and identify gaps in evidence. The PPE relied on an extensive range of available documents (see annex VII), including the project completion report (PCR) and impact assessments, appraisal reports, the mid-term review and supervision reports. These were all reviewed during the desk review phase. During the PPE fieldwork, two structured, evidence-gathering tools were used: an evaluation framework (see annex IV) to guide interviews, and an asset verification form to collect evidence on the condition of visible assets. The latter was the only form of empirical survey conducted and involved visits to 34 assets in 20 villages.<sup>6</sup> Additionally, the PPE made use of a simple scorecard approach when assessing beneficiary satisfaction with activities, whereby the villagers rated their satisfaction with the various services provided by the project from one to six.<sup>7</sup> The PPE also took global positioning system coordinates of most infrastructure visited and used the data to develop several maps. As is usual in PPEs, due to time and resource constraints, a more detailed quantitative survey was not undertaken. Other data collection methods included individual and group discussions with stakeholders in programme sites. These involved state officials, project staff, village and group leaders and a range of beneficiaries. Other key informants were interviewed in Cairo and in Rome. Data

<sup>3</sup> IFAD 2012 Country Strategic Opportunities Programme, p. 6.

<sup>4</sup> West Behira Settlement Project (WBSP); Newlands Agricultural Settlement Project (NASP); East Delta Newlands Agriculture settlement Project (EDNASP) preceded the West Noubaria Development Project (WNRDP).

<sup>5</sup> The name changed from country strategic opportunities paper to country strategic opportunities programme starting in December 2006 (Executive Board 89).

<sup>6</sup> These were in the two primary project zones (Entelak and Tiba).

<sup>7</sup> 6 being the highest score and 1 the lowest.

analysis tools applied by the evaluation included statistical analysis and simple categorization of assets and global positioning system coordinates in excel format using filter templates.

5. **Monitoring and evaluation (M&E) data, impact evaluation and limitations.** The standard Results and Impact Management System (RIMS) questionnaire was conducted in 2006 (four years after the baseline), at midterm in 2007, and at completion in 2014. It collected basic information on the age and sex of household members, assets and livestock owned, and characteristics of the physical and social environment of the household, as well as anthropometrics for all children under five years old living in the interviewed households. A stratified sample was used to select a total of 900 beneficiaries out of the estimated number of beneficiaries located in the primary area (12 villages). Data from the RIMS survey allow for limited analysis of outcomes and impacts for various reasons.<sup>8</sup> To partially address the limitation of the RIMS dataset, an ex-post household survey was conducted in 2014.
6. The PPE team reviewed the impact survey report (2014), a draft ex-post impact evaluation prepared by IFAD's Strategy and Knowledge Department (SKD) in collaboration with ICF International, as well as a short final note on the impact of WNRDP prepared by SKD and feeding into the Synthesis of Lessons Learned from the IFAD9 Impact Assessment Initiative. For the purpose of this evaluation, the analysis is limited to the impact survey and the final note. Specifically, the PPE team assessed the methods used and the data available for their reliability by conducting various tests in STATA and concluded that the quality of the survey was adequate, but that the results should be interpreted with caution. Despite the availability of the above data there were gaps in the M&E system, for example with respect to the targeting and the participatory approach. This will be further discussed in chapter IV on performance of partners. The current situation in the area is influenced by IFAD's long standing involvement in the area which goes as far back as 1980<sup>9</sup> and IFAD has been the main international financing agent in the region. More recently the Newlands Agricultural Services Project (NASP) ran from 1992-1999 and in part overlaps with the WNRDP project area. Specific WNRDP physical inputs and interventions can be identified and to a large extent project participants can recall WNRDP support. Nevertheless, it is difficult to distinguish the respective impacts of NASP and WNRDP.
7. **Process.** The PPE mission<sup>10</sup> was undertaken from 16 to 28 April 2016. Field visits were carried out in both the primary and secondary settlement zones. The mission visited over half of the villages in the primary zone,<sup>11</sup> which was settled during the period 1997-2000. In the secondary zone, settled between 1986 and 1987, the visits focused on meeting clients of the credit components. The villages were selected based on a number of criteria, such as: geographical spread; type of main population (i.e. displaced; young graduates; mixed); and spread and type of activities. The team met with former WNRDP staff, community members and beneficiaries and assessed 34 different types of project asset. The wrap-up meeting was held in Cairo on 28 April 2016.
8. Following the mission, the team conducted further analysis of the data and findings. The resulting draft report was then peer reviewed by staff in IOE. (It was thereafter shared with IFAD's Near East, North Africa and Europe Division and the Government of Egypt for comments).

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<sup>8</sup> Data were not collected for a control group. The timing of the baseline (2006) is far from the project start date (2003). There are few measures of income or other indicators of economic mobility and resilience in the standard RIMS survey that are needed to assess project impact in key outcome areas.

<sup>9</sup> West Beheira Settlement Project (1980-1991).

<sup>10</sup> The mission consisted of Catrina Perch (Evaluation Officer, IOE), Ann Wessling (rural finance consultant), and Mohamed Nawar (sociologist).

<sup>11</sup> Tiba zone: Souliman, Adam, Bellal; Entelak Zone: Safa & Marwaa; Ouzier; Elias, Shohada; Salah Al Abd; Esraa&Mearagge and Sedik Youssef. The visits in the secondary zone took place in Sugarbeet.

## II. The project

### A. Project context

9. **Country background.** Egypt links northeast Africa with the Middle East, with the Gaza Strip and Israel to the northeast, the Gulf of Aqaba and the Red Sea to the east, Sudan to the south and Libya to the west. Its total land area is slightly under 1 million km<sup>2</sup>. The climate ranges from moderate along the coast and Nile delta through arid and semi-arid, to desert extremes in the western and eastern deserts.
10. Egypt is the most populous country in the Middle East and North Africa, with a population of 89.6 million in 2014. The rural population makes up 56.9 per cent of the total. Between 2000 and 2014, population growth has averaged 1.9 per cent, though the trend has been accelerating since 2009 (at 2.1 per cent).<sup>12</sup> Historically, the population is highly concentrated along the Nile valley and delta, which represent only 3 per cent of the Egyptian land area.
11. The Nile river provides 97 per cent of fresh-water resources, or 55.5 billion m<sup>3</sup> per year. Due to the availability of Nile water for irrigation and high insolation, a variety of Mediterranean, desert and sub-tropical agricultural, animal husbandry and forestry resources are available. Upper Egypt provides opportunities for date and other commercial tree plantations. With more established irrigation, Middle Egypt produces rice, sugar beet, long-staple cotton, and citrus. The Nile delta produces a wide variety of horticulture and fruit tree crops, traditional field crops such as cotton and rice, and clover. The milk producing belt ranges from Middle Egypt up to the delta, while the Western delta is also known for high quality sheep.<sup>13</sup>
12. Egypt has been classified as a lower middle income country since 1995. **Economic growth** was strong before the onset of the Arab Spring in 2011; average gross domestic product (GDP) growth between 2005 and 2010 was 5.9 per cent, but fell to 1.8 per cent in 2011. Since 2012, GDP has been growing at a reduced average of 2.2 per cent. Growth is mainly driven by the manufacturing and tourism sectors, with agriculture representing a modest 14.5 per cent of GDP in 2014. Nonetheless, growth in agriculture is far more stable than in the industry or services sectors. While natural resources provided the country with over a quarter of GDP in rents, oil and natural gas rents descended to 10 per cent of GDP in 2014.<sup>14</sup> Other sources of public revenue come from agriculture, tourism, the Suez Canal, and overseas remittances. Most recently, growth has been consumption-oriented with a declining share and contribution from investment, and net exports have been mostly a drag on growth. Formal employment and productivity growth have also been weak,<sup>15</sup> with unemployment on the rise since 2008, to 13.2 per cent of the labour force in 2013. For women the rate is over double the national rate (24.2 per cent) and over two fifths of youth are unemployed (41.7 per cent).<sup>16</sup>
13. Since 1998, the **agricultural sector** has been the biggest employer in Egypt. In 2014, it employed 27.6 per cent of the population. Between 1990 and 2002, the proportion of people employed in agriculture was decreasing, and it then stagnated from 2002 to 2012.<sup>17</sup> Nevertheless, it remains the largest employment sector in the country, employing 6.18 million people in 2015, and is the largest employer of young people between 15 and 29 years of age.<sup>18</sup> There has also been an increasing trend in the feminization of agriculture, with over 40 per cent of the agricultural

<sup>12</sup> World Bank Development Indicators 2016.

<sup>13</sup> El-Nahrawy, E. (2011) 'Country Pasture/Forage Resource Profiles: Egypt', FAO.

<sup>14</sup> World Bank Development Indicators 2016.

<sup>15</sup> World Bank 2015 'Egypt: Promoting Poverty Reduction and Shared Prosperity, a Systematic Country Diagnostic', P151429, Middle East and North Africa Region, World Bank Group.

<sup>16</sup> World Bank Development Indicators 2016.

<sup>17</sup> World Bank 2015 'Egypt: Promoting Poverty Reduction and Shared Prosperity, a Systematic Country Diagnostic', P151429, Middle East and North Africa Region, World Bank Group (p. 22).

<sup>18</sup> World Bank (2014) 'Arab Republic of Egypt – More Jobs, Better Jobs: A Priority for Egypt' Poverty Reduction and Economic Management Department, Middle East and North Africa Region; FAOSTAT (2016) 'Country Profile – Egypt', accessed 17 March 2016.

labour force constituted by women in 2015.<sup>19</sup> In terms of inputs, land holdings have become increasingly more fragmented and small, particularly in Upper Egypt. Large rural financial institutions do not lend to the landless and smallholders owning less than 0.25 fd,<sup>20</sup> and there is limited access to microcredit institutions. Poorer farmers also have less access to irrigation water, which is also increasingly saline and toxic. Fertilizer use per hectare in Egypt is amongst the highest in the world, due to the cultivation of fertilizer-intensive crops. Fertilizer sales are historically subsidized for small farmers, though it may distort the market in favour of the production of traditional crops (wheat, rice, and sugarcane), at the expense of more lucrative horticultural crops.<sup>21</sup>

14. **Poverty characteristics.** Strong economic growth in the past has not translated to poverty reduction. Considering the size of the population, the absolute increase in the number of people living in poverty is substantial, with nearly 41 million Egyptians in 2011 living on less than US\$2 per day.<sup>22</sup> **Poverty is higher in rural areas**, with the proportion of poor people living in rural areas at least twice those living in urban areas.<sup>23</sup> Significantly, while both urban and rural poverty increased since 2005, inequality, as expressed in urban and rural Gini coefficients, decreased, driven by declining incomes of the more affluent. However, geographical inequality between the four largest cities and the rest of the country is markedly greater than general urban/rural inequality. Despite increasing poverty, Egypt ranked 108 out of 188 countries in **human development**, with its Human Development Index (HDI) rising from 0.453 to 0.690 between 1980 and 2014.<sup>24</sup>
15. **The project environment.** WNRDP was designed in the context of the political agenda on land reclamation in Egypt. The principal purpose of land reclamation is to increase agricultural production and "overcome Egypt's overwhelmingly unfavourable population-to-land ratio."<sup>25</sup> This is both the official discourse of the Ministry of Agriculture and Land Reclamation (MALR) and the line of reasoning found in much of the literature.<sup>26</sup> Historically, land reclamation has been the Government's second greatest agricultural investment, behind irrigation, consuming 30-35 per cent of the agricultural budget.<sup>27</sup>
16. Land reclamation in the Egyptian context means converting desert areas to agricultural land and rural settlements. This is done primarily by "adding water", i.e. by extending the canals from existing agricultural land into the desert, but also by working with the soil, ploughing-in manure in order to enhance its fertility and, finally, by providing the infrastructure for constructing new villages. Since the early 1990s, the Egyptian Government has emphasized desert community development more than just the concept of land reclamation. This implies that the concept of land reclamation is broadened to include planning and development of "integrated rural communities" in the new lands in order to overcome the problems of unemployment, congestion, and shortages of housing in the old lands.<sup>28</sup> About 60 per cent of the reclaimed land is auctioned to investors in parcels of 10-1,000 fd. The remaining 40 per cent are allocated for villages and services (a two-room house to every settler, commercial areas, buildings for mosques, schools, clinics and cooperative facilities). Parcels of 2.05-5 fd are distributed to social groups on a concessional basis (payment over 30 years with a 3-year grace period

<sup>19</sup> FAO (2016), 'FAOSTAT Egypt country profile', accessed 2 February 2016.

<sup>20</sup> 1 feddan equals 0.42 hectares; 1 feddan roughly equals 1 acre.

<sup>21</sup> World Bank 2015 'Egypt: Promoting Poverty Reduction and Shared Prosperity, a Systematic Country Diagnostic', P151429, Middle East and North Africa Region, World Bank Group (p. 69-71).

<sup>22</sup> Absolute number of people living under the national poverty lines was calculated using population data from World Bank Development Indicators 2016 and proportion of people living under the poverty lines from UNICEF (2014) 'Children in Egypt 2014: Statistical Digest'.

<sup>23</sup> World Bank Development Indicators 2016.

<sup>24</sup> UNDP (2015) Human Development Report – Egypt.

<sup>25</sup> Springborg 1979, p. 54.

<sup>26</sup> e.g. Ibrahim and Ibrahim 2003.

<sup>27</sup> United States Agency for International Development Egypt – Land Tenure and Property Rights Profile, p. 12.

<sup>28</sup> Adriansen H. K. /Geoforum 40 (2009), p. 665.

and no interest charge). Settlers are selected on the basis of criteria that include poverty, landlessness, and unemployment.<sup>29</sup>

17. The landless, in particular, were affected by the Economic Reform and Structural Adjustment Programme, which was implemented in the late 1990s and more precisely, by the effects of the Owners and Tenants law of 1992. This law, known as Law 96 of 1992, was effective from 1 October 1997 after a five-year transition period. The law changed tenure regulations so that tenants had to rent land at market prices, which were ten times as high as the previously fixed prices. Many tenants could not afford the new leases and ended up landless. In order to counter some of the negative effects of this policy change, the Government's reclamation schemes were opened-up to this group.<sup>30</sup>
18. **Project approach.** The project targeted the populations already settled in the new lands and an important element of the project strategy was the cultivation of a 'community spirit' in the villages in order to address the problem of low occupancy in the new lands. Reclamation was funded by the Government from its own budget. Irrigation and drainage systems and farm areas were developed, together with all-weather roads, basic housing and community buildings such as schools, and government and cooperative offices. The availability and standard of these provisions varied between settlements and, in addition to the land received, each settler household received a small house. The houses in the project area, especially those rapidly constructed for displaced households, were of generally poor quality and, in the worst cases, barely habitable. There were some 4,850 such houses in the primary project area. Villages were served with electricity but individual house connections were at the discretion and cost of the householder, following application to the electricity authorities.<sup>31</sup>
19. The project was to respond to community needs and priorities for education and health and other social services, as expressed by their community development associations (CDAs), also referred to as the "Shorouk method".<sup>32</sup> A second element of the project strategy was to assist settlers to improve farming profitability in order to improve food security and alleviate poverty. Thirdly, the project promoted more efficient irrigation practices to both reduce production costs and to conserve increasingly scarce water resources.
20. The **project goal**, as stated in the President's Report, was to "enhance the livelihoods of the target population through increased and sustainable economic activity and greater social self-reliance". Five **specific objectives** were identified: (i) attainment of social cohesion and a sense of community in the villages; (ii) reliable and equitable access to the support services essential to economic and social well-being; (iii) diversified and profitable farming based on more efficient water use; (iv) establishment of self-sustaining arrangements for the provision of accessible and effective credit services; and (v) a diversified and strengthened local economy contributing to nationwide economic advancement. The PPE has prepared a theory of change to capture the intervention logic (see annex IV).
21. The project had three operational components as well as a technical operations component and a management component. Component 1 was on community organization and development; component 2 aimed at ensuring there was a small team of specialized staff in the project management unit and at the zonal level with provision of support to extension workers in the villages; component 3 focused on marketing, with the aim of increasing awareness of and access to market information among the target population; component 4 focused on facilitating

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<sup>29</sup> IFAD 2001, Formulation Report, p. 9.

<sup>30</sup> Ibid, p. 66.

<sup>31</sup> IFAD, Appraisal main report.

<sup>32</sup> The term Shorouk means "sunrise". It is a wholly Egyptian initiative, which offers a new approach to rural development and governance through popular participation at the village level.

access to credit and enterprise development; and component 5 was on project management.

22. **Programme financing.** The summary of project costs at design and completion are shown in table 1 below. The planned total cost was US\$54.75 million, including an IFAD loan of US\$18.48 million (33.8 per cent of total project costs) and grant funding from the Italian Debt Swap (IDS) facility of US\$30.13 million. In addition, the appraisal included a contribution from the Food and Agriculture Organization of the United Nations (FAO) of US\$0.40 through a technical cooperation programme for preparatory work on irrigation and drainage during the project initiation phase. The Government and beneficiary contribution were US\$5.54 million and US\$0.20 million respectively. The World Food Programme (WFP) was to contribute to the development and operation of the food rations distribution system. According to the design, the community organization and development component was the largest, constituting 42 per cent of total costs; followed by credit facilitation (33 per cent) and the technical operation component (17 per cent).

Table 1  
**Planned vs actual costs by component**

| <i>Components</i>                              | <i>Planned<br/>US\$ million</i> | <i>% of base<br/>costs</i> | <i>Actual<br/>US\$<br/>million</i> | <i>% of actual total costs</i> |
|------------------------------------------------|---------------------------------|----------------------------|------------------------------------|--------------------------------|
| Community organization and development         | 22.96                           | 42                         | 13.555                             | 26                             |
| Technical operation                            | 9.56                            | 17                         | 15.665                             | 30                             |
| Market operations support                      | 2.27                            | 4                          | 2.436                              | 4.7                            |
| Credit facilitation and enterprise development | 17.05                           | 33                         | 13.394                             | 25.7                           |
| Project management                             | 2.91                            | 5                          | 7.153                              | 13.7                           |
| <b>Total</b>                                   | <b>54.75</b>                    |                            | <b>52.203</b>                      |                                |

Source: President's Report and Project Completion Report.

23. **The project area.** The project area was divided into a primary area covering some 56,000 fd (23,520 ha) in 19 villages (later 18) and comprising two Noubaria reclamation zones of El Bustan Extension (27,810 fd) (also referred to as El Entelak) and Branch 20 (also referred to as Tiba) (28,190 fd) and settlements that took place between 1997-2001; the secondary project area was one that had been in the process of settlement and development since 1984. The level of productivity of the land, the degree of social cohesion of the communities, the standard of facilitates and amenities of the villages and the buoyancy of the local economy were, in the secondary project area, at a more developed stage than in the primary project area. The secondary project area covered 69 villages comprising Bangkar El Sokar, El Hamam, Noubaria and El Bustan zones of the previous Newlands Agricultural Services Project (for which IFAD support concluded in 2000).
24. **Target group.** The total targeted population was 36,180 households or 228,000 individuals. The primary target group comprised 16,780 households (approximately 106,000 people), spread over 18 villages. It included both tenants that were dispossessed of their statutory tenancies and recently compensated with 2.5 fd holdings of newly reclaimed desert land (59 per cent); traditional farmers (7 per cent) and graduates (34 per cent). At appraisal only an estimated 50 per cent of the families were in full occupation of their house and land. Women constituted 12 per cent of the graduate settlers and 19 per cent of the displaced settlers.

25. The secondary target group comprised 19,400 households (approximately 122,220 people), consisting of unemployed youth, representing 82 per cent, with the remainder made up of displaced smallholder farmers.
26. As the secondary area had been in the process of settlement longer, the support focused on rural finance, marketing/agribusiness assistance and, to a limited extent (5,000 households in West Noubaria), irrigation and water management improvement.

#### **Implementation arrangements**

27. **Project management.** The project used a semi-autonomous project management unit (PMU) located in Al Amerayah. At the national level, the project manager reported through the Deputy Minister for Land Reform to the Minister for Agriculture and Land Reclamation. Project implementation was to be guided by a national steering committee, including staff nominated by the Minister for Agriculture and Land Reclamation. The responsibility of the steering committee included issues of policy and strategy and facilitation and support of the project management team.
28. The project also foresaw a local level advisory panel, convened by the project manager in consultation with the steering committee. Membership of the advisory panel was open to the authorities in the project area, in addition to contracted NGOs and farmer representatives. Its purpose was to represent a similar range of interests to those of the steering committee, but at a more local level and with a wider, more practical application to the routine management of the project.
29. **Phasing.** The President's Report anticipated that parliamentary approval of the loan might take several months and so a two-phased strategy was planned: a preliminary initiation phase of about a year during which preparatory and start-up activities were completed; and an implementation phase covering the remainder of the project period. In this way, the IDS funds could be made available immediately to finance preparatory activities and the FAO technical cooperation programme could also be initiated at the same time.

#### **Changes in the programme context and loan amendments**

30. Four amendments<sup>33</sup> were made to the loan, three of which requested extensions of the loan closing date, extending it for a total of four years from 31 December 2010 to 31 December 2014. The PCR reported that the Egyptian Revolution of early 2011 had contributed to the need for an extension. Specifically, it disrupted the normal functioning of the economy and adversely affected project implementation, prompting the Government and IFAD to agree to the last two extensions. In addition, an amendment was made in 2009 when IFAD replaced UNOPS as the cooperating institution and assumed direct supervision of the project.
31. **Changes in targets.** There are slight differences between the logframes in the appraisal report, the President's Report, and the PCR. Common to these logframes, however, was the inclusion of a goal, outputs, activities, verifiable indicators, means of verification and important assumptions. The supervision report of 2010 added a general objective: "to increase the settlement and adaptation ratio in the new lands", with a verifiable indicator, measuring the rate of settlement in the project area. Furthermore, a 'purpose objective' was added: "The beneficiaries' livelihood conditions have been improved in the new lands", with 11 verifiable indicators, many of which focused on health and literacy.

## **B. Project implementation**

32. Details of the physical progress of WNRDP against targets are given in annex VI (table 6) of this report. The following paragraphs provide a brief description of the main activities and results.

<sup>33</sup> On 20 May 2008; 5 August 2009; 23 September 2010; and 21 January 2013.



33. **Component 1: Community organization and development.** WNRDP was geared to strengthen the social foundations of settlement in the project area. This was to take place through a participatory planning and development process with support to community infrastructure. Various capacity building activities were included under this component, such as: awareness/publicity campaigns; establishment of village-based representative associations to facilitate community action planning; formation and/or strengthening of community, women and farmer interest groups and societies; and training in management, administration, financial control and civic affairs. Households received rations for four years as a contribution to livelihood security during the period of farm establishment.
34. The PCR reports on 12 indicators for this component. Among these, six indicators were present at appraisal or as annual work plan and budget (AWPB) targets. Four indicators were exceeded by between 20 and 128 per cent. For example, schools constructed/rehabilitated (18 against a target of 15); and people trained in income generating activities (2,802 against a target of 1,400). Other indicators that were either met or exceeded were: groups managing infrastructure formed/strengthened (21 against a target of 21); health centres constructed/rehabilitated (15 against a target of 12); and people receiving vocational and other training (5,026 against a target of 3,500). The only indicator with targets which were not met was community groups with women as leaders (3 against a target of 5). Indicators where no targets were set included: drinking water systems constructed/rehabilitated (22); roads constructed/rehabilitated (86 km); people in groups managing productive infrastructure (2,972); and people trained in community management topics (9,509).
35. **Component 2: Technical services.** This component aimed at ensuring a small team of specialized staff in the project management unit and at the zonal level supported village extension workers. The village extension workers were intended to provide smallholder farmers with advice on crop and livestock production and were also to deal with water management issues. Training was targeted at farmers and technical personnel. There was also some limited provision for technology adaptation tests. Water user associations (WUAs) were created and members trained in the administrative and technical aspects of water management and a technical study on drainage was conducted.
36. Of the 18 indicators cited in the PCR for this component<sup>34</sup> only three included targets at appraisal or in AWPBs. These were: land under irrigation schemes constructed/rehabilitated (8,292 fd against a target of 19,423 fd); households receiving animal health services (14,643 against a target of 16,784); and groups involved in natural resources management (WUAs) created/strengthened (117 against a target of 136). Indicators without targets included: area with drip irrigation (34,401 fd); artificial inseminators trained (38); production of high-quality semen straws (69,736); and large ruminants inseminated during the project life (41,313). Based on this data, none of the indicators with targets were fully met.
37. **Component 3: Marketing support.** This component aimed at increasing awareness of and access to market information among the target population and improving the monitoring and use of farm economic and market information. Activities were to facilitate farmers' linkages with private sector partners in relevant marketing chains and to train field staff and farmers in the importance of responsiveness to market requirements (e.g. in terms of quality, seasonality and regularity of supply) in order to maximize benefits from their production activities.
38. The PCR reported on four indicators for this component, of which two had an appraisal target, namely: (i) the formation of marketing groups, of which 6 were formed/strengthened, which was the target; and (ii) market facilities

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<sup>34</sup> IFAD 2014: appendix 5.

constructed/rehabilitated (7 against a target of 10). Indicators without appraisal targets included: people in marketing groups formed/strengthened (24,650); and people trained in processing and marketing (23,770). The marketing information system appears to have been limited to the publishing of a monthly pamphlet with crop wholesale prices and the development of a marketing guide with contact information of reliable agricultural companies. Overall, and measured against these indicators, the project dedicated most of its efforts to capacity building and formation of the marketing associations and less to the development of systems and linkages.

39. **Component 4: Credit facilitation and enterprise development.** The aim of this component was to enhance access to credit for investments in economic activities (farming and non-farming related) by increasing the efficiency of the credit disbursement process within an economically viable and self-sustaining structure. It involved generating improvements in lender efficiency and loan origination, as well as in loan assessment and monitoring. A revolving credit fund was to be established, with disbursements administered on behalf of the project by an agent bank. Training in the establishment and management of small businesses was to be made available. Credit would be channelled to project beneficiaries through credit retailers such as NGOs, cooperatives and farmer organizations. Credit retailers were to be selected competitively according to their specialized lines of business. Additionally, a subsidiary agreement between MALR and the agent bank would spell out lending rates and targeting mechanisms, as well as risk guarantees. The project opted to partner with the Principal Bank for Development and Agricultural Credit (PBDAC), which was a well-established partner of IFAD's in Egypt and already had a network of village banks in the area. The agreement was signed in January 2004.
40. Indicators reported on in the PCR for this component included: financial institutions participating in project (1 against a target of 21); and people trained in business/entrepreneurship (6,757 against a target of 9,380). Other indicators reported with no appraisal or AWPB targets included: the number and value of individual loans for men and women (3,102 loans for men valued at EGP44,846 and 782 loans for women valued at EGP3,721); number and value of cooperative loans (103 loans valued at EGP158,461); and number and value of marketing loans (12 loans valued at EGP7,626).
41. In summary, there were many activities that did not have targets. Where there were targets those that were met, or exceeded, related mostly to various forms of training and capacity building. The targets for many of the other activities were not met.

**Key points**

- The WNRDP was a follow on project to the Newlands Agricultural Services Project. It covered a concentrated area in West Noubaria reclamation zones located on either side of the Cairo-Alexandria desert road, about 90 km south of Alexandria.
- The project was declared effective in 2003. WNRDP was originally due for completion on 31 December 2010, but with extensions totalling four years, the final closing date was 31 December 2014.
- The planned total cost was US\$54.75 million, including an IFAD loan of US\$18.48 million, grant funding from the Italian Debt Swap (IDS) facility of US\$30.13 million, a FAO contribution of US\$0.40, a government contribution of US\$5.54 and a beneficiary contribution of US\$0.20 million. Actual project cost at completion was US\$52.2 million.
- Community organization and development was the largest component (42 per cent), followed by credit facilitation (33 per cent) and technical operation component (17 per cent).
- Many activities did not include targets. Most targets met or exceeded related to various forms of training and capacity building. The targets for many of the other activities were not met.

### III. Main evaluation findings

#### A. Project performance and rural poverty impact

##### Relevance

42. **Strategic alignment of design.** WNRDP's goal to 'enhance the livelihoods of the target population through increased and sustainable economic activity and greater social self-reliance' was aligned with the overall objectives of IFAD and Government at that time. The Government's long-term development strategy, Vision 2017 (1998), prioritized the creation of employment opportunities as the surest way to combat poverty and recognized the close relationship between employment growth and poverty reduction. Important objectives were the expansion of settlements into large areas of newly reclaimed land, the so-called new lands, and the creation of sustainable rural employment opportunities, whether in farming and agriculture related enterprises or in small and medium enterprises in non-agricultural and service sectors that support rural communities. The Agricultural Development Strategy (2003) continued the focus on the land reclamation programme with an annual target of 150,000 fd.<sup>35</sup>
43. The issues addressed by WNRDP (community organization; technology transfer; marketing; access to credit and off-farm income generation) were consistent with IFAD's 2002 COSOP. Specifically, the COSOP emphasized focus on the new lands and similar lands in the north-west coast area in order to create and expand employment opportunities in rural areas. This was in response to the problem that, despite considerable government investments in reclaimed areas, the primary focus had been on 'hardware' and that little had been invested in social services (education and health), and no investment made in the provision of agricultural services (technology, water management and rural finance). As a result, many settlers had abandoned their plots in the underserved new lands and moved back to the old lands.
44. In line with the COSOP, WNRDP's target group were graduates (unemployed secondary-school leavers and university graduates) and landless farmers. The Government had specifically targeted graduates to settle in the new lands with the aim "to diffuse social resentment and discontent, and the consequent political tensions created when educated people with heightened expectations discover that they cannot find gainful employment".<sup>36</sup> The COSOP states that graduates were "effective as pace-setters in technology adoption, managers of community institutions and SME entrepreneurs, particularly in marketing and in the provision of technical and professional services that were lacking in these areas". Another important target group were landless farmers, who had been dispossessed as a result of land tenure reform regulations.<sup>37</sup>
45. **Relevance of objectives.** The logframe in the design document had one goal and six outputs. The five specific objectives in the main text of the President's Report were not included in the logframe nor were any intermediary outcomes. As a result the intervention logic was not explicit in the logframe, as only activities, outputs and goals were described, leaving a number of unanswered questions as to how the activities and outputs were going to lead to the overall goal.
46. The theory of change, developed as part of this evaluation, illustrates that WNRDP's intended **impact pathway** was that the programme would create the assets and institutions at community level, which would support job creation and diversification and sustainable livelihoods more generally.
47. Community-level organizations were the key link in the assumed impact pathway. The communities were to be provided with better extension services, training on

<sup>35</sup> Other areas of focus were achieving self-sufficiency in cereals, targeting and an annual growth rate of 4.1 per cent.

<sup>36</sup> IFAD 2002: Country Strategic Opportunities Paper, p. 12.

<sup>37</sup> Ibid.

financial services, links were to be established between producers and buyers, and outreach of rural credit was to be increased. At household level, this would enable increased incomes through production changes based on improved use of technology, access to finance, efficient use of water, market linkages, and off-farm employment. The theory of change is included in annex IV.

48. The PPE found that **objective 1** 'to attain social cohesion and a sense of community in the villages' and **objective 2** 'reliable and equitable access to the support services essential to economic and social well-being', were, given the Government's goal to settle people on the reclaimed lands and given that absenteeism was reportedly 50 per cent, very relevant. However, for objective 1, it was not very clear what exactly the project aimed to achieve, as there were no indicators at that level and hence no monitoring of cohesion took place; **Objective 3**, 'diversified and profitable farming based on more efficient water use', was relevant in that it recognized the limits to the availability of water and also the need to modernize production methods. **Objective 4**, 'establishment of self-sustaining arrangements for the provision of accessible and effective credit services' highlighted that the lack of short- and medium-term credit was a key constraint to improving production and productivity by small farmers throughout Egypt. Removing the operating and capital constraints of target beneficiaries by providing accessible rural credit was a very relevant objective. The credit line was the second largest budget component (33 per cent at design) as it was expected to provide opportunities for enterprise diversification including investments associated with agricultural marketing and agro-processing. These were relevant areas for financing given the nature of the local economy in the resettlement villages and the need to diversify and grow new businesses. The strategy was relevant in that the IFAD credit line was expected to increase the efficiency of the credit disbursement process within an economically viable and self-sustaining structure and disbursements would be made to competitively select credit retailers including banks, community associations and NGOs. The marketing activities, however, were only allocated 4 per cent of the budget and, given the importance of this component, would have benefitted from additional resources. **Objective 5**, 'a diversified and strengthened local economy contributing to nationwide economic advancement' was rather ambitious given the scope of the project. It was also too broad to give any indication of the direction the project needed to take to achieve this.
49. Despite the relevance of most of the above objectives, the PPE found that the design overestimated the role of the community level organizations (the main planned investment at 42 per cent of total project costs) as the driving force for job creation, diversification and sustainable livelihoods, given the centralized governance structure in Egypt.
50. Several relevant adjustments were made during implementation, both before and after the mid-term review (MTR). First, the WFP food rations were phased out when it became apparent that incomes and the production of food crops had increased and that the food rations began to hinder the marketing of these products.<sup>38</sup> Second, due to delays in declaring the IFAD loan effective, project implementation commenced with an initiation stage funded solely from IDS funds. In order to meet settlers' urgent need for inputs, the PMU obtained IDS agreement to start to disburse loans from IDS funds (the IDS Revolving Fund) through its internal unit for Credit Facilitation and Enterprise Development.
51. Both design changes were relevant. The design change to the credit component allowed the project to move forward with lending IDS funds to farmers via cooperatives. If the project had not implemented the IDS revolving fund immediately, but rather insisted on resolving the IFAD credit line issues, it would

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<sup>38</sup> IFAD 2007: Mid-term review.

likely have resulted in lower credit disbursement and risked negative perceptions among the beneficiaries. However, the changes to the design have raised issues for sustainability, as will be described below.

52. **Targeting.** As confirmed by the 2005 country programme evaluation, WNRDP's primary target groups, unemployed young graduates and displaced farmers, were among the most vulnerable and marginalized people.<sup>39</sup>
53. WNRDP applied a geographic targeting strategy. It targeted villages in the new lands where the vast majority were smallholder farmers with an average holding of less than 5.0 fd. This included mainly displaced (formerly landless) farmers and young graduates. The displaced farmers were generally poorer, had bigger families, were less educated and were allocated farms half the size of those allocated to the graduates.<sup>40</sup>
54. The formulation mission report explained that, with this geographic targeting approach, the majority of the target population would inevitably obtain some benefits from the proposed project interventions, in particular social infrastructure and services. In addition, efforts should be made to target the poorer and more disadvantaged groups, e.g. through extension and demonstration, credit supply, and training and support on agricultural and enterprise development.<sup>41</sup>
55. The PPE found that with the same targeting strategy being applied to different groups, there was a real risk of underserving the landless and widening the gaps between the young graduates and the displaced farmers. Interviews with extension staff during the PPE mission confirmed that the same targeting approach was used for both groups but was less effective in the displaced communities. The need for simplifying the extension messages was highlighted in a number of supervision reports (e.g. 2004, 2005), indicating that they were too technical, particularly for the landless farmers.
56. During the course of project implementation, the socio-economic situation in the project area became more dynamic, with new people moving in who did not necessarily fit the original targeting criteria. However, the project did not review the socio-economic situation of the population in the target villages or adjust the targeting of project benefits. The 2007 MTR refers to a needs assessment survey, which identified a wide range of social infrastructure facilities and services for improved livelihoods in the newly developed communities.<sup>42</sup> Some activities were allocated based on fixed criteria (e.g. literacy training and housing improvement). It is, however, not documented how decisions were made on the allocation of various services, such as the provision of pumps or agricultural extension. Nor is there evidence of the poorest benefitting the most. Indeed, the issue of detailing how requests were prioritized was raised as early as 2004.<sup>43</sup> The 2006 supervision mission highlighted the need to review the accomplishments as well as the shortcomings of the community development work and to develop an integrated strategy which would cut across the various components.<sup>44</sup> The MTR also indicated that project staff needed better training in participatory approaches to conduct the consultations.<sup>45</sup>
57. **Overall,** the project objectives were well-aligned to Government policies and the priorities of the poor. The design aimed at promoting integrated rural development based on participatory approaches and was in line with the thinking of the time. Although the project promoted a wide range of activities, it worked because the

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<sup>39</sup> IFAD 2005: Country programme evaluation, p.55.

<sup>40</sup> Government had provided small farmers and displaced families with desert farm area of 1.05 ha (2.5 fd), and unemployed youth were given an area of desert land of 2.10 ha (5.0 fd).

<sup>41</sup> IFAD 2002: Project formulation mission.

<sup>42</sup> IFAD: Mid-term review, p. 6.

<sup>43</sup> IFAD 2004: Supervision mission.

<sup>44</sup> IFAD 2006: Supervision mission.

<sup>45</sup> IFAD 2007: Supervision mission.

project operated in a concentrated area and over a long duration. It had some weaknesses in terms of the impact pathways and the assumptions made about the ability of the community organizations to drive the communities towards job creation and diversification and sustainable livelihoods. Some objectives could also have been better formulated and should have included indicators. There were also issues with the identification of the partner for the rural credit component and, despite IFAD's previous experience and knowledge of PBDAC's weaknesses, there seemed to be no other option for an agent bank in the project areas, resulting in a less than ideal implementation partner. However, the project adapted reasonably well to these challenges during implementation. Overall, the project was relevant to the poor, although more could have been done to elaborate a more differentiated targeting approach. The rating for this criterion is *moderately satisfactory* (4).

### **Effectiveness**

58. **Effectiveness of targeting approach.** The target in the President's Report was to reach 36,180 households and the PCR states that 46,833 households were reached, of which 10,648 households were indirect beneficiaries. A total of US\$40.14 million was allocated to the primary area, spread over 18 villages, and the remaining US\$12.2 million to the secondary area, covering 69 villages. In terms of numbers, the project reached the target and was thus effective with a high allocation of resources in a limited number of villages, pointing to a highly concentrated process.
59. In terms of the effectiveness of targeting, the picture is mixed. It is highly likely that the IDS revolving fund, with a mean of EGP4,352 per loan, was successful in reaching poor beneficiaries excluded from the commercial credit market. The in-kind loans for agricultural inputs contributed directly to increased productivity; the farmer cooperatives were able to purchase pooled assets (machinery, storage facilities, and vehicles) with revenue from the lending scheme and provide more efficient transformation of cereal crops. This in turn contributed to improved commercialization opportunities and better sales, as the farmers could store crops to be sold later, when prices were higher and the cooperative could transport grains to markets in other areas of the country.
60. The IFAD/IDS funded credit line supported different activities, primarily the purchase of livestock, irrigation improvement (primarily drip), and planting fruit tree orchards, all of which would have helped smallholders diversify their income and contribute to increased consumption. However, medium-term productive asset loans, while contributing to the diversification of rural household productive assets, are not generally designed to target the poorer groups, as it is difficult for them to meet the collateral or financial contribution requirements. The terms of the loans (which included extensive collateral requirements) did not facilitate access for poor people.
61. The demographic changes and the resulting socio-economic diversity within project villages meant that the pro-poor focus of the project became diluted over time. Based on updated figures provided by the PMU, the population categories originally targeted by the settlement policy now represent only 58 per cent of the households in the primary area. Only 18 per cent are noted as being displaced farmers, a marked decrease from the 66 per cent originally targeted in the project document. The 24 per cent of newcomers are described as graduate investors and legal purchasers. These farmers are less poor and they have bought the land at current market prices, which had increased significantly with the improved infrastructure and living conditions.
62. In summary, the project was effective overall in reaching the broad target categories (graduates and the displaced) but the project services would have been more effective if they were adapted to the specific needs of those two groups. As a

result of the demographic changes, the focus on poor smallholder farmers became diluted in the course of the project.

63. The following paragraphs discuss the project's achievements in terms of the five objectives identified in the President's Report.
64. **Objective 1: Attainment of social cohesion and a sense of community in the villages.** Neither the President's Report nor any other documents defined exactly what was meant by 'social cohesion', but the appraisal report gave a sense of some of the challenges the communities were facing. It noted that: "there was a real risk of instability, particularly among the influx of displaced small farmers in the primary project area." Cited reasons for this included that the displaced farmers had been provided with only half the previous regulation farm area, sub-standard housing and practically no amenities or services to support their efforts to settle.<sup>46</sup>
65. To address these issues, the project was to apply participatory planning and development processes based on the Shorouk Programme.<sup>47</sup> Planned activities included rehabilitation of housing units, provision of the drinking water supply, demand driven community infrastructure and social services, and food distribution. Although not stated as an output, the project also supported the establishment and strengthening of the CDAs through training and financial contributions (seed funding). The project documents have not documented how the participatory process took place, but the 2006 supervision mission noted that each village had been surveyed for the existence of and need for a number of facilities.<sup>48</sup> Interviews with PMU staff revealed that public meetings in the villages had been facilitated by PMU staff. During these meetings the communities stated and prioritized their various needs, which were then fed into a component plan developed by the PMU and the CDA.
66. Another important group established were the WUAs. The project supported the establishment of 117 *mesqa*<sup>49</sup> level WUAs with 5,764 members, covering about 19,712 fd and utilizing 976 pumping units.<sup>50</sup> On paper this was a success, but already in 2009 the number of active associations was low (46 per cent).<sup>51</sup> The project supported each WUA with EGP1,000 for maintenance, repair and purifying services, but this support was only provided on the condition that the WUA opened a bank account, something which proved difficult for several associations due to complicated procedures and lack of transport between villages and the bank (PBDAC).<sup>52</sup> There is also uncertainty about the exact function of the WUAs and many of them remain weak. So the groups have only been partially effective in establishing greater control over water resources within the communities, although their role during project implementation may have contributed to a better sense of belonging. However, it is doubtful whether these groups have greatly contributed to some of the higher level objectives of diversification and sustainable livelihoods.
67. The PPE found that the CDAs played an important role in prioritising and implementing project activities in the absence of a local administration. They continue to play a role in the maintenance of nurseries, health clinics and social event halls, as will be discussed further under 'Sustainability of benefits'. But their

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<sup>46</sup> IFAD 2002: Appraisal report, West Noubaria Rural Development Project, p. 17.

<sup>47</sup> The Shorouk Programme was introduced in 2004. It foresaw that any infrastructure project should be based on two main principles: 1) the infrastructure should be on a list of priorities selected by the local community representatives and approved by the local authorities; 2) a minimum of 15 per cent of the project costs of the project should be covered by local community funding whether in cash or in-kind. The programme was to run until 2017 but ended already in 2004.

<sup>48</sup> IFAD 2006: Supervision mission.

<sup>49</sup> Third level distribution canal.

<sup>50</sup> IFAD 2014 b, Project completion review, p. 12.

<sup>51</sup> IFAD 2009, Implementation support mission, Technical cooperation component: Water management subcomponent, p.12.

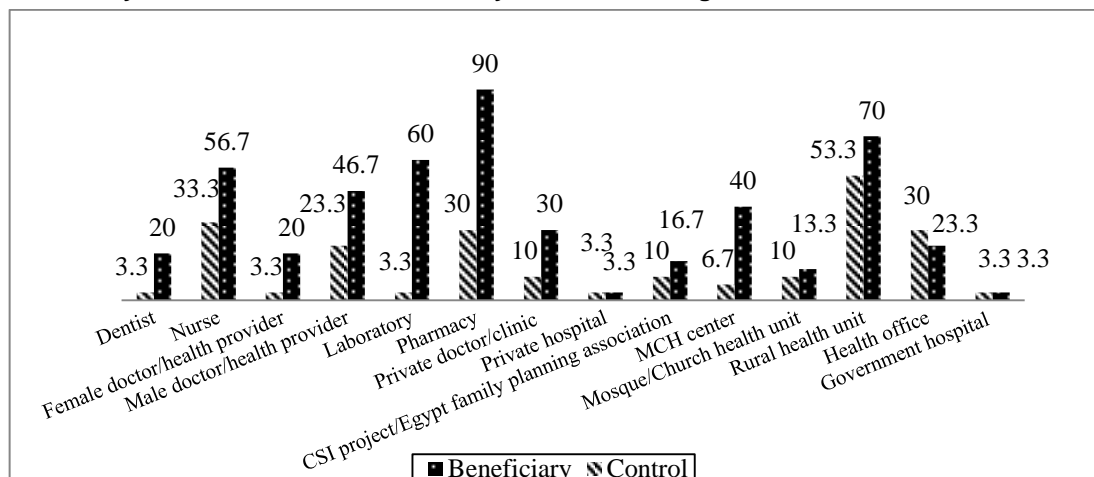
<sup>52</sup> Ibid.



role will remain limited as facilitators of services, until the community approach is embedded in the national administrative system.

68. **Objective 2: Reliable and equitable access to the support services essential to economic and social well-being.** The impact survey reported that education services were more likely to be available in beneficiary communities compared with control communities. There are primary schools in 93 per cent of beneficiary communities compared with 80 per cent in control communities. Likewise, 70 per cent of beneficiary communities have rural health units compared with 53 per cent in control communities; and pharmacies are available in 90 per cent of beneficiary communities, three times as many as in control communities (see bar chart below).

Figure 1  
Availability of health services in beneficiary and control villages



Source: IFAD 2014 impact survey, p. 68.

69. The PPE mission applied a simple scorecard approach when conducting interviews with the communities, whereby the villagers rated their satisfaction with the various services provided by the project from one to six. Through the interviews held, the PPE found that the services provided by WNRDP filled an important gap in the absence of local administration. Rehabilitation and modifications to the irrigation systems scored highest across the different communities. This was followed by construction and rehabilitation of schools, social event halls and health clinics.
70. The PPE concludes that, by providing access to various services, the project has contributed to a better sense of well-being in the community. This is best reflected by the increase in the settlement size, which according to updated figures provided by the PMU stands at 120 per cent, compared to 50 per cent prior to project implementation in 2002.<sup>53</sup> The increase in the population, coupled with the social infrastructure attract new settlers and is triggering new social and economic activities in the villages, e.g. the establishment of private cafeterias by a group of young people in Ouziar Village.
71. **Objective 3: Diversified and profitable farming based on more efficient water use.** The phrasing of the objective suggests an emphasis on water technologies, but activities under this objective also covered the introduction of new crops, livestock, water management technologies, and marketing (including linkages to the private sector). The 2012 supervision mission reported that project technology transfer services had had a positive impact on both crop and livestock production and productivity. The area of high-value crops had expanded, the numbers of livestock had increased, and crop and livestock yields had significantly

<sup>53</sup> IFAD 2007: Mid-term review, p. 11.

improved in comparison with the before project situation. Maize yields increased from 10 to 18 ardab/fd (1.5 to 2.7 tons/feddan); ground nuts from 10 to 28 ardab/feddan (1.5 to 4.0 tons/feddan); potatoes from 9 to 15 tons/feddan and oranges from 6 to 15 tons/feddan. Similarly, milk and meat yields increased significantly.<sup>54</sup> Training helped smallholder farmers to establish partnerships and increase the quality and volume of sales to private sector companies.<sup>55</sup> Likewise, the PCR claims that the establishment of linkages with local produce markets through farmers marketing associations (FMAs) led to advantageous, more profitable and predictable sales and contract farming arrangements.<sup>56</sup> This seemed to be the case for a number of farmers and members of marketing associations, however it could not be verified by data from the project and improved profitability was not generalized throughout the beneficiary population. Interviews indicated possible reasons for this, including choice of fruit crop, capacity of the marketing association, and business acumen of farmers. The project did not specifically monitor smallholder farmer profitability, focusing instead on increased production and diversification. Crops were diversified with a shift from three to four cereal and fodder crops at the start of the project to over 20 field crops, vegetables and fruits. As a result, in the primary area nearly 80 per cent of the crop area was under fruit tree production in 2014, while field crops and vegetable crops occupied 34 per cent and 12 per cent of the total crop area respectively.

72. The PPE found that most of the crops currently produced by IFAD's target group were for local markets. While the project supported the establishment of six marketing associations with a membership ranging from 50 to 500 and a total membership of 5,961, they are plagued by issues of low capital, which has prevented them from being very active or able to leverage external capital. Several supervision reports from 2005 to 2007 cited the need for a marketing strategy, but there is no evidence that it was developed. The marketing information system that was planned at appraisal was also not developed, however, the project did create and distribute communication materials (a pamphlet with the crop wholesale prices, updated monthly). The project also produced a marketing guide, with contact information of reliable companies operating in the agricultural sector, covering the entire value chain, from input supply to retail markets.<sup>57</sup> The 2010 supervision report noted that component implementation improved with export contracts being signed, primarily for horticulture and fruit crops such as artichokes and oranges. However, the political crisis caused the exporters to leave Egypt, resulting in a loss of contracts for the farmers. As a result, the PPE saw few signs of contract farming and sale arrangements between FMAs, cooperatives and/or processors and exporters or of farmers having moved up the value chain.
73. In terms of efficient water use, the project focused its efforts on three activities; (i) improving on-farm irrigation systems; (ii) adapting new agricultural technologies and encouraging farmers to use them; and (iii) establishing WUAs and developing their technical skills. The latter was covered under objective 1 on social cohesion.
74. Substantial efforts went into converting moveable sprinklers to fixed sprinkler and drip systems. This was achieved through a combination of extension messages and access to credit. Of the total amount of loans provided through the IFAD credit line, 32 per cent supported conversion to drip irrigation, representing 33 per cent of borrowers. According to the PCR, by project completion 36,342 fd (65 per cent of the primary project area) were converted to drip and fixed sprinkler systems. Farmers met during the PPE reported that 90-95 per cent of farmers had converted to drip irrigation. The reason given for the remaining 5-10 per cent not converting

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<sup>54</sup> IFAD 2012, Supervision mission, p. 10.

<sup>55</sup> IFAD 2013: Supervision mission.

<sup>56</sup> IFAD 2014: Project completion report, p. 14.

<sup>57</sup> 2013 Supervision report.

was that some crops did not need drip irrigation (e.g. wheat, onion). It was also suggested that those lands may have been rented out or abandoned.

75. While the numbers differ, the impact evaluation survey also confirmed a substantial move towards drip irrigation from sprinkler irrigation, as promoted by the project.<sup>58</sup> According to the PCR, the conversion resulted in important water savings. However, systematic monitoring of, for example, crop water requirements (i.e. water needs at field level) and irrigation efficiencies did not take place. The PPE is therefore cautious about the figure of 50 million m<sup>3</sup> of water savings stated in the PCR.
76. WNRDP carried out 22 operations to rectify defects in the off-farm irrigation systems affecting an area of 8,292 fd (43 per cent of the target). Beneficiaries contributed between 50 and 70 per cent of the cost of rectification. The interviews held with communities revealed that, of all the activities provided to the villages, the support to irrigation activities through loans (i.e. conversion to drip irrigation) and the support to rehabilitation of *mesqas* were valued the most by the communities.
77. The planned study on drainage funded by a FAO technical cooperation programme grant did not materialize, but the PPE was not able to establish why. The 2004 supervision mission noted that studies of irrigation system defects and the needs for future drainage enhancements were understood by the project, but that they had not been systematically reported and prioritized.
78. **Objective 4: Establishment of self-sustaining arrangements for the provision of accessible and effective credit services.** The project design document called for the establishment of one credit line jointly funded from the IFAD loan and IDS funds.<sup>59</sup> The project actually operated two credit mechanisms: a revolving loan fund, funded by the Italian Agency for Development Cooperation through a debt swap agreement; and a credit line through the PBDAC. This was due to delays in declaring the IFAD loan effective, and so in order to meet the settlers' urgent need for inputs, the PMU obtained IDS agreement to start to disburse loans from IDS funds.
79. The terms and conditions of PBDAC lending (14 per cent interest and extensive collateral requirements) proved unattractive to the project beneficiaries. It was eventually agreed that the PBDAC credit line would be composed of 20 per cent IDS funds (at 3 per cent interest) and 80 per cent IFAD funds (at 10 per cent), so that the interest rate to beneficiaries would be 8.6 per cent.
80. The overall performance of PBDAC was unsatisfactory and was characterized by onerous requirements, delays, and poor follow up on repayments.<sup>60</sup> The subsidiary loan agreement did not stipulate that it should establish a revolving fund for repayments from the credit line and use these to continue lending in the project area to the target group members after project completion. Therefore, the PBDAC issued very few second loans to clients;<sup>61</sup> this was also in part due to the commonly used medium term lending (5-7 years), which did not provide enough time for a second round of lending. While some of the project beneficiaries were PBDAC clients prior to the project and remain clients of PBDAC after project completion, the demand from WNRDP beneficiaries for continued lending has evaporated with the disappearance of the subsidized lending rate.

<sup>58</sup> Specifically, the data indicated that beneficiary households now used more modern and efficient irrigation methods than 10 years ago.<sup>58</sup> Most recent results showed that there has been a shift toward using drip irrigation (38 per cent). IFAD 2014 a, Impact Evaluation Survey, West Noubaria Rural Development project, p. 44.

<sup>59</sup> This credit line was to be managed by a Board of Trustees representing Government, PMU, IDS and the Agent Bank. It would be competitively recruited to administer the funds on behalf of the trustees and would act primarily, but not exclusively, as credit wholesaler on-lending funds to a series of credit retailers (NGOs, cooperatives) that would serve the target group.

<sup>60</sup> It should be noted that the PPE mission was informed that the PBDAC is undergoing restructuring and that the Government would like to transform it into a commercially operated bank, improving management and operational efficiency.

<sup>61</sup> Based on interviews with branches.

81. The credit strategy was not as effective as expected, in part due to the lack of interested viable retail partners.<sup>62</sup> The component's disbursement rate was consistently below acceptable norms throughout most of the project period due to a number of factors, including bureaucratic procedures, high delinquency rates and poor loan follow-up by PBDAC (although this improved in the later years), lack of motivation for the bank branches to disburse, and uncertainty of the borrowers' ability to pay after the revolution.<sup>63</sup>
82. WNRDP was effective in delivering credit for inputs and agricultural productive assets to beneficiaries in both primary and secondary areas. This has resulted in some economic diversification, primarily within the agricultural sector, although very few non-agricultural businesses were financed through the PBDAC or IDS revolving loans.
83. **Objective 5: Diversified and strengthened local economy contributing to nationwide economic advancement.** This objective was rather ambitious given the scope of the project. Nonetheless, WNRDP has contributed to diversification of the local economy in the resettlement areas targeted by the project, primarily through crop diversification resulting in increased production of vegetables and fruits by 42.4 tons/fd.<sup>64</sup> The project also contributed to improved market linkages, both internal and external, although the latter have proved to be somewhat fragile due to political instability. These markets are primarily for unprocessed agricultural products and there is little evidence of value added processing in the project area. The PPE noted that larger cooperatives in the secondary area (the older settlements) have begun looking for ways to invest in processing the increased production by members in order to sell at national level. However, the financing available through the IDS revolving fund is inadequate and the cooperatives have not been linked into larger commercial lenders through the project. In addition, settler household income has increased, transforming the majority from being a drain on the economy in need of support, to net contributors to the country's economic wellbeing.<sup>65</sup> As the settlements mature, there is an increasing need for other non-agricultural businesses, and the PPE noted that in larger, older settlement areas, there are merchants, craftsmen and service-oriented businesses. However, in much of the project target area, these types of businesses are just beginning to take root. Very few non-agricultural businesses were financed through the IFAD credit line channeled through PBDAC.
84. **Overall assessment of effectiveness.** The delivery of a wide range of assets was satisfactory in the 18 villages targeted. It was a highly concentrated approach that reached the general target group. The attractiveness of the villages to newcomers is evident through the influx of new settlers and the high settlement rates. The project has been successful in setting up WUAs and CDAs, although their effectiveness remains limited unless they are better institutionalized within the local administration framework. WNRDP has achieved good results with diversification of crops and conversion to drip irrigation, but the WUAs remain weak while the CDAs play a more limited role than during the project period. While WNRDP was somewhat effective in improving access to credit for inputs and productive assets for beneficiaries in both primary and secondary areas, their contribution to economic diversification is limited. The rating for this criterion is *moderately satisfactory* (4).

### **Efficiency**

85. **Implementation efficiency.** The loan became effective ten and a half months after Executive Board approval. This was slower than the average for the Egypt

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<sup>62</sup> It is unclear how much research was done on the financial sector pre-appraisal to ascertain whether there would be sufficient interest among retail financial institutions sub-market interest rate and late start in disbursements.

<sup>63</sup> 2013 supervision report, p. 42.

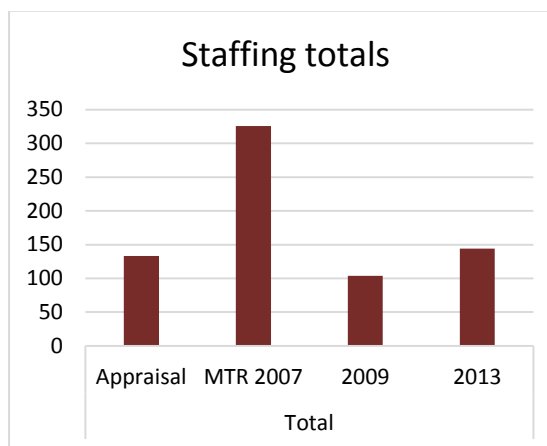
<sup>64</sup> PCR, p. 19.

<sup>65</sup> PCR, p. 16.

portfolio (6.6 months) during the past ten years. The project completion date was extended twice: from 30 September 2010 to 30 June 2013 and then to 31 June 2014 (a total of four years), in part due to additional time needed to meet project objectives,<sup>66</sup> but also because of implementation slow down during the period of political instability during the Egyptian Revolution, which began in early 2011.<sup>67</sup> Similarly, after an initial period of slow project implementation, disbursements increased in 2010, but were then affected negatively by the revolution in 2011-2012, after which they increased in 2013. IFAD total loan disbursement at completion was 77 per cent.<sup>68</sup>

86. Overspending occurred in the project management component, which nearly tripled to 13 per cent of total project expenses as compared to the 5 per cent foreseen in the President's Report. More specifically, at appraisal, 133 staff were planned and at mid-term there were 326 (245 per cent of appraisal), leading to higher than expected expenses and the recommendation to reduce staff numbers. In 2009, the total number of staff was reduced to 104 (78 per cent of appraisal). However, the staff total subsequently increased, reaching 144 (108 per cent of appraisal) by the end of the project. As shown in the

Figure 2. Variation in staffing levels during project duration



Source: based on data in appraisal, MTR and supervision reports as well as data provided by PMU.

- graph in figure 2, the number and type of staff varied greatly during project implementation. For example, extension staff fluctuated from 57 staff at appraisal, to 17 at mid-term, to 1 in 2009 and then back to 17 in 2013. Likewise, the number of technicians peaked at mid-term with 131, fell to 11 in 2009 and then rose to 18 in 2013. Finally, there were 52 drivers at mid-term, which even given the decentralized nature of WNRDP's operations, seems extraordinarily high.
87. This resulted in cost overruns of about 61 per cent over the total budgeted amount at appraisal. Similarly, the allocated cost of the Vehicles, Equipment, Goods and Materials category at appraisal had increased by 43 per cent by the end of the project.
88. The PCR justified the rise in project management costs with three arguments: (i) the extension of the project implementation by four years, which was of course a consequence of slow implementation and later political instability; (ii) the handing over to the PMU by the Government of the artificial insemination centre and the soil and water laboratory from an earlier IFAD project (the Newlands Agricultural Services Project), to deliver services that were initially intended to be delivered by service providers; (iii) five changes of Project Directors (with new Directors often bringing in new staff).
89. The high turnover of Project Directors and the fluctuation in staff have impacted negatively on project implementation. Indeed, the 2005 supervision mission noted that four major staff changes lead to many recommendations not being followed up.<sup>69</sup>

<sup>66</sup> MTR Report, p. 13.

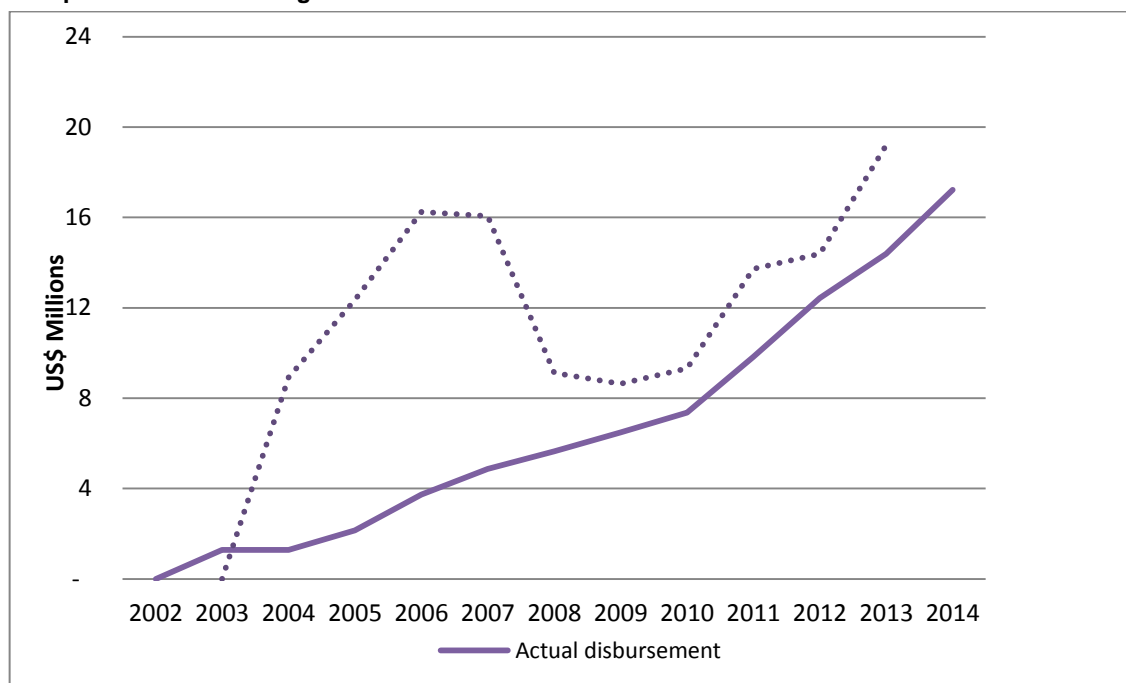
<sup>67</sup> PCR, p. 9.

<sup>68</sup> PCR, p. vii.

<sup>69</sup> IFAD 2005: Supervision Mission, p. 2.

90. A different issue relates to slow disbursements, which meant that by 2010 only 43 per cent of funds had been disbursed leading to the remaining 57 per cent of IFAD funds being spent in just four years. The disbursements in the initial years covered mainly civil works, food rations, the credit line and operating costs, with limited focus on productive investments.<sup>70</sup>
91. For the credit component two explanations were given for the slow disbursement: (i) the Borrower, understandably, gave priority to utilising IDS funds because of more favourable terms compared to the IFAD loan; and (ii) the Borrower continued to explore financing for some soft activities from its own counterpart funding.<sup>71</sup> Despite IDS funds ending in 2009, and due to the political instability in the country in 2011-2012, disbursements remained below 50 per cent of budgets in year nine and ten. In 2012-2013, there was a sharp increase in withdrawal applications (six in total: four from the PMU and two from PBDAC), with a corresponding increase in the loan disbursement rate, which reached 69 per cent in October 2013.
92. The figure below illustrates the divergence between AWPB targets and actual disbursements, in particular between 2003 and 2008, and also illustrates the slow initial disbursements of the IFAD loan up until 2010. The IFAD financing was slower (also compared to other IFAD projects in Egypt see annex VI, figure 4) but the project was h by the large grant provided through the IDS, which ensured a continuous flow of funds for project activities. However, the accelerated expenditures from 2010 and onwards are likely to have affected project implementation.

Figure 3  
Comparison of AWPB targets and actual disbursements



93. **Financial analysis.** The PCR estimated the post-project economic internal rate of return (EIRR) to be 18.36 per cent, which compares well with the design estimate of 20.19 per cent. Both estimates are higher than the opportunity cost of capital (10 per cent), pointing to the viability of the investment.<sup>72</sup> The PCR EIRR is lower

<sup>70</sup> IFAD 2004: Supervision Mission.

<sup>71</sup> IFAD supervision report 2011, Appendix 1, p. 14.

<sup>72</sup> It is to be noted that PCR calculation is for the entire project area (both the primary project area where all project interventions are implemented and the secondary project area where only interventions related to market operations support and credit facilitation and enterprise development are implemented) and uses only quantifiable benefits directly related to crop and livestock production budgets, and benefits from income generating activities without taking into

than the EIRR estimated at appraisal mainly due to several differences between the assumptions of the appraisal analysis and the PCR analysis in terms of productivity and production systems with more market orientation towards export, and national markets, prices assumed at the appraisal as compared with the implementation of the WNRDP. The EIRR assumptions and sensitivity analysis indicate that 18.36 per cent is accurate and in line with appraisal estimates for other IFAD projects in Egypt (SAIL: 20 per cent; OFIDO: 18 per cent).

94. **Cost per beneficiary.** The cost per beneficiary was US\$228. The PCR considers this to be efficient in the Egyptian context, although the PPE mission found no evidence to substantiate this. However, it should be pointed out that US\$40.14 million was spent in the primary area, with an average allocation per village of US\$2.23 million and an average cost per beneficiary of US\$379. In the secondary area only US\$12.2 million was spent, resulting in an average allocation of US\$177,000 per village and a cost per beneficiary of US\$100. This points to a highly concentrated approach in the primary project area. However, using a simple average to calculate costs per beneficiary could mask important differences between different interventions, particularly in the case of higher cost investments benefitting fewer households, or with the loans to cooperatives, which are counted as 113 loans while each loan served many cooperative farmers. Also, the idea of overall efficiency hides the cost disbursement problems. For instance, the salaries and benefits overspent by 146 per cent, the credit component underspent by -21 per cent and the community development component underspent by -41 per cent. So the overall benefit to the households would possibly have been higher if the project had spent more on community development activities and credit and less on staff salaries.
95. **Overall assessment of efficiency.** The project EIRR points to a viable investment and WNRDP benefitted from the flexibility of the IDS grant, which compensated for the initially slow IFAD disbursements. On the other hand the project was beset by PMU budget overruns, changes in staff, implementation delays and subsequently the need for extending the project. The efficiency rating is *moderately unsatisfactory* (3).
- Rural poverty impact**
96. **Household income and assets.** Several supervision reports highlighted positive results on income<sup>73</sup> and the PCR provides figures from the impact survey showing an increase in average annual income from EGP9,961 in 2006 to EGP17,247 in 2014, compared to EGP8,114 for the control group in 2014.<sup>74</sup> The PCR also reports positive results on the average value of savings in beneficiary households (EGP2,223) as compared to the control group (EGP788). A caveat here is that the increase in income is nominal and not real income and so does not consider the inflation rate during project implementation.
97. According to IOE's own estimations using the average annual income, the project significantly increased household income for the beneficiaries compared to the control group during project implementation: about 16.7 per cent compared with the control group mean.<sup>75</sup>
98. The SKD impact evaluation reported a significant positive impact on revenue from livestock and livestock products such as milk, with an impact of 42 per cent more

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consideration benefits produced by the reduced transaction costs due to the easy access to markets and increased bargaining power of individual and farmers groups.

<sup>73</sup> The 2010 supervision missions noted that poverty had been reduced by 35 per cent and that 79 per cent of households had increased their wealth index from 15.2 to 17.9 but it is not known on what basis these figures were derived. The 2013 report stated that average yearly incomes between US\$4,590 and US\$8,128 for a typical young settler family equivalent to a per capita farm income of US\$2,032 was well above the poverty bench mark of 1.25/day or US\$456 per year.

<sup>74</sup> A control group was only applied in 2014.

<sup>75</sup> IOE's own estimation using the two-way fixed effect model.

than the control group mean. It concluded that this could be a result of the livestock extension support and the breed improvement activities undertaken under WNRDP.

99. In terms of assets, the PCR reports that all settlers have secure use title to their farm land and house plots. This is received upon full payment for the land, although for many this will not have taken place yet. It also states that the value of agricultural land holdings has risen, with sale prices rising from EGP7,000 initially to EGP150,000-EGP200,000 in 2014. The rise in the value of agricultural holdings in the new lands was confirmed by the PPE mission.
100. Livestock holdings have also risen by more than 100 per cent to over 8,300 large and 13,900 small ruminants, although the impact survey found that fewer beneficiary households than control group households own livestock (41 per cent against 60 per cent) and that livestock ownership among beneficiary households was declining over time (73 per cent in 2009 to 41 per cent in 2014), possibly because a significant number of beneficiary households have shifted to orchards.<sup>76</sup>
101. The impact assessment survey indicates that asset ownership is higher among beneficiary households than among control group households, including television sets (97 per cent compared to 81 per cent), refrigerators (93 per cent compared to 73 per cent) and vehicles, such as motorcycles, cars, trucks and tractors (32 per cent compared to 19 per cent). It estimates the average monetary value of assets among beneficiaries as nearly three times the value of assets of control group households (EGP12,467 compared to EGP4,431).
102. The SKD study, however, found no significant impact of the project on overall assets, but that significant increases occurred in the durable asset index (nearly 20 per cent of the control mean) and livestock assets (19.6 per cent). A caveat here is that the treatment group was drawn from both the primary and secondary areas. In the case of the latter, only some of the project interventions took place. In that scenario, the average intention to treat estimate would be diluted by the secondary area. There is reason to believe, therefore, that the treatment effect was underestimated in these circumstances.
103. From a rural finance perspective, 8,300 large ruminants and 13,900 small ruminants and productive capital assets including orchards, tractors, pumps, sprayers and vehicles were funded by over EGP168 million in credit.<sup>77</sup> Visits to clients indicated that for some, income had increased as a result of getting a loan and purchasing productive assets however others had consumed much of the production. This was often the case with women who had only one or two cows providing only enough milk for household consumption, whereas women with more animals (often through artificial insemination or coupling with a neighbour's bull) could sell excess milk and/or make cheese to sell; most of the loan clients met had improved houses (e.g. additional levels/floors, red bricks instead of cheaper limestone, stables for animals), which indicated some available cash from one or more household activities.
104. In summary, based on available data, the PPE finds it plausible that WNRDP contributed to improved incomes and durable assets, while the data on the overall assets suggests that the results are statistically insignificant.

#### **Human and social capital and empowerment**

105. WNRDP provided and equipped health clinics in order to offer basic medical services, such as periodic check-ups, particularly to pregnant women (e.g. ultrasound devices), vaccinations to small children, simple surgical operations, dentistry and simple medical analyses. The project also supported a number of medical campaigns.

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<sup>76</sup> IFAD 2014 b: Project completion report, p. 17.

<sup>77</sup> IFAD 2014 b: Project completion report, p. 11.



106. The impact survey reports that there were 70 rural health units in the beneficiary communities, as opposed to 53 in the control groups. There are no health-related statistics in any of the reports and so it is impossible to say how the project impacted the population's health, but the clinics visited during the PPE were clearly in use and highly valued.
107. In terms of education, the project supported 22 schools<sup>78</sup> and 18 nurseries in the primary project area. According to the impact evaluation survey, 93 per cent of the beneficiary communities noted that primary schools were available in their villages while primary education was available in 80 per cent of control communities. Supervision reports highlighted that some primary schools were overcrowded due to an increase in population that had not been taken into account at construction,<sup>79</sup> indicating that neither the project nor the Ministry of Education had established ways to ensure quality of the education provided. It was recommended that new schools should be based on projected population growth in each village and norms set by the Ministry of Education.
108. The impact survey assessed literacy rates by asking simple questions of whether people could read a letter or newspaper, but not through testing. It showed that the literacy rate of beneficiary household members had improved from 73 per cent in 2006 to 80 per cent in 2014. If broken down by gender, the male and female literacy rate is higher compared with both the national average and control villages.<sup>80</sup>
109. In terms of building social capital, WNRDP support focused on the establishment of a number of local institutions (CDAs, FMAs and WUAs). The project supported the formation and capacity building of 21 CDAs, which were to be the backbone of the institutional infrastructure. The objectives for the CDAs were to articulate community needs and manage social infrastructure. The CDAs have a legal status, are registered and supervised by the Ministry of Social Affairs and fund their operations by levying user fees. Their capacity to participate in operation and maintenance (O&M) of infrastructure, however, was limited by lack of permanent financial resources and weak capacity.<sup>81</sup> Two years after project closure, however, the PPE was still able to meet with the CDAs, and although their capacity to continue with infrastructure maintenance at the same level as during the project had diminished, all of the infrastructures visited were still functioning and in high demand.
110. Six FMAs with a total membership of 30,571 smallholder farmers were established. The MTR noted that they had enhanced farmers' ability to benefit from economies of scale and bargain with traders. However, in 2008 it was noted that they were financially weak and suffered from inadequate managerial and marketing skills. By 2013, the project had encouraged FMAs and individual farmers to move up the value chain, allowing them to capture additional margins for many crops (e.g. tomatoes, guava, figs, potatoes, limes, apricots, peaches and grapes). Farmers also started engaging in early processing (e.g. sorting, washing, packaging and sun-drying), both to reduce spoilage and to protect earnings during market gluts.
111. The 117 WUAs either established or strengthened existed at the *mesqa* level. The *mesqa* is a privately owned infrastructure to be managed and financed by the farmers, independent of any involvement from the Ministry of Water Resources and

<sup>78</sup> There are some inconsistencies with the figures for the schools used in the PCR which vary from 15 to 22.

<sup>79</sup> IFAD 2008: Supervision report.

<sup>80</sup> Literacy classes were carried out for 11,823 trainees. The data indicated that there was an improvement over time of 7 per cent from 73 to 80 per cent of male household members being able to read and an improvement of 17 per cent from 56-73 per cent for female literacy rates. This compares with a national literacy rate of 75 per cent (based on 2006-2010 data) 80 with an average female literacy rate of 67 per cent and the average male rate of 83 per cent. The impact survey data also showed that literacy levels were higher among households from beneficiary villages than from households in control villages. Specifically, 80 per cent of males and 68 per cent of females in beneficiary villages were able to read whereas only 65 per cent of males and 53 per cent of females in control villages could read.

<sup>81</sup> IFAD 2007: Supervision mission.

Irrigation. According to Law 213 of 1994, users are required to pay for O&M of improved *mesqas*, as well as improvement costs. Some WUAs function well but in general they are weak, in part due to limited legitimacy.

112. Under WNRDP, all the institutions (CDAs, MAs and WUAs) filled an important void left by the absence of public services and have initiated participatory processes in a highly centralized society. However, it is important to note that these institutions cannot replace local administration, and when the project ended and resources stopped flowing, their mandate and ability to continue to provide services to the community appears to have become limited.

### **Food security and agricultural production**

113. The PCR reports positive results on agricultural productivity and states that crop yields are reaching comparable levels to those in well-controlled demonstration plots (see annex VI, table 6). The SKD impact evaluation confirmed that WNRDP beneficiaries had significantly higher wheat yields of about 5.3 per cent as compared to the control group but not on the average from yields of all crops grown by a household.
114. In terms of livestock, the PCR reported a rise of more than 100 per cent to over 8,300 large ruminants (90 per cent of which are of mixed breeds), over 13,900 small ruminants<sup>82</sup> and positive increases in milk yields and other livestock yield parameters (see annex VI, table 4). The SKD study confirmed a positive impact on small livestock assets.
115. Agricultural production in the settlement area has become highly diversified, with a shift from 3-4 cereal and fodder crops at project commencement to over 26 field crops, vegetables and fruits at completion. Specifically, in the primary area, nearly 80 per cent of the crop area was under fruit trees, while field crops and vegetable crops occupied 34 per cent and 12 per cent of the crop area respectively.<sup>83</sup> Perhaps as a result of the increased diversification, a significant positive impact is also visible in the number of food categories consumed among the treated households. Households in the treatment area consume 15 per cent more categories of food compared to the control group, indicating that these households potentially have a more nutritious and balanced diet.<sup>84</sup>
116. The PCR reports that food security has improved. Only 8 per cent of households in beneficiary villages (as opposed to 12 per cent in control villages) have experienced a hungry season, which is a significant decline from the levels reported in 2006 (36 per cent). On the other hand, malnutrition rates have not changed much across the different survey periods<sup>85</sup> and remain inconclusive.
117. Based on the evidence provided, the PPE concludes that agricultural productivity has increased, although there are variances between the different crops and the increase is not statistically significant for all crops. The numbers on the increase in livestock vary but the impact assessment confirmed a significant increase in revenue from livestock compared with the control group.

### **Institutions and policies**

118. The country programme evaluation of 2005 observed that IFAD's focus on increasing responsiveness to local needs and aspirations was relevant in supporting the Government in decentralising and devolving authority for development activities. However, it was also acknowledged that the control exercised by

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<sup>82</sup> IFAD 2014 b: Project completion report, p. 19.

<sup>83</sup> IFAD 2014 b: Project completion report, p. 15.

<sup>84</sup> IFAD 2016: Impact note.

<sup>85</sup> Specifically, there was an improvement in chronic malnutrition from 19 per cent (2006) to 15 per cent (2014) as compared to 17 per cent for the control group. However, for children who were underweight and suffered from acute malnutrition the trend was negative with 4 per cent of children reported underweight in 2014 compared to 3 per cent in 2006 (7 per cent for the control group), while 4 per cent of children had acute malnutrition which was an increase from 2 per cent in 2006 (2 per cent for the control group).

ministries in Cairo and by governors' offices was high, and that successful implementation required a balance between the two authorities.<sup>86</sup> This situation is still prevalent today. In the reclaimed areas, MALR is responsible for all activities related to agriculture, including activities where local authority services are not yet activated through the governorates. MALR, through its General Authority of Reconstruction Projects and Agricultural Development, is in charge of establishing the different types of infrastructure related to security, education, drinkable water, sewage systems, health, food supply and transportation, in cooperation with other ministries such as Electricity, Housing and Education, but not all relevant ministries.

119. The Ministry of Water Resources and Irrigation also plays a key role in land reclamation, in that it is responsible for establishing the entire irrigation network. The system of water distribution is, therefore, a highly centralized one.
120. It is within this overall institutional setting that the organizational mechanisms for community inclusion should be understood.
121. The project design did not elaborate on how the community approach would be institutionalized, either under the current auspice of MALR or within a future integration of the new lands into the national administrative systems. So while the institutions supported (CDAs, WUAs and FMAs) served a purpose during project implementation in terms of planning and implementation of project activities and in responding to a gap in the administrative system, their role has diminished post-project. Although some important O&M work was still taking place, it appears that the role these institutions could play in facilitating services for the villagers is limited.
122. **Overall** impact on rural poverty is considered *satisfactory* (5). There is evidence of increased agricultural production, an increase in both durable and productive assets and increased household income. The analysis indicates that the project beneficiaries have access to more services and are better organized. Although the social groups created generally struggle to facilitate future access to services, they are considerably better off than when the project began and project activities have directly contributed to their well-being. In giving this rating the relative importance of the impacts achieved, given the starting point of the project area, was taken into account.

#### **Sustainability of benefits**

123. Of the social infrastructure supported by the project, the schools have been handed over to the Ministry of Education and the clinics, kindergartens and social event halls are being managed by the CDAs.
124. Findings from the asset verification exercise<sup>87</sup> conducted during the PPE field visit indicated that the various community assets were being maintained and used. About 58 per cent of the sample of newly constructed infrastructure (20 out of 34 rated as being in either reasonable or good working order) and 79 per cent of the rehabilitated infrastructure (11 out of 14) were being successfully maintained by either the CDA, WUA or relevant line ministry (e.g. Ministry of Education). The highest average ratings were found for new irrigation works and animal extension units, while rehabilitated civil/religious facilities (social event halls and mosques) were found to be the best maintained. The lowest ratings were for school maintenance for both newly constructed and rehabilitated buildings. Rehabilitation of housing was also rated low. New assets were better maintained than rehabilitated assets, and displaced and mixed villages had slightly better maintained assets than graduate villages. Some caution, however, should be applied in interpreting this data as: (i) the sample of some categories was small; (ii) the year of construction/rehabilitation may have biased some results (e.g. the

<sup>86</sup> IFAD 2005: Country programme evaluation, p. 56.

<sup>87</sup> This exercise is not comparable to a quantitative survey but aimed primarily at spot-checking if: (i) the infrastructure existed; (ii) what condition it was in.

rehabilitation of the housing took place at the beginning of the project, whereas some of the newer infrastructure were constructed towards the closure of the project); and (iii) the amount of investment varied significantly.

Table 2

**Average asset rating by asset category,\* new or rehabilitated, and village type**

| Asset category<br>(sample size) | New asset            |                     |                  |         | Rehabilitated asset  |                     |                  |         |
|---------------------------------|----------------------|---------------------|------------------|---------|----------------------|---------------------|------------------|---------|
|                                 | Displaced<br>village | Graduate<br>village | Mixed<br>village | average | Displaced<br>village | Graduate<br>village | Mixed<br>village | average |
| Irrigation (6)                  | 4                    |                     | 4                | 4       | 3                    | 3.5                 |                  | 3.3     |
| Health (1)                      |                      |                     |                  |         |                      | 3                   |                  | 3       |
| Education (10)                  | 3                    | 2                   |                  | 2.3     | 2                    | 2.8                 |                  | 2.4     |
| Civil/Religious (10)            | 4                    | 4                   | 3                | 3.6     |                      | 4                   |                  | 4       |
| Transportation(2)               |                      | 3.5                 |                  | 3.5     |                      |                     |                  |         |
| Housing(3)                      |                      |                     |                  |         | 3                    | 2                   |                  | 2.5     |
| Animal extension (2)            |                      | 4                   |                  | 4       | 4                    |                     |                  | 4       |
| <i>Rating average</i>           | 3.6                  | 3.3                 | 3.5              | 3.5     | 3.0                  | 3.1                 | 0.0              | 3.2     |

\*A rating system was used to assess the current level of use and condition of each asset. In addition, a distinction was made between infrastructure constructed and infrastructure rehabilitated. 4=full working order and maintained, 3=reasonable working order; 2= poor/partial damage, partly maintained 1=not working or not maintained.

125. Two clinics established by the project in villages of more than 5,000 inhabitants have been handed over to the Ministry of Health, for their operation and maintenance. The CDAs have taken responsibility for the management of the child nurseries and social event halls. Users of all CDA-run services pay a service fee to the CDAs. However, the 2013 supervision mission noted that the service fees charged were lower than fees charged for similar services in other parts of the country and were insufficient to cover the running costs of these services and the depreciation of the assets used to provide them.<sup>88</sup>
126. In terms of the sustainability of the 21 CDAs and other village associations, the PPE field visit found that the CDAs still exist and are functional but that their mandate and role had diminished after project closure. During project implementation they assisted in articulating the needs of the communities (e.g. for social infrastructure) and once these investments had been realised they were entrusted with their O&M. The PCR reported that the CDAs had evolved into financially self-sufficient entities, charging user fees at levels adequate to meet the running costs of these services.<sup>89</sup> The PPE mission found that, while the clinics were still running, they were doing so at reduced rates because there were insufficient resources for them to have a doctor visit every day. Consequently, satisfaction with the services had declined among beneficiaries. Apart from O&M, there was no indication that the CDAs were still playing an important role in facilitating community access to services.
127. The picture for the WUAs was even more uncertain. Only slightly more than 50 per cent of the WUAs were reported as being active and only 7 had opened a bank account.<sup>90</sup> There had been no new WUA set up after project closure and, as already mentioned, there is uncertainty regarding their exact function. In WNRDP it would seem their role is that of water scheduling and maintenance. They were reported to do the water scheduling well but with respect to O&M WUAs found it difficult to collect the money needed for repairs.<sup>91</sup> Instead, money was often collected by agricultural development cooperatives, institutions that new lands

<sup>88</sup> IFAD 2013: Supervision mission report, p. 9.

<sup>89</sup> IFAD 2014: Project completion report, p. 23.

<sup>90</sup> ILEIA Centre for learning on sustainable agriculture 2013: Deficit irrigation in New Lands in Egypt, p. 9.

<sup>91</sup> Ibid.

farmers trusted more with their money because of their comparatively stronger administrative and financial management structures.<sup>92</sup> Due to the legitimacy issues already explained, the possibility that WUAs will become key players in water decision-making in the near future seems remote.

128. The PCR reported positively on the cooperatives' ability to access credit and thereby serve their members, and this was confirmed by the PPE team. The cooperatives were involved in retailing credit by obtaining wholesale loans from the IDS revolving fund, using these to purchase inputs which were then retailed as credit in kind to members. The cooperatives repaid the loans to the IDS revolving fund. Of all the institutions in the village, the cooperatives appeared to have the clearest mandate and to play the most important role.
129. The PCR stated that the FMAs were approaching financial self-sufficiency due to the collection of a one per cent service charge from the companies with which they signed marketing contracts and by the profitable management of a variety of assets, such as trucks and grading and packaging stations. However, the PPE was informed that many contracts established with bigger investors had fallen through as a result of the unrest caused by the spring revolution in early 2011. This will undoubtedly have impacted the FMAs in the short-term but seems likely that they will recover if stability is maintained.
130. The project provided various advisory and extension services to the soil and water laboratory, including support to soil analysis and technical recommendations to treat against nematodes, in particular by recommending the optimal level of fertilizer application. During the later years of the project, the Government allowed the PMU to use the revenue it generated from extension farms, the artificial insemination (AI) centre and the soil and water laboratory to supplement funds the project received directly from the Treasury, thereby significantly easing PMU liquidity. The PPE mission visited the soil and water laboratory and AI centre and found that they were covering most of their operational costs with fees earned from services to farmers, both in the project area and outside it. The AI centre is able to sell sperm to other labs in Egypt because of the high quality breeds it houses. This would indicate that, while the technical units do not generate enough revenue to cover all of their costs (operational and investment), they are, however, recognized as providing services worth paying for and currently cover most of their operational costs.
131. There are some concerns with the benefit streams arising from the rural credit activities. For the operation of the IDS revolving fund there are two main issues worth noting. First, the interest charged on its loans is much lower than commercial rates and, at present, is negative in real terms. This undermines the integrity of the loan capital and eventually the financial sustainability of the revolving fund. Secondly, the operation of the IDS revolving fund is outside the financial system (currently governance at the MALR level with operational management at the PMU (previously WNRDP now SAIL), which raises issues about its institutional sustainability.
132. Some questions remain around the sustainability of the infrastructure and institutions created by WNRDP. The social infrastructure is still being maintained, though service levels have decreased since project closure. Some of the extension services are able to cover most but not all of their operational costs. The institutions created are still in place, but the degree to which they function differs considerably. The revolving loan fund put in place may also not be sustainable. Still, considering the efforts to ensure the continuity of the social infrastructure and extension services, the PPE rates sustainability as *moderately satisfactory* (4).

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<sup>92</sup> Ibid.

## B. Other performance criteria

### Innovation and scaling up

133. **Innovation.** IFAD defines innovation as "a process that adds value or solves a problem in new ways". In order to qualify as an innovation, a product, idea, or approach needs to be new to its context, useful and cost-effective in relation to a goal, and able to "stick" after pilot testing.<sup>93</sup>
134. The President's Report cites the debt-swap agreement between the Italian Government and Egypt as innovative. Specifically, under the Rome Millennium Initiative, the Italian Government made a decision to cancel part of Egypt's official debt.<sup>94</sup> In return, Egypt committed itself to devote the local equivalent of the cancelled debt to support projects aimed at poverty reduction and the enhancement of food security among the rural poor. WNRDP was the first project to satisfy all IDS conditions and be approved for cofinancing by the IDS management committee. This mechanism was innovative in 2002. The agreement was renewed in 2007 and came to an end in 2015.
135. The PCR highlighted three types of innovation introduced by WNRDP: (i) linking farmers to markets; (ii) the adoption of drip irrigation and the way it was adapted to smallholders; (iii) artificial insemination services through private inseminators.<sup>95</sup>
136. Although it can be argued that linking settlers to markets was lacking in WNRDP and that the efforts made under the marketing component were new in the Egyptian context (e.g. contract farming, developing marketing information, establishing FMAs, etc.), in general, linking smallholders to markets is an important activity in any rural development programme. Moreover, other donors were working to create these same synergies – one example is United States Agency for International Development that, as part of its 'Feed the Future' aligned mission, has been strengthening the agriculture supply system based on market demand for high value crops, such as tomatoes and green beans.
137. As to the introduction of drip irrigation, the PPE confirms that while drip irrigation was not necessarily innovative, it was considered innovative to this particular target population and was highly replicable as it was a relatively low cost technology. Moreover, the materials seemed to be readily available and the farmers saw an immediate advantage and so were motivated to use it. In connection to this WNRDP worked with the International Center for Agricultural Research in the Dry Areas on deficit irrigation, but there is no evidence of the scaling up of these activities.<sup>96</sup>
138. The provision of artificial insemination services through private inseminators, which brought the service close to the beneficiaries and increased its social acceptability and financial affordability, is considered innovative. Although not very easy to scale up due to the cost of the laboratory, there is some replicability in the sense that people from other projects or regions can be trained and purchase the necessary equipment/materials/seed from the laboratory in West Nubaria.
139. The WNRDP attempted to adopt participatory techniques for identifying and analyzing beneficiary needs and progress and can, considering the highly centralized governance in Egypt, be considered as innovative. It allowed the project extension workers to be better informed of community level issues, but the staff were not sufficiently well trained in the use of participatory techniques to ensure full adoption under the project.
140. **Scaling up.** The definition adopted by IFAD for scaling up is: expanding, adapting and supporting successful policies, programmes and knowledge in order to

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<sup>93</sup> IFAD 2007: Innovation Strategy, p. 4.

<sup>94</sup> IFAD 2002: President's report, p. 11.

<sup>95</sup> IFAD 2014 b: Project completion report, p. 27.

<sup>96</sup> ILEIA – Centre for Learning on Sustainable Agriculture 2013, Deficit irrigation in New lands in Egypt.

leverage resources and partners to deliver larger, more sustainable results for a greater number of rural poor. According to this definition, scaling up of IFAD interventions will not be viewed as a way of expanding small projects into larger projects.<sup>97</sup>

141. In 2014 IFAD approved SAIL, which it states will scale up the successful experience of WNRDP in establishing CDAs and other rural institutions, water management and rural finance schemes. According to the definition provided above, the SAIL project has scaled up the WNRDP approach in a different geographic area, with far greater government contribution in both proportional and absolute terms. Government contributions represent 17.5 per cent (US\$15.2 million) of total project costs in SAIL, compared to WNRDP's Government contribution of 10.1 per cent (US\$5.5 million). Furthermore, SAIL's design has adopted a more decentralized and efficient implementation approach by integrating WNRDP's resources (PMU structure and staff), and has capitalized on the lessons learned from all the previous resettlement projects. The number of rural poor targeted is similar to the number of beneficiary households reached under WNRDP.
142. Overall, based on the above evidence, the rating for innovation and scaling up is *satisfactory* (5).

#### **Gender and women's empowerment**

143. The project design did not directly identify women as a target group and the logframe did not include targets on women beneficiaries, as advised by the Operational Strategy and Policy Guidance Committee Meeting (May 2001). However, gender issues were specifically addressed in sub-components of the community development and organization component. The PCR noted that 15 per cent of the target group were women-headed households<sup>98</sup> but that the project had reached only 11 per cent of this group.<sup>99</sup>
144. The following paragraphs provide an assessment of WNRDP against IFAD's three corporate gender objectives, as stated in the Plan of Action 2003-2006.
145. **Expand women's access to and control over fundamental assets – capital, land, knowledge and technologies.** The reclaimed lands distribution policy provided equal opportunities for men and women of the targeted categories (i.e. mainly graduates and displaced farmers) to obtain reclaimed lands. While the land was distributed prior to the project's start, there is no evidence that they were specifically targeted as part of WNRDP.
146. The project provided women with vocational training in food and dairy processing, rabbit breeding, baking, sewing and mushroom growing. According to RIMS data, 859 women were trained in business/entrepreneurship, equivalent to 14 per cent of all the trainees. The 2014 RIMS report also gave a figure of 2,802 women trained in income-generating activities<sup>100</sup> and the PCR states that there were 782 women-owned micro-enterprises that, if verified, would have been a remarkable success rate. The PPE team, however, observed that many of the activities were more traditional and domestic roles, mainly for domestic consumption, and there was less consideration given to income generating activities. Women were trained in yoghurt, mozzarella and other cheese production, for example, at one of the extension units visited by the mission. Within a more traditional village setting it may be difficult for women to set up their own businesses or go to the market. For example, the mission interviewed women who, after being trained by the CDAs, took up production of school uniforms and children's' sweaters which were then sold through the CDA.

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<sup>97</sup> IFAD 2015: IFAD's Operational Framework for Scaling up Results p. 1.

<sup>98</sup> IFAD b: Project completion report, p. 1.

<sup>99</sup> Ibid, p. vii.

<sup>100</sup> Results and Impact Management System report 2014.

147. The revolving fund had some success reaching out to women, although this was a small share of the total loans. According to April 2016 data, the IDS revolving fund had provided a total of EGP1.86 million in loans to 516 rural women, representing one per cent of the total amount of loans. It is not possible to establish the exact amounts the individual women received because they are not being tracked in the M&E system.<sup>101</sup>
148. Under the PBDAC credit line, 3,414 seasonal and medium-term loans totalling EGP50.46 million had been disbursed by 30 May 2014. Forty-two per cent of the loans extended to women were for the purchase of livestock (cattle and sheep - important assets for smallholder farmers, as they diversify household income and contribute to consumption). The loan ceiling was initially EGP3,000 but was raised to EGP5,000 in 2012. The 2013 supervision mission report stated that this increase helped meet demand from targeted groups for larger loans, especially in light of increases in prices of agricultural inputs and cattle.<sup>102</sup> The PPE mission noted that some households consumed most of the production from their livestock, for example women who owned one or two cows producing just enough milk for domestic consumption. However, women with more animals could produce enough dairy produce to sell to their neighbours.
149. Only 7 per cent of the PBDAC loan portfolio was provided to women. The main reason for this was that the collateral requirements included loan co-signing by the husband and 100 per cent collateral (in the form of a land title or signed check). This had a negative effect on the number of loans disbursed and farmers reached.<sup>103</sup>
150. **Strengthen women's agency – their decision-making role in community affairs and representation in local institutions.** WNRDP implemented training programmes in a variety of area, including community organizations and management, cooperative business and financial management, nutrition and health, environmental awareness, literacy, and vocational training. Out of 1,373 training sessions attended by 24,929 trainees, 58 per cent are reported to have been women. The project supported literacy classes that were attended by 11,823 beneficiaries of which 81 per cent were female.<sup>104</sup> This was an important activity given that the female illiteracy rate in some rural areas is 50 per cent, while the average national rate is 37.5 per cent (2012).<sup>105</sup>
151. Although not identified as an activity in the design, the project assisted women in obtaining ID cards. Despite the fact that the overall magnitude was quite limited (1,200 beneficiaries of which 1,103 were women), this is considered an extremely important activity as it ensured that women were recognized as citizens, enabling them to access their inheritance rights, loans or, more fundamentally, any public institution or service.<sup>106</sup> Prior to obtaining the ID cards, women were using their husband's or other male family member's ID to access services.
152. Twenty-five per cent of the beneficiaries receiving training on community development were women, but only six per cent of women became actual members of the 21 CDAs.<sup>107</sup> Figures for women's participation in the WUAs were not collected systematically. The latest figures appear in the 2010 supervision report and are low. Specifically, out of the 117 WUAs, women participate in only 11 and were only

<sup>101</sup> The supervision report (October 2013) states that loans to women under this credit line were mainly used to finance income generating activities with repayment rates reaching 99.8 per cent.

<sup>102</sup> IFAD 2013: Supervision mission, annex 1 p. 74.

<sup>103</sup> IFAD 2013: Supervision mission, p. 41.

<sup>104</sup> IFAD 2013: Supervision mission, p. 9.

<sup>105</sup> European Bank for Reconstruction and Development 2015: Enhancing Women's Voice, Agency and Participation in the Economy, p. 47.

<sup>106</sup> European Bank for Reconstruction and Development 2015: Enhancing Women's Voice, Agency and Participation in the Economy, p. 47.

<sup>107</sup> IFAD 2013: Supervision mission, p. 9.



represented on the board of one. This report (2010) noted that two associations had a woman as a secretary and one association was chaired by a woman.<sup>108</sup>

153. In general, few women were part of the discussions that the PPE team held with the communities, although the women met appeared to express their opinions confidently. However, the corporate-level evaluation working paper (2010) found that women's participation in associations was dependent on their husbands' or male family members' approval. The same paper concluded that decision-making and influence at the household level for the majority of the women had remained very limited, as major productive assets were still owned and controlled by men.<sup>109</sup>
154. **Improve women's well-being and ease their workloads by facilitating access to basic rural services and infrastructure.**<sup>110</sup> The project undertook several activities and training sessions which have contributed either directly or indirectly to the well-being of the women in the project areas. Apart from the training mentioned above, WNRDP supported training on nutrition and health, of which 61 per cent of the participants were women. The project also supported medical campaigns (e.g. on breast cancer), but unfortunately no data were collected on how these campaigns and training sessions affected the population.
155. The 2014 RIMS report noted that there had been an increase in women's access to health services provided by the 19 project-supported health clinics. The table below shows that there was a marked increase in the number of beneficiaries using the clinics, in particular women, during the project period, though there was a significant drop in 2014, which has not been explained in the report. The clinics provide periodic check-ups particularly to pregnant women and to serve this purpose a number of them have acquired ultrasound machines. The clinics also vaccinate children against diseases. The use of the clinics by women and children was confirmed by the PPE mission and the fact that women are able to get a medical doctor and medicine without having to travel far will have increased their well-being.

Table 3  
**Beneficiary use of clinics**

| Year   | 2004 | 2010  | 2011  | 2012   | 2013   | 2014  |
|--------|------|-------|-------|--------|--------|-------|
| Male   | 290  | 1 210 | 1 319 | 4 471  | 3 207  | 1 858 |
| Female | 168  | 2 774 | 3 814 | 9 008  | 9 208  | 4 338 |
| Total  | 458  | 3 984 | 5 133 | 13 479 | 12 415 | 6 196 |

Source: RIMS report 2014.

156. The 18 kindergartens with an average capacity of 30 children that were set up and supported by the project are also important in that they help free up time for women to undertake other tasks outside the house.
157. WNRDP has facilitated girls' access to elementary education through the construction and rehabilitation of elementary schools in almost all villages in the primary area. The schools visited by the mission were attended by both boys and girls. Attitudes of almost all settlers met were positive towards allowing their daughters to complete primary as well as secondary education. Girls in some districts are, however, unable to access secondary education when the school is far away and transport unavailable.

<sup>108</sup> IFAD 2010: Supervision mission, p. 4.

<sup>109</sup> IFAD 2010: Country working paper – Corporate-level Evaluation, IFAD's Efforts and Achievements in Gender Equality and Women's Empowerment, p. 19.

<sup>110</sup> Ease of workload is not covered as there was no evidence available.

158. The provision of access to basic services such as clinics, kindergartens and rural financial services has greatly benefited women living in the project area in terms of, among other things, well-being and some opportunities for increased income. The acquisition of ID cards was crucial for women to access resources and to empower them with the possibility to vote, although it only benefitted a few women. Overall, the numbers reached are small and more could have been done to address women's strategic needs or reduce women's workloads. The rating for gender and women's empowerment is *moderately satisfactory* (4).

#### **Environment and natural resources management (NRM)**

159. WNRDP was classified as a category B project at design, as most planned interventions would have a neutral or positive impact on the environment and pose minimal hazards. The environmental screening and scoping note (2002) foresaw some negative impacts from agricultural intensification in terms of increased fertilizer and pesticide use, agri-business development, particularly vis-a-vis effluents from processing, and new human habitation, in terms of solid waste and sewage accumulation. Mitigation measures to be employed included: integrated pest management; training on the safe and efficient use of fertilizer and pesticides; improved in-house sanitation and the provision of garbage and sewage disposal equipment; and agro-processing and produce marketing interventions would be designed to improve hygiene at the cottage and medium enterprise level. Apart from some training on integrated pest management, the PPE team saw limited evidence of these planned mitigation measures having been applied. For example, there were large amounts of garbage lying around and fertilizer and pesticides were in some instances sold from people's houses, raising questions as to their safe and efficient use.
160. The PCR highlighted a number of perceived positive impacts derived from the project interventions, namely: reduced pressure on the old lands; greening of the desert lands; savings in electricity from pumping and reduced use of fertilizer; and conversion of irrigation from moveable sprinkler to drip irrigation, with resultant water savings of 50 million m<sup>3</sup>.
161. With regards to reduced pressure on the old lands, whilst resettlements to the new lands will have had some positive impact, given the current overall population growth rate in Egypt of 2.1 per cent, it is likely to have been marginal. Furthermore, while the energy savings expected due to the conversion to drip irrigation noted in the PCR are probably correct, as no actual energy use figures are provided (they do not appear to have been recorded) this was not verifiable.
162. The reduced use of fertilizer due to the conversion to drip irrigation, and the more widespread introduction of fertigation, was confirmed by the PPE. Farmers reported that fertilizer use was previously one ton of phosphate per feddan per season, and is now 250 kg of phosphate per feddan per season. For peanuts, farmers indicated that before they were using 150 kg urea and 300 kg nitrate per season, whereas now they use 300 kg nitrate, with no urea.
163. The water saving figure as stated in the PCR (50 million m<sup>3</sup>) does not seem to be based on actual measurements but on the projected water savings of drip irrigation compared to movable sprinklers (~40 per cent savings)<sup>111</sup> multiplied by costs per m<sup>3</sup> of pumping to arrive at cost savings. Crop water requirements and irrigation efficiencies were not detailed nor was there any evidence of any calculations being made (e.g. using CROPWAT or other relatively simple programmes/methods). The PPE is, therefore, cautious about the water saving figures, as there is little scientific evidence presented for the assumptions used.

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<sup>111</sup> "36,342 feddan (65 per cent of the cultivable area) were converted from moveable sprinklers to fixed sprinkler (1,900 feddan) and drip (34,401 feddan) systems. The conversion resulted on average savings in yearly irrigation water use of 1,500 m<sup>3</sup>/feddan or some 50 million m<sup>3</sup> in the primary project area".

164. Despite the reported savings on water, mentioned above, the impact survey noted that 80 per cent of the farmers interviewed indicated that water stress had increased over the previous ten years. This was confirmed through interviews held with farmers during PPE mission. They stated that availability varied hugely from four days on five days off, to one day on to ten days off. The MTR, supervision reports and the impact analysis also noted that water reliability was a constraint in the project area. The overall performance of the irrigation system is therefore an area of concern, given that drip irrigation necessitates precision and timeliness. More reliable irrigation system performance is a key factor for any future improvement and water saving. Farmers reported that water availability had been sufficient at the start of the project when the area was not yet fully populated or developed, but five years later there was no longer enough water, and as a consequence the project was requested to provide an underground pipe in one village. The PPE team also met many farmers who had their own wells, many of which appeared to have been acquired recently (between 2009 and 2010). This appeared to be a risk management strategy in response to delivery failures. The PPE found that no monitoring or analysis of water use and efficiency appeared to have been done, but it seemed probable that the increased scarcity of water was linked to the natural expansion of the population in the area and the subsequent pressure on water resources.
165. Finally, and as recommended by the 2007 supervision mission, a full environmental impact assessment of the project should have been carried out but was not.
166. In summary, it seems plausible that the project promoted NRM benefits by supporting the move towards drip irrigation, with the consequent reduction in water and fertilizer use, but there is a lack of empirical data on water use supporting this, making any detailed analysis impossible. IFAD followed the environmental management procedures that were in place at the time and produced an environmental screening note as required, but did little to implement mitigation measures. The findings from the screening note would have benefited greatly from proper monitoring and an environmental impact assessment. The rating for this criterion is *moderately satisfactory* (4).

#### **Adaption to climate change**

167. Adaptation to climate change was not a specific objective of this project and as such there has been very little systematic data collection in this regard. However, it can be assumed that WNRDP did not have any major negative impacts on climate change and there have been some positives. These include the reduction in fertilizer use, which has meant that less energy and natural resources were used in production; and the drip irrigation and conversion of open (canals) to closed (pipes) systems has led to reduced water loss due to evaporation, and this will have had a positive impact on climate change resilience. However, such impacts will have been relatively small compared to upstream water supply reliability, affected by: (i) climate change; (ii) upstream use by riparian countries in the Nile basin; and (iii) irrigation system management (efficiency, distribution, reliability). As stated above, some 75 per cent of farmers report that irrigation reliability has decreased over the past 10 years.<sup>112</sup>
168. The rating for adaptation to climate change is *moderately satisfactory* (4).

### **C. Overall project achievement**

169. The objectives of WNRDP were coherent and relevant to the Egypt policy context, and aligned with the IFAD COSOP. WNRDP was an integrated rural development project. The combination of the delivery of social infrastructure, training, credit and institution building in a highly concentrated area was effective overall and made an important contribution to enhancing the well-being of the target population. In

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<sup>112</sup> IFAD 2014: Impact survey, p. 41.

particular, the access to services and the capacity built with resultant increases in productivity are considered important impacts.

170. The project initiated a participatory process in a highly centralized context. Although the participatory process is not well-documented, there is some evidence that the CDAs played a role in prioritising and implementing project activities. The sustainability of a significant proportion of assets under the project is considered good two years after programme closure. The PPE rating for the project's overall achievement is *moderately satisfactory* (4).

## **D. Performance of partners**

### **IFAD**

171. IFAD missed some opportunities for improving the project design. The Operational Strategy and Policy Guidance Committee meeting (May 2001) highlighted the need to: (a) refine the logframe;<sup>113</sup> (b) establish specific modalities for ensuring the transfer of earmarked funds from the debt swap special account to the project; and (c) address the gender concern, with a particular focus on ensuring equity of opportunities for both women and men and on developing mechanisms for safeguarding participatory needs assessment for community development. It also expressed caution over the project's support for subsidized credit and over the possibility of using PBDAC as the agent bank. The specific modalities for transferring the IDS funds for the project were established. The awareness raising and training to ensure equity of opportunities for men and women, however, were insufficient, although the project did conduct a participatory needs assessment for community development. The project attempted to identify a different agent bank but found that no commercial banks were interested in lending to rural areas. PBDAC attempted to use its commercial rate of lending for the project, but with the IDS revolving fund lending at very soft rates, the PMU pushed it to lend at a lower rate.<sup>114</sup>
172. UNOPS carried out supervision missions from 2004 to 2009. The UNOPS coordinator participated in all missions, usually accompanied by an economist or an agricultural economist. From 2009 IFAD took on direct supervision and the teams became both larger and more varied in their composition (e.g. including water specialists). The quality of supervision is assessed as adequate, based on the monitoring data available, but would have benefitted greatly from more technical expertise at earlier stages (e.g. on water, community development, gender).
173. The MTR provided a useful overview of the staffing issue, but was overall a short and rather descriptive document. The four years for which project status reports were completed (2010-2013) report mostly satisfactory ratings. The least satisfactory activity is consistently the credit line component. While disbursements were low throughout the life of the project, justification was provided and related to the problems with the credit component, and a strategy for disbursing IDS funds first was put in place. The replicability and scaling up rating decreased toward the end of the project, in part due to the revolution, but primarily because the level of subsidy remained relatively high and did not ensure that project beneficiaries and local organizations had sufficient capacity to generate income and maintain services.
174. Generally the PPE mission found that, although in line with IFAD requirements, IFAD should have played a more proactive role in improving the M&E system to ensure that reporting went beyond outputs. The M&E system was overly focused on

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<sup>113</sup> It was suggested that the assumption related to "goal" should be refined, with a view to define the policy/institutional objectives to be achieved on the basis and in the context of IFAD's support to New Land Development and that that the policy goal for the rural financial system should be clearly reflected.

<sup>114</sup> The PBDAC nominal lending rate for the WNRDP project was 8 per cent; this was negotiated by an agreement to combine 20 per cent of the loan capital from the IDS funds at 3 per cent and 80 per cent from the IFAD loan at 14 per cent.

outputs with little analysis of outcomes (e.g. M&E did not adequately collect production and area data for livestock and agriculture; no detailed monitoring of cooperative credit at individual farmer level; no targeting data or data on water use). Moreover, as the project applied a participatory implementation approach it equally required a participatory M&E system. However, such principles were not an integral part of the system and there were therefore few indicators assessing social cohesion, beneficiary participation or the profile of the beneficiaries.

175. The design envisaged that WNRDP was to benefit from collaboration with both WFP and FAO. The cooperation with WFP lasted three years, until it was decided that incomes and the production of food crops had increased and that the food rations began to hinder the marketing of these products.<sup>115</sup> Opportunities for cooperation with FAO, however, were not realized. The MTR observed that the reconnaissance study on drainage to be funded by a FAO TCP grant had not materialized, but it was not possible for the PPE to establish the reasons for this.
176. An IDS grant was used for the implementation of project activities and was exclusively used during the first few years of the project, primarily providing social services in the project area to ensure that the settlers stayed.<sup>116</sup> At appraisal, the IDS funds represented the equivalent of 55 per cent of project financing. While the IDS, as a co-financier, delegated the responsibility for supervision to IFAD, the PPE noted that the monitoring and technical support missions were well-coordinated with IFAD.
177. IFAD's performance was mixed. While direct supervision led to improvements and there are examples of IFAD adapting to challenges with the credit line, there were equally some challenges where IFAD could have performed better, in particular with respect to project design and M&E. Based on the above assessment, IFAD's performance is rated *moderately satisfactory* (4).

#### **Government**

178. The Government fulfilled its responsibilities on M&E. The WNRDP baseline study was conducted in 2002, a needs assessment survey was performed in 2004, and the reporting system and procedures were harmonized to follow IFAD standard reporting norms in the same year. In 2006, the RIMS baseline survey was completed. In addition to this, the project produced AWPBs. The MTR was conducted on time, in December 2007.
179. According to the 2004 supervision mission, M&E staff were being trained overseas to improve their skills, but the need for more analytical skills was highlighted as well as the need to evolve the system more toward assessing the impact of the project. Recommendations on these two aspects were made repeatedly (2005, 2007, 2008, 2011). However, in 2012 the M&E system was rated highly satisfactory.<sup>117</sup>
180. Audits were conducted according to procedure, although they were sometimes late (e.g. in 2004). The reports found minor anomalies and the PMU usually worked to correct any errors or insufficiencies before the next audit period.
181. In terms of fiduciary management, accounts were maintained using the single entry system on a cash basis by the PMU. Transactions were accounted for promptly. While accounting entries were manually entered into a register, they were also, later, entered into Excel to facilitate calculations and reporting. Financial inputs were provided to the progress reports. Financial statements for the year-end audit were prepared and submitted to the auditor in a timely manner. In general, the supervision reports were positive about the financial management of the project. However, the choice of PBDAC as the partner for the credit activities was

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<sup>115</sup> IFAD 2007: Mid-term review, p. 7.

<sup>116</sup> PCR: p. 5, point 26.

<sup>117</sup> IFAD 2012: Supervision report.

done without going through the competitive bidding process foreseen at design and despite PBDAC's inadequate performance under a previous IFAD project (the Newlands Agricultural Services Project).

182. At design, Government counterpart funds allocated to the project were relatively low (US\$5,538,627) as compared to other IFAD projects in Egypt (annex VI, figure 5). However, by the end of April 2014 the amount had risen to US\$8.4 million,<sup>118</sup> equivalent to a 52 per cent increase over design estimates. The counterpart funds were disbursed in a timely manner up until 2011; according to the 2013 supervision report<sup>119</sup> from 2011-2014, the disbursements declined and were no longer 100 per cent of the budgeted amounts.

Table 4  
Counterpart funds (EGP '000)

| Year        | Amount budgeted | Amount received | Difference | % of budget received |
|-------------|-----------------|-----------------|------------|----------------------|
| 2011 – 2012 | 4 500           | 3 575           | 925        | 79                   |
| 2012 – 2013 | 5 750           | 3 770           | 1 980      | 66                   |
| 2012 – 2013 | 4 750           | 718             | 4 032      | 15                   |
| 2013 – 2014 | 15 000          | 8 063           | 6 937      | 54                   |

Figure in bold is for first quarter 2013 – 2014.

183. Between 2011 and 2013 the Government allowed the PMU to use the revenue it generated from the extension farms (EGP365,000), the AI centre and the soil and water laboratory, to supplement funds it received directly from the Treasury, thereby significantly easing the PMU liquidity situation and timely access to budgeted funds. This can also be interpreted as a sign of the Government's continued investment in the project activities after project closure.
184. The project staffing issue has been covered extensively in the efficiency section, showing big fluctuations in the number and type of staff available throughout the project period raising some questions as to the capacity to implement the project. For example WNRDP engaged gender specialists at various points during the project period: one specialist was hired at appraisal and by mid-term there were 12 gender specialists working on the project. However, this figure had fallen to two in 2009 and by 2010 there were no gender specialists in the project team. The country study on IFAD's corporate-level evaluation on gender (2010) observed that the extension agents were being asked to cover this role and had received four trainings on the topic. On the other hand, the mission was informed that the PMU was a rare example of a PMU with full time staff, and supervision reports generally praise the technical knowledge and skills of the staff. In fact, the PMU has been retained in the follow-on project, SAIL.
185. Overall, the Government was highly engaged and supportive of WNRDP. It invested adequate time and resources in the project, which contributed to its success in reaching the settler population. The slowdown in counterpart fund flows coincided with the political instability and upheaval and cannot be wholly attributed to the Government's performance. Based on the above assessment, Government performance is rated as *satisfactory* (5).

## E. Assessment of the quality of the Project Completion Report

186. The PCR was completed in a timely manner and elaborates on positive achievements and challenges well.

<sup>118</sup> This figure includes 365,000 from the extension revenue (2011-2013).

<sup>119</sup> IFAD 2013: Supervision report, p. 25.

187. **Scope.** The PCR, by and large, covers most of the evaluation criteria, albeit often with insufficient detail and depth. It broadly adheres to IFAD guidelines for PCRs, but is missing a dedicated section on gender. More attention is given to component outputs and certain impacts (e.g. agricultural impact), but the social aspects of the project are covered to a much lesser extent. The scope of the PCR is rated as *moderately satisfactory* (4).
188. **Quality (methods, data, participatory process).** Overall, an effort has been undertaken to provide impact data, but some of the evidence is questionable (e.g. efficiency of drip irrigation) and there is limited data on social aspects, including targeting. The rating is *moderately satisfactory* (4).
189. **Lessons.** The lessons learned included in the PCR are useful. They also include lessons on what did not work well in the project. The PCR has given attention to the PMU, cooperatives as credit retailers, marketing, rural finance policy and the distinction between government and private sector in demonstration farms. The lessons are rated as *satisfactory* (5).
190. **Candour.** The PCR reports on challenges (e.g. WUAs) and is considered somewhat candid. Some sections which lack analytical depth would have benefitted from a more balanced review (e.g. environment, human assets, social capital and empowerment). In addition, the report offers no critical assessment of the M&E data produced by the project. The rating is *moderately satisfactory* (4).

### **Key points**

- The objectives of WNRDP were coherent and relevant to the Egyptian policy context, and aligned with the IFAD COSOP, but the assumptions about the community level organizations and the role they could play as a driving force for job creation and diversification and sustainable livelihoods more generally were too optimistic.
- WNRDP was an integrated rural development project. The combination of delivery of social infrastructure, training, credit and institution building in a highly concentrated area was effective.
- The delivery of a wide range of assets was satisfactory in the 18 villages targeted.
- The project initiated a participatory process in a highly centralized context. Although the participatory process is not well documented, there is some evidence that the CDAs played a role in prioritizing and implementing project activities. The CDAs still exist and undertake O&M of health clinics, nurseries and social event halls, but the level of services has gone down and they do not play an active role in demanding new services for the communities.
- The project EIRR points to a viable investment and WNRDP benefitted from the flexibility of the IDS grant, which compensated for the slow IFAD disbursements. On the other hand, the project was plagued by PMU budget overruns, and challenges in achieving the fourth objective of putting in place self-sustaining arrangements for accessible and effective credit services. In addition, the cost per beneficiary in the primary area was high.
- There is evidence of incomes increasing, increased durable assets (nearly 20 per cent of the control mean) and increased livestock assets (19.6 per cent).
- The project contributed to diversified and increased agricultural production (from 3-4 cereals and fodder crops to 26 field crops, vegetables and fruits, and, for example, increases in wheat yields of about 5.3 per cent).
- Human capital was improved through provision of literacy classes and access to schools, nurseries and health clinics. There were also improvements to social capital through the formation of various local institutions.
- Women benefitted greatly from general infrastructure and some specific activities, but women's participation remained low.
- Impact on NRM and water efficiency could not be measured rigorously due to lack of empirical data. It is assumed that the effects of converting from moveable sprinklers to drip irrigation led to water savings, but the PPE is cautious about the figures. However, the PPE was able to establish reduced use of fertilizer as a result of the change in irrigation method.



## IV. Conclusions and recommendations

### A. Conclusions

191. **WNRDP improved living conditions in the new lands.** The project's main goal was to enhance the livelihoods of the target population through increased sustainable economic activity and greater social self-reliance. The main indication that this objective has been achieved is the increase of the settlement size, which at the time of the evaluation stands at 120 per cent. This is a considerable achievement considering that at appraisal absenteeism was reportedly 50 per cent.
192. The influx of people is a result of providing access to basic social services and increasing agricultural productivity by enhancing capacities and diversifying crops. According to the PCR, it is likely that more than 220,995 people benefitted from access to social services and agricultural productivity, but it is difficult to give an exact number as more people have moved into the area and many beneficiaries accessed more than one service or asset. Specifically, access to nurseries, schools, health clinics and community centres increased human capital, improved living conditions and to some extent, contributed to greater self-reliance. Through the provision of these services, WNRDP filled an important gap in the absence of a local administration. The increase in the population coupled with the social infrastructure in turn attracted new settlers and triggered new social and economic activities in the villages.
193. **The project was effective overall in reaching the broad target categories (unemployed youth graduates and the displaced farmers) but there was little differentiation in how they were targeted.** While both groups were relevant, they were different and consequently required different targeting strategies in order to respond in the most optimal way to the various activities. There was also evidence of considerable demographic changes and a resultant more nuanced village composition and a decrease in displaced farmers. During the project period no attempt was made to analyse the distribution of project benefits according to the different target groups and there was no evidence of the poorest benefitting the most. The lack of monitoring was a risky approach when applying a community development approach because the more informed and better connected tend to benefit disproportionately if proactive measures are not put in place.
194. **Efforts to address gender equality remain insufficient.** Strengthening the gender impact of IFAD interventions in Egypt has consistently been raised in project design reports, at quality assurance and in COSOPs, yet progress on gender has been slow and only partially achieved in the project. To some extent this is due to the difficult social environment. While women benefitted greatly from general infrastructure and some specific activities (e.g. vocational training, access to credit, ID cards), overall figures for women's participation remained low and many activities focused on their traditional and domestic roles such as sewing, bakery and food processing (e.g. cheese making), mainly for domestic consumption rather than as income generating activities.
195. **A participatory approach was initiated but was not linked to local government.** WNRDP supported a participatory process that emphasized community control over planning, and to some extent over investment resources. More particularly, the project supported the creation of community groups, associations and cooperatives. These groups played a role during the project but have not been embedded in any local administration, and WNRDP has only partially succeeded in establishing linkages between the communities and the Government. While the CDAs and WUAs are undertaking some O&M post-project, there is no evidence of these groups expanding their activities of their own accord. At a broader level, there are concerns about the sustainability of many of these organizations and associations, as there is little evidence of the community driven

development approach having empowered the communities to demand better governance and services from local government in the future.

196. **Some diversification of agricultural production occurred.** Diversification of agricultural production mainly took place through increased and more varied crops (fruit trees and vegetables) and markets, and was primarily for unprocessed agricultural products with little evidence of value added processing in the project area. While some limited marketing activities took place, the most important being the establishment of marketing associations, there were few signs of contract farming or sales arrangements between FMAs, cooperatives and/or processors and exporters or of farmers having moved up the value chain. For the few larger cooperatives that were looking to invest in processing, the IDS fund was inadequate and links with larger commercial lenders had not been made through the project.
197. **Neither the IDS revolving loan fund or PBDAC/IDS fund are self-sustaining.** Egypt has a challenging rural finance environment characterized by a limited number of providers and high collateral and guarantee requirements to secure loans, thus limiting access to savings options or bank financing. IFAD has endeavored to accompany many of its rural and agricultural development initiatives in Egypt with financial services components to promote more sustainable access to investment capital and to ensure affordable, locally available alternatives. The two mechanisms used by WNRDP have served the purpose of channeling loans to small farmers, but are not viable. The PBDAC maintains one of the broadest branch networks in rural Egypt; it offers subsidized lending which makes it difficult to also offer loan products at market rates. Many of the clients who repaid their loans and would like to get a new loan are reluctant to pay the post-project increased interest rate, resulting in a loss of clients for the bank. The PBDAC is a non-viable public bank which is being restructured. The IDS revolving fund was successful in reaching poor beneficiaries excluded from the commercial credit market. However, IDS revolving fund interest rates are negative in real terms and thus erode the loan capital. In addition, the IDS revolving fund operates outside the financial system, raising issues about its institutional sustainability.
198. **Pressure on water resources.** The agro-ecological sustainability of reclaiming the desert remains an issue of debate. Nevertheless, desert reclamation continues. For IFAD to continue to play a role in this development, it is important that appropriate safeguards are followed. For future projects the recently approved Social, Environmental and Climate Assessment Procedures (SECAP) will be applied. Despite introducing water-saving measures such as drip irrigation, the project experienced increased pressure on access to allocated water. No monitoring or analysis of water use and efficiency took place, but it seems likely that the increased scarcity of water is linked to the natural expansion of the population and the subsequent pressure on available water resources. There are also problems with drainage and salinization in several villages. No environmental impact assessments were carried out during the life of the project. The WUAs are weak and it is questionable whether they are able to maintain the *mesqas* efficiently. The absence of a legal identity for the WUAs remains a structural problem. This raises some concerns about the environmental sustainability of the current activities.
199. **Monitoring and evaluation.** Considerable effort went into establishing a robust M&E system, including a baseline study, several RIMS surveys, and an impact survey, followed by two separate interpretations, yet key impact data was lacking. The PPE found that the M&E system was overly focused on outputs with little analysis of outcomes. Moreover, the participatory implementation approach should have been complemented by a participatory M&E system. In terms of M&E capacity, the need for more analytical skills was highlighted repeatedly, as well as the need to evolve the system more toward assessing the impact of the project.

## **B. Recommendations**

200. The PPE offers the following five specific recommendations for IFAD to consider during the preparation of the forthcoming COSOP and for future operations:
201. **Recommendation 1. Institutionalize the role of community organizations and associations.** In order for the community driven development approach to be more than merely a transitional instrument for service delivery, future projects must identify strategies to ensure that community-level organizations are linked to formal public administration structures beyond the project's lifetime.
202. **Recommendation 2. Undertake a financial sector assessment.** IFAD should conduct a financial sector assessment to inform the development of future projects in Egypt and provide clear technical advice for ongoing projects. The purpose of the study should be to identify policy constraints, rural finance opportunities, and potential institutional partners and to provide strategic guidance to the IFAD country office with regards to engagement in the rural finance sector. This study would also help to position IFAD as a key partner at the policy level and contribute to dialogue with regulators, other partners working with rural financial services and financial institutions.
203. **Recommendation 3. Devote adequate attention to gender issues throughout the project cycle.** Future projects should devote more attention to gender issues and adopt a more proactive role in monitoring women's participation in project activities. This should be done by ensuring that: (i) dedicated and qualified staff are part of the PMU and supervision missions; (ii) resources are allocated to gender activities; (iii) specific gender targets are formulated; and (vi) M&E systems track and report on impact on women's empowerment and gender equality using the Women's Empowerment Index and other relevant indicators.
204. **Recommendation 4. Ensure that environmental impact assessments are undertaken.** For ongoing projects, such as SAIL, rigorous environmental impact assessments should be carried out, as recommended during the implementation of WNRDP. Such an assessment should focus on the long-term sustainability of water supply.
205. **Recommendation 5. Provide appropriate guidance on M&E.** IFAD should consider providing additional support to the government by addressing project management competencies in all processes related to M&E (data collection and quality, analysis, reporting, etc.). In addition, in projects with an emphasis on community development, a participatory approach to M&E at community level should be considered. Sampling methods for all studies should be carefully selected and consistently adopted in follow-up studies.

## Basic project data

|                                                      |                                                                                                                                                   |                                                                          | Approval (US\$ m)                          |     | Actual (US\$ m)                         |     |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------|-----|-----------------------------------------|-----|
| Region                                               | Near East, North Africa and Europe                                                                                                                | Total project costs                                                      | 54.7                                       |     | 52.3                                    |     |
| Country                                              | Egypt                                                                                                                                             | IFAD loan and percentage of total                                        | 18.48                                      | 34% | 18.48                                   | 35% |
| Loan number                                          | 582-EG                                                                                                                                            | Borrower                                                                 | 5.54                                       |     | 8.39                                    |     |
| Type of project (subsector)                          | Rural development                                                                                                                                 | Italian Debt Swap                                                        | 30.13                                      |     | 24.17                                   |     |
| Financing type                                       |                                                                                                                                                   | Food and Agriculture Organization of the United Nations                  | 0.40                                       |     | 0                                       |     |
| Lending terms*                                       | Intermediate                                                                                                                                      | Cofinancier 3                                                            |                                            |     |                                         |     |
| Date of approval                                     | 23 April 2002                                                                                                                                     | Cofinancier 4                                                            |                                            |     |                                         |     |
| Date of loan signature                               | 29 May 2002                                                                                                                                       | Beneficiaries                                                            |                                            |     |                                         |     |
| Date of effectiveness                                | 9 April 2003                                                                                                                                      | Other sources:                                                           |                                            |     |                                         |     |
| Loan amendments                                      | 20 May 2008<br>5 August 2009<br>23 Sept 2010<br>21 Jan 2013                                                                                       | Number of beneficiaries: (if appropriate, specify if direct or indirect) | 36 180 households/<br>228 000 individuals. |     | 46 833 (36 185 direct; 10 648 indirect) |     |
| Loan closure extensions                              | <u>Three:</u><br>One year, from 31 Dec 2010 to 31 Dec 2011<br><br>Two years, from Dec 2011 to Dec 2013<br><br>One year, from Dec 2013 to Dec 2014 |                                                                          |                                            |     |                                         |     |
| Country programme managers                           | A. Abdouli<br>O. Zafar<br>A. Hanafi                                                                                                               | Loan closing date                                                        | 31 December 2010                           |     | 31 December 2014                        |     |
| Regional director(s)                                 | M. Bishay<br>N. Khouri<br>K. Bouzar                                                                                                               | Mid-term review                                                          |                                            |     | 2 November – 12 December 2007           |     |
| Lead evaluator for project performance evaluation    | C. Perch                                                                                                                                          | IFAD loan disbursement at project completion (%)                         |                                            |     | 100                                     |     |
| Project performance evaluation quality control panel | S. Yang                                                                                                                                           | Date of project completion report                                        |                                            |     | July 2014                               |     |

Source: PCR; President's Report; GRIPS; Oracle BI.

\* There are four types of lending terms: (i) special loans on highly concessional terms, free of interest but bearing a service charge of three fourths of one per cent (0.75 per cent) per annum and having a maturity period of 40 years, including a grace period of 10 years; (ii) loans on hardened terms, bearing a service charge of three fourths of one per cent (0.75 per cent) per annum and having a maturity period of 20 years, including a grace period of 10 years; (iii) loans on intermediate terms, with a rate of interest per annum equivalent to 50 per cent of the variable reference interest rate and a maturity period of 20 years, including a grace period of five years; (iv) loans on ordinary terms, with a rate of interest per annum equivalent to one hundred per cent (100 per cent) of the variable reference interest rate, and a maturity period of 15-18 18 years, including a grace period of three years.

## Definition and rating of the evaluation criteria used by IOE

| Criteria                                     | Definition *                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Mandatory | To be rated |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------|
| <b>Rural poverty impact</b>                  | Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions.<br><i>Four impact domains</i>                                                                                                                                                                                                        | X         | Yes         |
|                                              | <ul style="list-style-type: none"> <li>Household income and net assets: Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value. The analysis must include an assessment of trends in equality over time.</li> </ul>                                                                                                                 |           | No          |
|                                              | <ul style="list-style-type: none"> <li>Human and social capital and empowerment: Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grass-roots organizations and institutions, the poor's individual and collective capacity, and in particular, the extent to which specific groups such as youth are included or excluded from the development process.</li> </ul> |           | No          |
|                                              | <ul style="list-style-type: none"> <li>Food security and agricultural productivity: Changes in food security relate to availability, stability, affordability and access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields; nutrition relates to the nutritional value of food and child malnutrition.</li> </ul>                                                                                         |           | No          |
|                                              | <ul style="list-style-type: none"> <li>Institutions and policies: The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor.</li> </ul>                                                                                                                                                                            |           | No          |
| <b>Project performance</b>                   | Project performance is an average of the ratings for relevance, effectiveness, efficiency and sustainability of benefits.                                                                                                                                                                                                                                                                                                                                             | X         | Yes         |
| Relevance                                    | The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design and coherence in achieving its objectives. An assessment should also be made of whether objectives and design address inequality, for example, by assessing the relevance of targeting strategies adopted.                  | X         | Yes         |
| Effectiveness                                | The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.                                                                                                                                                                                                                                                                                                           | X         | Yes         |
| Efficiency                                   | A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results.                                                                                                                                                                                                                                                                                                                                                             | X         | Yes         |
| Sustainability of benefits                   | The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.                                                                                                                                                                                                      | X         | Yes         |
| <b>Other performance criteria</b>            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |             |
| Gender equality and women's empowerment      | The extent to which IFAD interventions have contributed to better gender equality and women's empowerment, for example, in terms of women's access to and ownership of assets, resources and services; participation in decision making; work load balance and impact on women's incomes, nutrition and livelihoods.                                                                                                                                                  | X         | Yes         |
| Innovation and scaling up                    | The extent to which IFAD development interventions: <ul style="list-style-type: none"> <li>(i) have introduced innovative approaches to rural poverty reduction; and</li> <li>(ii) have been (or are likely to be) scaled up by government authorities, donor organizations, the private sector and others agencies.</li> </ul>                                                                                                                                       | X         | Yes         |
| Environment and natural resources management | The extent to which IFAD development interventions contribute to resilient livelihoods and ecosystems. The focus is on the use and management of the natural environment, including natural resources defined as raw materials used for socio-economic and cultural purposes, and ecosystems and biodiversity - with the goods and services they provide.                                                                                                             | X         | Yes         |
| Adaptation to climate change                 | The contribution of the project to reducing the negative impacts of climate change through dedicated adaptation or risk reduction measures                                                                                                                                                                                                                                                                                                                            | X         | Yes         |

| <i>Criteria</i>                    | <i>Definition</i> *                                                                                                                                                                                                                                                                                                                                           | <i>Mandatory</i> | <i>To be rated</i> |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------|
| <b>Overall project achievement</b> | This provides an overarching assessment of the intervention, drawing upon the analysis and ratings for rural poverty impact, relevance, effectiveness, efficiency, sustainability of benefits, gender equality and women's empowerment, innovation and scaling up, as well as environment and natural resources management, and adaptation to climate change. | X                | Yes                |
| <b>Performance of partners</b>     |                                                                                                                                                                                                                                                                                                                                                               |                  |                    |
| • IFAD                             | This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. The performance of each partner will be assessed on an individual basis with a view to the partner's expected role and responsibility in the project life cycle.                         | X                | Yes                |
| • Government                       |                                                                                                                                                                                                                                                                                                                                                               | X                | Yes                |

\* These definitions build on the OECD/DAC Glossary of Key Terms in Evaluation and Results-Based Management; the Methodological Framework for Project Evaluation agreed with the Evaluation Committee in September 2003; the first edition of the Evaluation Manual discussed with the Evaluation Committee in December 2008; and further discussions with the Evaluation Committee in November 2010 on IOE's evaluation criteria and key questions.

## Rating comparison

| <i>Criteria</i>                                | <i>IFAD-Programme<br/>Management<br/>Department (PMD)<br/>rating<sup>a</sup></i> | <i>PPE rating<sup>a</sup></i> | <i>Rating disconnect</i> |
|------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------|--------------------------|
| <b>Rural poverty impact</b>                    | 5                                                                                | 5                             | 0                        |
| <b>Project performance</b>                     |                                                                                  |                               |                          |
| Relevance                                      | 6                                                                                | 4                             | -2                       |
| Effectiveness                                  | 5                                                                                | 4                             | -1                       |
| Efficiency                                     | 4                                                                                | 3                             | -1                       |
| Sustainability of benefits                     | 5                                                                                | 4                             | -1                       |
| <b>Project performance<sup>b</sup></b>         | 5                                                                                | 3.8                           | -1.2                     |
| <b>Other performance criteria</b>              |                                                                                  |                               |                          |
| Gender equality and women's empowerment        | 4                                                                                | 4                             | 0                        |
| Innovation and scaling up                      | 5.5                                                                              | 5                             | -0.5                     |
| Environment and natural resources management   | 4                                                                                | 4                             | 0                        |
| Adaptation to climate change                   | 4                                                                                | 4                             | 0                        |
| <b>Overall project achievement<sup>c</sup></b> | <b>5</b>                                                                         | <b>4</b>                      | <b>-1</b>                |
| <b>Performance of partners<sup>d</sup></b>     |                                                                                  |                               |                          |
| IFAD                                           | 5                                                                                | 4                             | -1                       |
| Government                                     | 5                                                                                | 5                             | 0                        |
| <b>Average net disconnect</b>                  |                                                                                  |                               | <b>-0.6</b>              |

<sup>a</sup> Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory.

<sup>b</sup> Arithmetic average of ratings for relevance, effectiveness, efficiency and sustainability of benefits.

<sup>c</sup> This is not an average of ratings of individual evaluation criteria but an overarching assessment of the project, drawing upon the rating for relevance, effectiveness, efficiency, sustainability of benefits, rural poverty impact, gender, innovation and scaling up, environment and natural resources management, and adaptation to climate change.

<sup>d</sup> The rating for partners' performance is not a component of the overall project achievement rating.

### Ratings of the project completion report quality

|                                                | <i>PMD rating</i> | <i>IOE Project Completion<br/>Report Validation rating</i> | <i>Net disconnect</i> |
|------------------------------------------------|-------------------|------------------------------------------------------------|-----------------------|
| Scope                                          | n.a               | 4                                                          |                       |
| Quality (methods, data, participatory process) | n.a               | 4                                                          |                       |
| Lessons                                        | n.a               | 4                                                          |                       |
| Candour                                        | n.a               | 4                                                          |                       |

Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory; n.a. = not applicable.

## Terms of reference

### A. Background

1. In line with the International Fund for Agriculture Development (IFAD) Evaluation Policy<sup>1</sup> and as approved by the 116<sup>th</sup> Session of the IFAD Executive Board, the Independent Office of Evaluation (IOE) will undertake a project performance evaluation (PPE) of the IFAD-financed West Noubaria Rural Development Project (WNRDP) in Egypt. The main purpose of this evaluation is to assess the results and impact of the WNRDP and generate findings and recommendations for the design and implementation of ongoing and future operations in Egypt.
2. This approach paper presents the overall design of the WNRDP project performance evaluation. It contains a summary of background information on the country and the project being evaluated. The paper outlines the evaluation objectives, methodology, process and timeframe. The evaluation framework presented in annex 2 to these Terms of Reference provides a summary of the evaluation criteria and the key questions that will be used in conducting this evaluation.
3. The PPE of the WNRDP will provide an input into the Egypt Country Strategy and Programme Evaluation (CSPE), which will commence in June 2016. The CSPE will cover all operations that have been active under the current COSOP, and this PPE of the WNRDP will enable a more in depth analysis of one of the main IFAD operations in Egypt.
4. IFAD's programme in Egypt has comprised two main themes and groups of activities namely support for settlement in lands reclaimed from the desert in lower (northern) Egypt, and support for productivity improvement in the old lands in the Nile valley and Upper Egypt.<sup>1</sup> WNRDP has been selected based on IFAD's long history of support to new lands settlements in Egypt. WNRDP was IFAD's eighth project in Egypt and its fourth settlement project<sup>2</sup> and ran for 11 years (2003-2014), spanned two COSOPs (2002 and 2006), and had a total project cost of US\$52.2 million of which IFAD financed US\$19.642 million through a loan. Furthermore, with the approval of the Sustainable Agriculture Investments and Livelihoods Project in 2014, IFAD responded to a demand from the government for assistance in helping to design a new investment in some of the newly settled lands thus continuing its focus on settlements. WNRDP is considered a flagship programme by the Government and is rated positively in IFAD's internal self-evaluation systems.
5. This PPE will provide a detailed and independent assessment of the project results and lessons learned. It will build on the information included in the project completion report (PCR) but it is important to note that PPEs are expected to primarily fill important information gaps; they are not expected to investigate all activities financed under the project/programme or to undertake in-depth impact assessments. The PPE will benefit from a field visit in addition to a desk review, so that additional data can be collected and stakeholders interviewed.

### B. Evaluation objectives and scope

6. **The objectives of the PPE** are to: (i) assess the results and impact of the WNRDP; (ii) generate findings and recommendations for the design and implementation of ongoing and future operations in Egypt; and (iii) provide a deeper understanding of one of the most significant operations of IFAD within the COSOP period (2000-2015) as an input into the upcoming Egypt CSPE.

<sup>1</sup> IFAD 2012 Country Strategic Opportunities Programme, p. 6.

<sup>2</sup> West Behira Settlement Project (WBSP); Newlands Agricultural Settlement Project (NASP); East Delta Newlands Agriculture settlement Project (EDNASP) preceded the West Noubaria Development Project (WNRDP).



7. The **scope** of the PPE has been identified based on the following criteria: (i) areas identified through a desk review – the PPE will review additional evidence and propose a complete list of consolidated ratings; (ii) selected issues of strategic importance for IFAD in Egypt – PPE analysis will feed into the upcoming CSPE and the following COSOP preparation; and (iii) limitations set by the available time and budget – the PPE will have to be selective in focussing on key issues where value can be added, given the limited time and budget.
8. The PPE will use the standard IOE criteria plus selected key issues developed for this particular exercise, as stipulated by the IOE Evaluation Manual.<sup>3</sup> The following paragraphs provide an overview of the key issues and questions that will be addressed by the PPE. The detailed evaluation questions are included in annex 2 to these Terms of Reference.
9. **Relevance.** The PCR has covered aspects of relevance by contextualising and providing a historical perspective of the Government's priorities. The PPE will analyse the extent to which the design enabled a pro-poor focus and whether the scientific understanding underpinning the irrigation activities promoted by the project fostered environmental sustainability.
10. **Effectiveness.** Outputs have been reported on extensively. The PPE will therefore focus on establishing clearer links between outputs and intermediary outcomes. The PPE will review the existing evidence base to establish the results achieved by WNRDP and conduct further analysis on which parts of the project have been more effective and how and why project activities have achieved the intended results.
11. **Efficiency** will be an area of focus, and this is mainly related to issues of programme management. According to the PCR project management costs rose by 246 per cent and there were delays in the release of funding and high staff turn over all of which affected the efficiency of the programme and will deserve further analysis during the PPE to identify what lessons can be learnt.
12. **Impact** is probably the most difficult area to establish but the project has made efforts to document impact through a RIMS baseline and mid-term survey from 2006 and 2009 respectively. In addition, an extended completion survey was conducted in 2014 which fed into two reports - the PCR and an ex-post impact evaluation, issued by Strategy and Knowledge Department of IFAD. The PPE will review the conclusions drawn and review the plausibility of the narrative of the various reports through the evidence provided and additional evidence from the field. It will examine the external validity of the results and investigate the context for the results achieved and the extent to which they can be rolled out in other areas of Egypt. The PPE will not, however, redo the ex-post evaluation.
13. **Sustainability.** Sustainability is rated satisfactory in the PCR but is mixed. The PPE will provide a good opportunity to revisit some of the project sites and assess whether institutions (e.g. community development associations (CDAs) and water users associations) have been maintained or replicated. Furthermore, the PPE will assess the environmental sustainability of the irrigation activities promoted by the project.
14. **Gender equality and women's empowerment.** Neither the President's Report nor the loan agreement included specific gender targets, although the President's Report noted the importance of "reaching women with extension, training and other services".<sup>4</sup> The project's objectives were not explicitly gender sensitive, although two of them centred on social cohesion of communities and equitable access to support services. As a result the community organization and development component was based on provision of housing, community services, and food security. The technical operations component included support to:

<sup>3</sup> IFAD 2016, Evaluation Manual, chapter 3.

<sup>4</sup> IFAD 2002, President's report, p. 3.

"increased number of men and women extension workers", but few components had a specific outreach strategy with the exception of the rural credit component. The PCR did not include a separate section on gender issues and few supervision missions elaborate on gender. Youth is an important theme in WNRDP and will be treated within this criterion from a gender perspective. It will also be considered as part of the targeting strategy. Gender and youth will constitute one of the areas for further investigation in the PPE.

15. **Environment and climate change.** The PCR reports significant environmental impact. It has helped reduce the population pressure on the old lands; greened the desert; and converted unproductive desert lands to productive agricultural areas. Savings in water through conversion from moveable to fixed sprinklers and drip systems are highlighted. The PPE will analyse the assumptions behind the stated benefits and the plausibility of this narrative through reviewing the data available and evidence from the field.
16. **Innovation and scaling up.** The analysis of this criterion will be linked to the analysis of impact which will analyse the factors contributing to achievements and the extent to which achievements would be applicable for scaling up in different areas. The President's Report identified the Italian Debt Swap Facility as an innovation. Additionally, the PCR lists the overall approach including linking smallholders to markets, the way drip irrigation was adapted and adopted, and the provision of artificial insemination services as innovations. The PPE will examine whether these approaches were innovative in the Egyptian context and investigate the extent and nature of the scaling up outside the IFAD portfolio by government, private sector and other development partners.
17. **Performance of partners.** Both IFAD and Government performance are rated as satisfactory in the PCR. The PPE will look at selected issues which have affected the performance of IFAD and Government partners. For IFAD, the key question will be whether the rating system has provided a reliable base for tracking WNRDP's progress. For Government, the PPE will identify the key factors that led to the delays and resultant rise in management costs.

### C. Key issues for further analysis

18. IOE has conducted a preliminary review of the PCR and the available documentation to identify key WNRDP issues which are also of strategic importance for the rest of the Egypt portfolio. These issues include; (i) community organization and development; (ii) the NRM and water activities and the sustainability of these; (iii) the targeting approach including that of women and youth; (iv) the rural finance component and the reasons for the difficulties in establishing self-sustaining arrangements for the provision of accessible and effective credit service; (v) the efficiency of the project and the reasons for the various delays, high staff turnover and cost overruns.
19. **Community organization and development.** This component was the largest in the project design and activities focused on the introduction of participatory planning and development processes and the construction of community infrastructure. Specifically, the project approach was to respond to community needs and priorities for education, health and other social services as expressed by their participatory operations through the levying of user fees. Improving living conditions in the project area was necessary to induce settlers to remain in the area and pursue farming and other livelihood activities. According to the PCR settlements rose from 25 per cent at project start to nearly 100 per cent by the third year. The PPE will investigate how the community organization and development approach has strengthened the interaction between communities and local groups on the one side and local government and service providers on the other. The PPE will take a sample of stakeholder groups to gain insights into how

communities have taken responsibility of social services assets provided by the project.

20. **Natural resources management and water.** The focus of this analysis will be on the scientific understanding underpinning the project's activities and on the economic and ecological sustainability of the claimed water savings.
21. **Targeting.** WNRDP targeted displaced settlers (9976 households), traditional farmers (4 549 households) and graduates (21 660 households) and worked in a primary zone (the last of the new lands zones in this part of Egypt to be completed and settled) and a secondary zone (comprising the zones of the previous IFAD Newlands Agriculture Service Project). While the target group in the primary zone (majority of displaced settlers) would benefit from all project activities the target group in the secondary zone (majority of graduates) would only benefit from rural finance, marketing/agribusiness and to a limited extent irrigation and water. The Project formulation mission noted that each small farmer and family were allocated an undeveloped desert farm of 2.05 fd (1.05 ha) while the graduates and unemployed youth allocated 5 fd of land. However, it was observed in the same document that a farm of 2.5 fd alone was insufficient to support average and above average size families and was unlikely to produce a positive cash flow for the first three or four years of development. For this reason poverty alleviation efforts would focus on economic diversification in which as many family members as possible would have the opportunity to participate. The project appraisal went on to state that the nature of the stakeholders identified priorities and most of the project interventions were such that a group and community approach was required thus the majority of the population would inevitably obtain some benefit from interventions. Nevertheless, those activities that could readily be focused, such as: extension and demonstration provision, credit supply; training and support for agricultural and enterprise development; and urgency of social infrastructure and services would be targeted preferentially on the poorer as identified through community development activities. The PPE will investigate the extent to which the targeting approach was pro-poor and to what extent a differentiated targeting approach was applied and how that affected uptake among the different groups.
22. **Rural finance.** The credit component in WNRDP has faced problems. Firstly, commercial banks showed no interest in servicing the project area and therefore the Principal Bank for Development and Agriculture Credit (PBDAC) was appointed as an agent bank and a subsidiary agreement was signed in January 2004. The decision to appoint PBDAC was partly based on the already available network of village banks belonging to PBDAC in the project area. Secondly, WNRDP aimed at developing a viable financial system; but up to 2005 this component had consisted only of credit disbursement, without any attempt at institution building. Thirdly, IFAD had not participated in the national policy dialogue on rural finance in Egypt and has not addressed the policy obstacles to sustainable rural finance.<sup>5</sup> The PPE will further investigate the reasons for the challenges faced with this component.
23. **Efficiency.** The delays in the release of funding, staff turnover and the increase of management costs will have effected project efficiency and deserves further analysis during the PPE.
24. These five issues describe the thematic focus of the PPE and in the report; they will be treated in some depth under the different evaluation criteria.

#### **D. Analytical framework and methodology**

25. The methodological approach to providing credible findings through the PPE will focus on establishing plausible causal links between WNRDP interventions and the

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<sup>5</sup> WNRDP MTR 2007; Siebel, HD. 2006: Rural Finance and Credit Technical paper for WNRDP Supervision Mission 2006.

observed changes. The PPE will use a theory of change for a systematic examination of assumed causal linkages and whether there is sufficient evidence to support these linkages. The PPE will collect and analyse data from different sources, to cross-check, validate and supplement the findings presented in the PCR.

26. The WNRDP's intended **impact pathway** was that the programme would create the assets and institutions at community level which would support job creation and diversification and sustainable livelihoods more generally.
27. The community-level organizations are the key link in the assumed impact pathway. The communities were provided with better extension services, training on financial services, links established between producers and buyers, and increased outreach of rural credit. At household level this would enable increased *incomes* through production changes based on improved use of technology, access to finance, efficient use of water, market linkages, and off farm jobs. The draft theory of change is included in the annex 1
28. **Sampling approach.** WNRDP has been implemented in both a primary project area (Branch 20 Tiba Zone, Bustan extension, El-Entelak) and a secondary area (Bustan, El Hamam, El-Rowisat, Sugar Beet, West Noubaria). Ideally, the PPE should cover all the project areas and will at least cover a third of the villages.

## **E. Data collection methods**

29. Careful analysis and triangulation of reported programme achievements will be a key feature of this PPE. Validation of programme results will be done through bringing in and cross-checking multiple stakeholder perspectives, data sources as well as findings across the evaluation team.
30. Documentation of the WNRDP is extensive. It includes annual project status reports (along with PSR ratings presented in the divisional annual portfolio review), mid-term reviews (MTR), supervision reports, and a project completion report prepared at the end of a project jointly with the government, which also includes a set of ratings (PCR ratings). The RIMS includes a menu of indicators used to measure and report on the performance of IFAD projects – at activity, output and impact level. In addition, an ex-post impact evaluation was carried out in December 2014 by the Strategy and Knowledge Department. To the extent possible the evaluation will also make use of Government statistics, external studies and reports where reliable data is available.
31. Additional data will also need to be collected to verify stated causal linkages between activities and outcomes. The following strategies for data collection, including the opportunity to undertake limited fieldwork are proposed:
32. First, an analysis of all relevant IFAD documentation will be the first step in verifying the consistency of findings and availability of data at different levels in the results hierarchy. This will include analysis of the baseline and impact reports for WNRDP that provided the evidence for the PCR, design, and supervision reports, M&E reports, and other studies.
33. Second, secondary data at national, state and local government level, or from businesses or traders, will supplement the above and substantiate indirectly the achievements of the project. Especially at goal and purpose level, national surveys typically provide the means of validation for.
34. Third, key informant interviews will be used to explore a number of issues, including: the existence of additional reports or surveys, exploring the justifications for ratings in PCR or supervisions, and to understand the evidence base for the ratings and judgements given in the various performance reports. Interviews will be conducted with IFAD, Government of Egypt representatives (Governorate, regional level), NGOs and private sector actors involved, beneficiaries and other

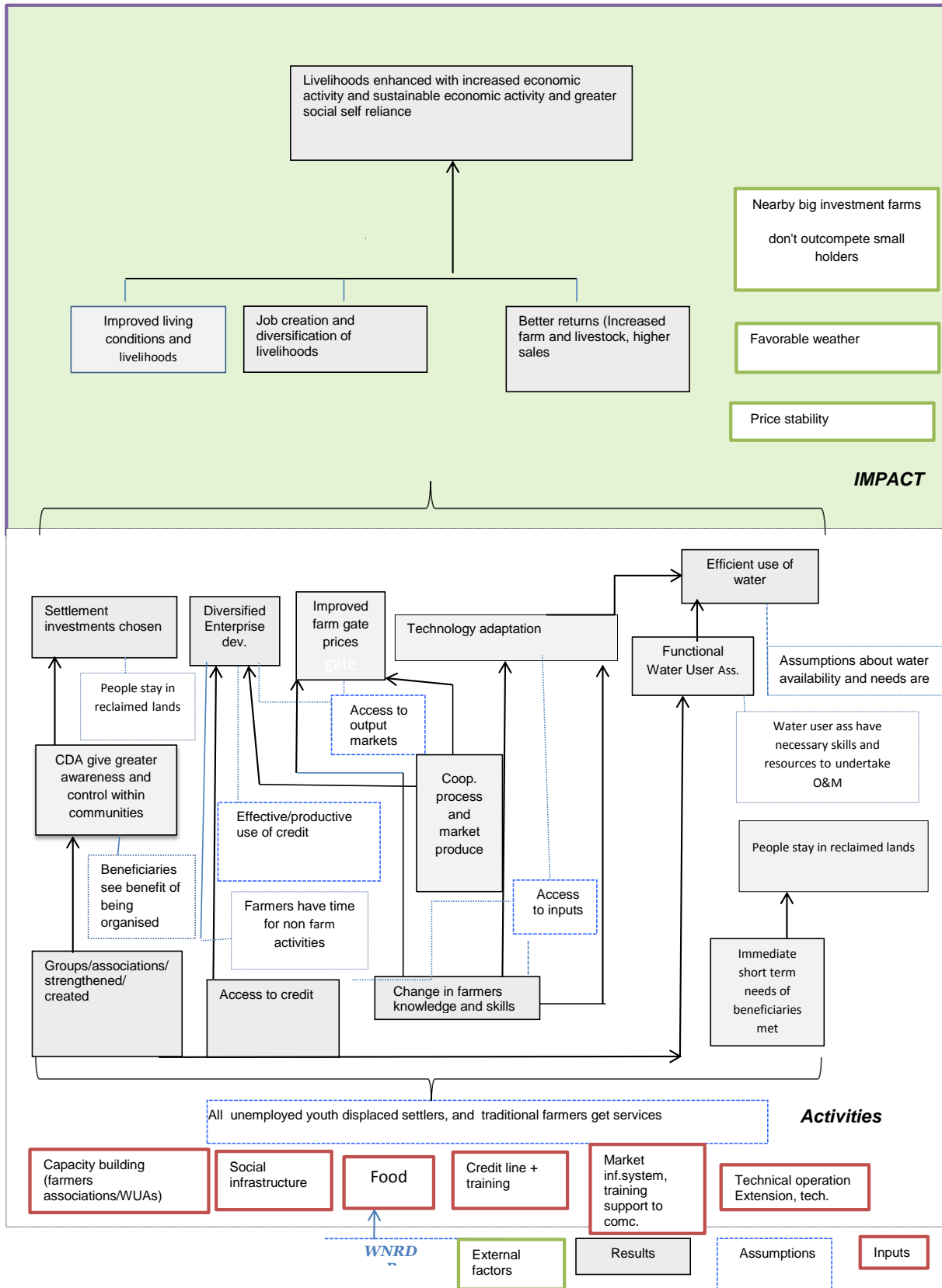
development partners. As part of the PPE preparation an inventory of such key informants will be prepared. An asset verification form will also be used to collect evidence on the condition of visible assets.

35. The PPE methodology is closely linked with that of the upcoming CSPE. Firstly, it will be possible through the PPE exercise to gain an appreciation of data quality from the various sources identified above, in order to determine the best and most efficient sources for the subsequent CSPE. Where reliable data sources are found, such as national surveys or studies by other development partners, these may be carried across for use in the CSPE. Secondly, a number of PPE questions will also be addressed by the CSPE which allows findings from the PPE to inform the CSPE. In this sense, the PPE will provide a preliminary case study for the CSPE.

## F. Process and timeline

36. Lead Evaluator for this PPE will be Catrina Perch, Evaluation Specialist in IOE. Shaun Ryan is the Evaluation Assistant. IOE has appointed Anne Wessling as consultant. She will cover two of the main areas of focus namely rural finance and efficiency as well as work on several of the evaluation criteria. Prof. Mohamed Nawar, an Egypt-based consultant will focus on the assessment of the community development and targeting approaches including gender and youth. Additionally, William Oliemans will provide some limited technical assistance on irrigation from his home base. The Lead Evaluator will be responsible for, based on the inputs provided by the consultants, the write up of the report. Annex II of the evaluation framework outlines the distribution of tasks among the main team members.
37. The PPE process has been designed in a way to enable cross-over linkages with the ongoing CSPE and to maximize stakeholder participation and learning.
38. **Preparation.** The PPE approach paper, including the evaluation framework and the draft theory of change will be shared with Near East North Africa and Europe Division and Government in March 2016.
39. **Desk review.** The evaluation team will conduct a desk review of the available project documentation as well as relevant studies, surveys or other background information prior to the main country mission in April 2016. Also, the team will prepare the detailed field methodology and start conducting phone interviews with former project staff and other relevant stakeholders during this phase.
40. **Country mission.** The PPE country visit by the Lead Evaluator together with the consultants in April 2016 will include additional field visits for crosschecking and validation. A debriefing will be held with Government authorities and the CPM for Egypt will also attend the discussions.
41. **Comments by IFAD's Near East, North Africa and Europe Division (NEN) and Government.** The draft PPE report will be available for comments by NEN and Government in June 2016.
42. **Communication and dissemination.** The final report will be disseminated among key stakeholders and the evaluation report published by IOE, both online and in print. IFAD Management will prepare a written response on the final evaluation report, which will be included in the published version of the document. The recommendations addressed to IFAD will be followed up in the President's Report on the Implementation Status and Management Actions of Evaluation Recommendations.
43. The IOE team liaises with the government and project authorities to prepare a mission schedule.

# Theory of change for the West Noubaria Rural Development Project



## Evaluation framework

| Core evaluation criteria | Evaluation question                                                                                                                                                                                                                                                                                                         | Data source/data collection method                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact                   | Q1: How robust was the approach to evaluating WNRDP and how consistent are the data measuring impact? How can differences in different data sets be explained?                                                                                                                                                              | <u>Project documents:</u><br>Baseline survey<br>Completion survey<br>Project completion report<br>Project impact assessment<br>Other studies and data, e.g. national statistical reports                                                                                                                                                                                                                                                                                                        |
|                          | Q2: How plausible is the narrative on impact in the Project Completion Report and the impact evaluation?<br><br>- Specifically on households income and assets;<br>- Agricultural productivity and food security<br>- Human and social capital and empowerment<br>- Institutions and policies (decentralization, extension) | <u>Project documents:</u><br>Baseline survey<br>Supervision reports<br>MTR report<br>Completion survey<br>Project completion report<br>Project impact assessment<br>Other studies and data, e.g. national statistical reports<br><br>Key informant interviews (IFAD; Governorate and regional government staff; local government staff; selected CDAs; selected groups off beneficiaries).<br><br>Field Survey: systematic cross checking of selected benefits and results in sample locations. |
| Relevance                | Q3: How well did WNRDP design align with IFAD and Egypt's Sector Policy and strategies including contextual changes?                                                                                                                                                                                                        | This involves assessment of alignment with vision 2017, Poverty Action Plan, the National Water Strategy, the National Environmental Strategy the Strategy of Agricultural Development , and other relevant national documents e.g. on finance, land research, extension services; COSOPs and selected IFAD policies (e.g. Rural Finance).                                                                                                                                                      |
|                          | Q2: How coherent was the project design strategy (logframe coherence, linkages between the components, financial allocations, management structures) in supporting pro poor and environmental sustainability of the activities?                                                                                             | National and regional poverty statistics, national studies, IFAD targeting policy                                                                                                                                                                                                                                                                                                                                                                                                               |
|                          | Q3: Did the targeting strategy of working in different zones, with three different targeting groups and a flexible range of investments support effective targeting of the poorest communities?                                                                                                                             | Review of WNRDP documentation;<br><u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br><br>Key informant interviews (IFAD; Governorate and regional staff, selected groups and beneficiaries)                                                                                                                                                                             |

| Core evaluation criteria | Evaluation question                                                                                                                                                                                                                                                                                                                                 | Data source/data collection method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          | Q4: Were the scientific assumptions related to water availability, use and needs correct?                                                                                                                                                                                                                                                           | Review of WNRDP documentation;<br><u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Key informant interviews (IFAD; Governorate and regional staff)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Effectiveness</b>     | Q5: How strong is the evidence for the delivery of benefits claimed in the PCR and other project progress/M&E reports for each of the objectives (social cohesion; access to support services; diversified farming/efficient water use; rural credit/marketing; diversified and strengthened economy) and what contextual factors have affected it? | Estimate from a contribution analysis perspective, drawing on a more theoretical analysis of how and why project activities would achieve intended results.<br><br><u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Key informant interviews (IFAD; Governorate and regional staff, selected groups and beneficiaries)<br><br>Field survey: systematic crosschecking of selected benefits and results in sample locations, PREMIUM project-United States Agency for International Development<br>Analysis would include:<br>Probing the robustness of the available evidence from the project:<br>Testing the likeliness of change happening as a result of IFAD interventions<br>Mapping the available evidence against the theory of change and assessing the strengths of the causal linkages |
|                          | Q6: To what extent can the results be attributed directly to the project?                                                                                                                                                                                                                                                                           | Analysis of disbursement data, to establish extent of delays. Case studies, based on interviews with former project staff, inquiring about the consequences increased management costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                          | Q7: What were the consequences of the increased management costs and frequent staff turnover?                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Efficiency</b>        | Q8: How does the Economic Rate of Return at evaluation compare with that of project design?                                                                                                                                                                                                                                                         | Project completion report, statistical information.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                          | Q9: What are the loan costs per beneficiary (both at the time of appraisal and at the time of evaluation) and how do they compare to other IFAD-funded operations (or those of other donors) in the same country?                                                                                                                                   | Financial data from other projects, Evaluation reports from other projects in Egypt.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                          | Q10: Using project records, what can be said about value for money of the different investments, compared to national or regional benchmarks for unit costs for different resources or for cost versus quantity/quality of outputs?                                                                                                                 | Project accounts, benchmarks from other projects, government agencies, private sector.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                          | Q11: Do project activities benefit from the engagement, participation and ownership of local communities, grass-roots organizations and the rural poor, and are adopted approaches technically viable?                                                                                                                                              | Key informant interviews (IFAD; Governorate and regional level staff, selected CDAs; other development partners)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |



| Core evaluation criteria                          | Evaluation question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Data source/data collection method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sustainability of benefits                        | Q11: How far have the improvements continued and been replicated by others (such as other donors, private sector, and local governments)?                                                                                                                                                                                                                                                                                                                                                                                                                           | Key informant interviews (IFAD; Governorate and regional level staff, selected CDAs; other development partners)                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                                   | Q12: To what extent are the irrigation activities promoted by the project economically and environmentally sustainable?                                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Key informant interviews (IFAD; Governorate and regional staff, selected groups and beneficiaries)                                                                                                                                                                                                                                                                                                               |
|                                                   | Q 13: What external factors have affected sustainability (e.g. security, political interference)?<br>Q14: Only 11 per cent of the beneficiaries were women. What are the reasons for the low reach? What could the project have done differently to improve outreach to women?                                                                                                                                                                                                                                                                                      | Key informant interviews (IFAD, Governorate and regional government staff, local government staff; selected CDAs; other development partners).<br><u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Working paper for the Corporate-level evaluation on gender<br><br>Key informant interviews (IFAD; Governorate and regional level staff, former project staff selected CDAs and other groups)<br><br>Focus group discussions (selected groups of beneficiaries) |
| Gender equality and women's empowerment and youth | Q15: What were the project's achievements in terms of promoting gender equality and women's empowerment and which mechanisms and interventions were most effective in supporting women and youth? This include assessing whether there are changes: to women's and youth access to resources, assets and services; to women's and youth influence in decision making; in workload distribution among household members in women's health, skills, income and nutritional levels; in gender relations within households, groups and communities in the project area. | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Working paper for the Corporate-level evaluation on gender<br>Key informant interviews (IFAD; Governorate and regional level staff, former project staff selected CDAs and other groups)<br>Focus group discussions (selected groups of beneficiaries)                                                                                                                                                           |
|                                                   | Q16: Which mechanisms and interventions were the most effective in youth?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Core evaluation criteria         | Evaluation question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Data source/data collection method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | <p>Q17: What percentage of total project costs was invested in gender equality and women's empowerment?</p> <p>Q18: To what extent did the project define and monitor sex-disaggregated results to ensure that gender equality and women's empowerment objectives were being met? Was the project implementation structure adequate to support effective implementation of gender equality and women's empowerment goals?</p> <p>Q19: What evidence is there that WNRDP was innovative and has been scaled up?</p> | <p>Project Impact Assessment<br/>Working paper for the Corporate-level evaluation on gender</p> <p>Key informant interviews (IFAD; Governorate and regional level staff, former project staff selected CDAs and other groups)</p> <p>Focus group discussions (selected groups of beneficiaries)</p> <p>Key informant interviews (IFAD; Governorate and regional level staff, selected CDAs; other development partners)</p> <p><u>Project documents:</u><br/>Formulation Report<br/>Appraisal Report<br/>Mid-term Review<br/>Supervision reports<br/>Project Completion Report<br/>Project Impact Assessment<br/>Working paper for the Corporate-level evaluation on gender<br/>Result and Impact Measurement Data</p> <p>Key informant interviews (IFAD; Governorate and regional level staff, former project staff selected CDAs and other groups)</p> <p>Focus group discussions (selected groups of beneficiaries)</p> <p>- <u>Project documents:</u><br/>Formulation Report<br/>Appraisal Report<br/>Mid-term Review<br/>Supervision reports<br/>Project Completion Report<br/>Project Impact Assessment<br/>Result and Impact Measurement Data</p> <p>Key informant interviews (IFAD; Governorate and regional level staff, former project staff selected CDAs and other groups)</p> <p>Focus group discussions (selected groups of beneficiaries)</p> |
| <b>Innovation and scaling up</b> | <p>Q20: What are the characteristics of innovations promoted are they consistent with IFAD definition?</p> <p>Q21: Have grants been used to promote innovations?</p> <p>Q22: How did the status and access of local communities change (land and water)?</p>                                                                                                                                                                                                                                                       | <p>IFAD Innovation policy<br/>IFAD's operation framework for scaling up<br/>Data from IFAD's Grants and Investment Project system</p> <p><u>Project documents:</u><br/>Formulation Report<br/>Appraisal Report<br/>Mid-term Review<br/>Supervision reports<br/>Project Completion Report<br/>Project Impact Assessment<br/>Result and Impact Measurement Data</p> <p>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Core evaluation criteria                       | Evaluation question                                                                                                                                                                                                                                                                                                                    | Data source/data collection method                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Natural resource management and climate change | Q23: Has the degree of environmental vulnerability changed?                                                                                                                                                                                                                                                                            | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Result and Impact Measurement Data<br>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff. |
|                                                | Q24: Are the results environmentally sustainable?                                                                                                                                                                                                                                                                                      | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Result and Impact Measurement Data<br>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff. |
|                                                | Q25: Has the project respected sound environmental norms?                                                                                                                                                                                                                                                                              | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Result and Impact Measurement Data<br>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff. |
|                                                | Q26: There are important claims about how the savings of water have led to other benefits (reduced use of pesticides, reduced use of electricity etc.), can these be substantiated?                                                                                                                                                    | <u>Project documents:</u><br>Formulation Report<br>Appraisal Report<br>Mid-term Review<br>Supervision reports<br>Project Completion Report<br>Project Impact Assessment<br>Result and Impact Measurement Data<br>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff. |
|                                                | Q27: What specific adaptation activities did the initiative (i.e. COSOP or project contain, if any and what were their effects on the rural poor?)<br>Q28: What were the most important factors that have helped the rural poor to restore the natural resources and environment base that (may) have been affected by climate change? | COSOP's<br>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff.<br><u>Project documents:</u><br>Formulation Report<br>Appraisal Report                                                                                                                                |

| Core evaluation criteria         | Evaluation question                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Data source/data collection method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | <p>Q29: What were the amounts and nature of funds allocated to adaptation to climate change related risks?</p> <p>Q30: Did the Gov. ensure that a baseline survey was done in a timely manner and that M&amp;E systems were properly established and functioning?</p>                                                                                                                                                                                                                   | <p>Mid-term Review<br/>Supervision reports<br/>Project Completion Report<br/>Project Impact Assessment<br/>Result and Impact Measurement Data<br/>Group discussions with selected beneficiaries in sampled WNRDP locations, discussion with staff at RISE, project staff, governorate and regional staff.<br/>Formulation Report<br/>Appraisal Report<br/>AWPB<br/>Baseline survey<br/>RIMS surveys and other M&amp;E data<br/>Discussions with IFAD staff and former PMU/M&amp;E staff</p>                             |
| <b>Performance of Government</b> | <p>Q31: Were counterpart resources (funds and staffing) provided in line with the agreement at design?</p> <p>Q32: Were audit reports done and submitted as needed? Were the flow of funds and procurement procedures suitable for ensuring timely implementation?</p> <p>Q33: Did Government have the required capacity at all levels to implement the project as per schedule?<br/>Q34: How well were the comments and recommendations of quality enhancement included in design?</p> | <p><u>Project documents:</u><br/>Formulation Report<br/>Appraisal Report<br/>Mid-term Review<br/>Supervision reports<br/>Project Completion Report</p> <p><u>Project documents:</u><br/>Formulation Report<br/>Appraisal Report<br/>Mid-term Review<br/>Supervision reports<br/>Project Completion Report<br/>Discussions with IFAD staff and former PMU/M&amp;E staff<br/>Analysis of staffing levels and positions in PMU.</p> <p>Review of minutes of quality enhancement meetings and project design documents.</p> |
| <b>Performance of IFAD</b>       | <p>Q35: Did IFAD have a well-functioning self-assessment system? In particular was adequate supervision and implementation support provided?<br/>Q36: Did IFAD exercise its developmental and fiduciary responsibilities adequately?</p> <p>Q37: What support did the IFAD country office provide?<br/>Q38: Did IFAD pay attention to further cooperation and dialogue with United Nations Rome based agencies?</p>                                                                     | <p>Review of composition of supervision teams and regularity and quality of supervision reports and recommendations.</p> <p>Supervision guidelines<br/>Supervision reports<br/>Mid-term Review<br/>Project Completion Report<br/>Discussions with IFAD staff and former PMU/ and government staff<br/>Discussions with IFAD staff and former PMU/ and government staff<br/>Discussions with IFAD staff and former PMU/ and government staff</p>                                                                         |

## List of key people met

### Government

#### Ministry of Agriculture and Land Reclamation

Prof. Dr Essam Osman Fayed, Minister for Agriculture and Land Reclamation

Prof. Dr Dina El-Khishin, Supervisor, Central Administration of Foreign Agricultural Relations

#### Ministry of International Cooperation

Mr Khaled M. Rashad, General Manager, Regional Financing Institutions

### Projects

Eng. Mostapha El Sayed, Project Coordinator, Sustainable Agriculture Investments and Livelihood Project (SAIL) and former Project Coordinator of WNRDP

Eng. Sayed Hussein, Executive Director, Promotion of Rural Incomes through Market Enhancement Project (PRIME)

Ms Manal, M&E unit, WNRDP

Mr Abdel Monged Saleh, Finance Manager, WNRDP

Ms. Taysir Ahmed, M&E unit, WNRDP

Mr Kariem Ismaaiel, M&E unit, WNRDP

Mr Waael, Media Office, WNRDP

Eng. Mostafa Sadiek, Civil works engineer, WNRDP

Mr Sherif Abdel Rahman, Credit officer, WNRDP

### International and donor institutions

#### IFAD Country Office

Mr Abdelhaq Hanafi, Country Director and Country Programme Manager

Mr Mohamed Shaker, Country Programme Officer

#### Food and Agriculture Organization of the United Nations (FAO)

Dr Mohamed Mamdouh Yacoub, Assistant FAO Representative

Dr Mohamed El-Ansary, former Assistant FAO Representative

#### United Nations Development Programme (UNDP)

Ms Anita Nirody, United Nations Resident Coordinator and Resident Representative, UNDP

#### World Bank

Mr Balakrishna Menon, Program Leader, World Bank

#### African Development Bank (AfDB)

Mr Prajesh Bhakta, Chief Program Officer, AfDB

Mr Eng Vasser Elwan, Senior Irrigation Engineer

#### Italian Agency for Development and Cooperation

Mr Marco Platzer, Head of Cairo Office

Mr Guido Benevento, development aid project management expert

Mr Ismail El Faramawi, Senior Agricultural Expert

## **Private sector**

Mr David Simms, urban and regional planner

### **Beneficiaries**

#### Tiba Zone

##### *Mr Hussien Abo Elyoser Village*

Eng. Shafeay, Manager, irrigation unit

Eng. Ahmed Bader, General Director, Tiba Zone

##### *Souliman Village*

Mr Shehata El-Moghazy, school manager

Mr Elsayed Mostafa, farmer

Mr Tarek, farmer

Mr Ezzat Abd El-Rasoul, graduate, artificial insemination worker

Mr Seliman, graduate

Mr Ashraf Saied, graduate

Ms Hanem Ezzat, farmer

Mr Nasser Abd Elsalam, Head, agricultural cooperative

Mr Safy Ammar, graduate

Mr Abd El Aziz, graduate

Mr Gaber El-Sabrou, Treasurer, agricultural cooperative

##### *Bellal Village*

Mr El-hussiny Mohammed Hassan, Head, CDA

Mr Ahmed Hussien, WUA member

Mr Shawky Abd El-aty, Treasurer, agricultural cooperative

Mr Walied Shrief, Manager, animal husbandry cooperative

Ms Nabila El-Kady, Head, Society of Environment Protection and Solar Energy

#### Entlak Zone

##### *Safa and Marwaa Villages*

Mr Mohammed Ramdan, agricultural cooperative member

Eng. Mostafa Sief, Head, CDA

Mr Mohammed Zakiy, General Director, Entlak Zone

Mr Hamdy Abo Baker, Manager, Entlak Zone

Mr Saieed Ahmed, graduate, social events hall

Mr Maher Ahmed Mohammed, graduate, social events hall

Mr Wael Mohammed Aziz, agricultural cooperative member

Mr Osman Abd Alfadeil, agricultural cooperative member

Eng. Hamdy, Manager, Entlak Zone

Mr Mohammed Zaky, General Director

Mr Mahmoud Saad, agricultural cooperative member

Mr Alaa Al-Dien, agricultural cooperative member  
Mr Mohammed Mohammed, agricultural cooperative member  
Ms Nagah Hussien, graduate  
Mr Abd El- Latief Tawfiek, graduate  
Mr Ebrahiem Ghazy Ahmed, graduate  
Mr Maher Mohammed Ahmed, graduate  
Mr Mostafa Hamed Mohammed, graduate  
Mr Ahmed Hassan, graduate  
Mr Mahmoud Abd El Aty, graduate  
Mr Salah Mahmoud Mohammed, graduate

*Ouzier Village*

Mr Mohammed Shawkey Ali, Head, agricultural cooperative  
Mr Ramdan Abd Al-Aty, Head, CDA  
Mr Maaray Hussien, school manager  
Mr Emaad Mohammed Mahmoud, improved house owner  
Mr Ramdan Mohammed Mahmoud, improved house owner  
Mr Sobhy Mohammed Omara, improved house owner  
Mr Mohammed Shawky, Head, agricultural cooperative  
Mr Mahmoud Hussien Esmaeil, graduate, social events hall  
Mr Ahmed Abd Al-Aziz, graduate, social events hall  
Mr Salah, graduate, social events hall  
Mr Hamada Mounier Abd El-Monieam, graduate, social events hall  
Mr Rabiea Abd Bakey, graduate, social events hall  
Mr Masoud Mohammed Badawy, graduate, social events hall  
Mr Abd Allah Alsafy, graduate, social events hall  
Mr Mahmoud Mohammed, graduate, social events hall  
Mr Ahmed Kandiel, Manager, agricultural cooperative  
Mr Hany Amer, graduate, social events hall  
Mr Abd El-Hamied Atya, graduate, social events hall

*Alias Village*

Mr Ezzat, school manager  
Mr Nabiell Barbary, Head, agricultural cooperative  
Mr Reda Ebrahiem Elsaied, graduate  
Mr Mohammed Abd El-Hamied, graduate

*El-Shohda Village*

Mr Fares Abd El-Maged, graduate, mesqia  
Mr Ebrahiem Amen, graduate, mesqia  
Eng. Tarek, agricultural engineer

Mr Ebrahiem, improved house owner

Mr Fares, improved house owner

Ms Hanan Abd El- Razak, social events hall

Mr Fares Amen, social events hall

Mr Ebrahiem El-Nagar, social events hall

*Salah Al Abd Village*

Mr Abd Al Fatah, Head, WUA

Mr Rady Mohammed Ebrahiem, mesqia

Mr Abd El Fatah Ali Abo Warda, resettled, social events hall

Mr Rady Mohammed Ebrahiem, resettled, social events hall

Mr Moursy Shaaban, resettled, social events hall

Mr Ghafaga Mohammed Ghafaga, resettled, social events hall

Mr Abd Al Bast, resettled, social events hall



## Complementary tables

Table 1  
Crop diversification in WNRDP area 2012/13\*

| <i>Field crops</i> |                | <i>Vegetable crops</i> |                | <i>Fruit crops</i> |                |
|--------------------|----------------|------------------------|----------------|--------------------|----------------|
| Crop               | area 2013 (fd) | Crop                   | area 2013 (fd) | crop               | area 2013 (fd) |
| Wheat              | 70 034         | tomatoes               | 3 418          | apples             | 7 043          |
| Alfa               | 18 803         | potatoes               | 5 224          | peaches            | 3 292          |
| Faba               | 8 775          | Beans                  | 3 390          | apricots           | 1 123          |
| sugar beet         | 5 313          | artichokes             | 5 889          | oranges            | 31 857         |
| groundnuts         | 19 932         | tomatoes               | 24 468         | grapes             | 10 214         |
| Maize              | 30 607         | potatoes               | 5 072          | guavas             | 1 598          |
| Simsim             | 3 392          | Peppers                | 3 779          | mangoes            | 2 526          |
| Total (feddan)     | 156 856        |                        | 51 240         |                    | 57 653         |

\* PCR, p.14.

Source PCR 2014.

Figure 1  
Comparable disbursement rates for IFAD operations 1995-2014

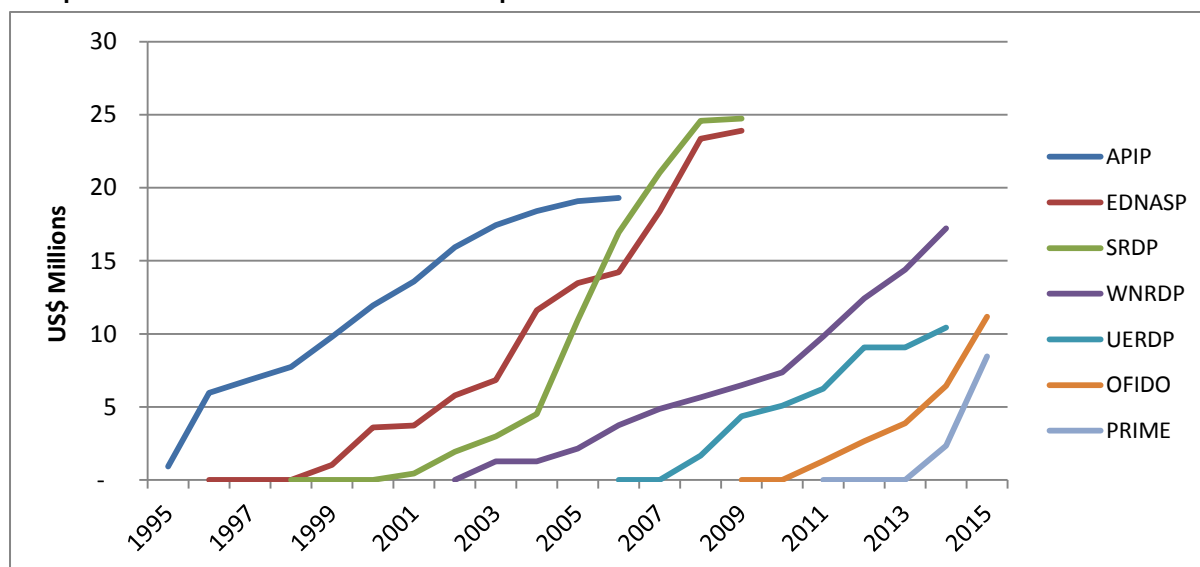


Figure 2  
Sources of financing across IFAD's programme in Egypt

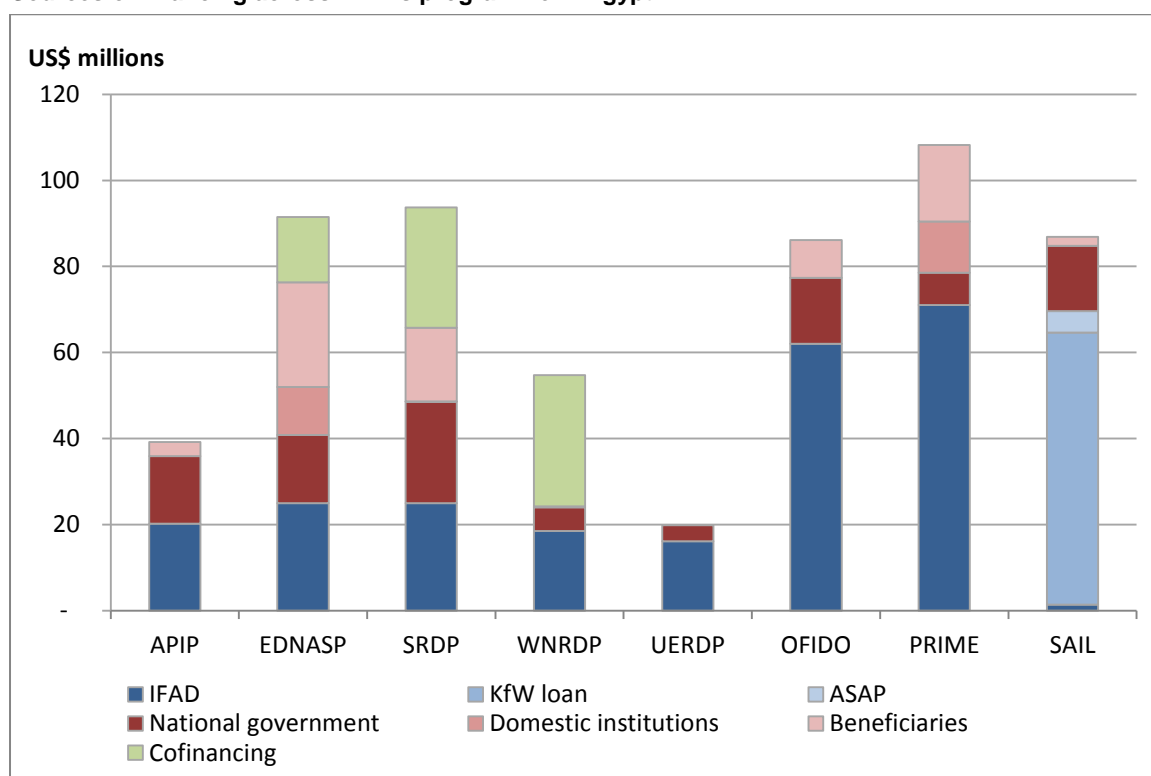


Table 2  
Actual physical progress of the project

| Indicator                                             | Unit   | Cumulative               |         | % women | % of appraisal |
|-------------------------------------------------------|--------|--------------------------|---------|---------|----------------|
|                                                       |        | Appraisal or AWPB target | Actual  |         |                |
| <b>Total outreach</b>                                 |        |                          |         |         |                |
| Outreach indicators                                   |        |                          |         |         |                |
| Groups receiving project services                     | number | 163                      | 141     |         | 87%            |
| Households receiving project services                 | number | 36 185                   | 46 833  |         | 129%           |
| Individuals receiving project services                | number | 180 925                  | 143 636 |         | 79%            |
| <b>Community development</b>                          |        |                          |         |         |                |
| Schools constructed/rehabilitated                     | number | 15                       | 18      |         | 120%           |
| Health centres constructed/rehabilitated              | number | 12                       | 15      |         | 125%           |
| Other social infrastructure constructed/rehabilitated | number | NA                       | 56      |         |                |
| Drinking water systems constructed/rehabilitated      | number |                          | 22      |         |                |
| Roads constructed/rehabilitated                       | km     |                          | 86      |         |                |
| Groups managing infrastructure formed/strengthened    | number | 21                       | 21      |         | 100%           |
| People in groups managing productive infrastructure   | number |                          | 2 972   | 25%     |                |
| Community groups with women leaders                   | number | 5                        | 3       |         | 60%            |
| Community workers/volunteers trained                  | number |                          | 3 997   | 49%     |                |
| People trained in community management topics         | number |                          | 9 509   | 69%     |                |
| People receiving vocational and other training        | number | 3 500                    | 5 026   | 92%     | 144%           |
| People trained in income generating activities        | number | 1 400                    | 2 802   | 100%    | 228%           |

| <i>Indicator</i>                                       | <i>Unit</i> | <i>Cumulative</i>               |               | <i>% women</i> | <i>% of appraisal</i> |
|--------------------------------------------------------|-------------|---------------------------------|---------------|----------------|-----------------------|
|                                                        |             | <i>Appraisal or AWPB target</i> | <i>Actual</i> |                |                       |
| <b>Technical services</b>                              |             |                                 |               |                |                       |
| Agricultural production training days                  | number      | NA                              | 5 035         |                |                       |
| Crop/livestock production field days                   | number      | NA                              | 1 240         |                |                       |
| Vet campaigns conducted                                | number      | NA                              | 79            |                |                       |
| Irrigation improvement works                           | number      | NA                              | 22            |                |                       |
| Land under irrigation scheme constructed/rehabilitated | feddan      | 19,423                          | 8 292         |                | 43%                   |
| Water User Associations formed                         | number      | NA                              | 117           |                |                       |
| Area with fixed sprinkler irrigation systems           | number      | NA                              | 1 941         |                |                       |
| Area with drip irrigation systems                      | number      | NA                              | 34 401        |                |                       |
| Area under orchards (2014)                             | number      | NA                              | 44 668        |                |                       |
| Artificial Inseminators trained and operating          | number      |                                 | 38            |                |                       |
| Production of liquid nitrogen (lt)                     | number      |                                 | 173 402       |                |                       |
| Production of high quality semen (straws)              | number      |                                 | 69 736        |                |                       |
| Large ruminants inseminated during the project life    | number      |                                 | 41 313        |                |                       |
| Households receiving animals health services           | number      | 16 784                          | 14 643        |                | 87%                   |
| People trained in crop production                      | number      |                                 | 36 815        | 9%             |                       |
| People trained in livestock production                 | number      |                                 | 20 566        | 20%            |                       |
| Groups involved in NRM (WUAs) formed/strengthened      | number      | 136                             | 117           |                | 86%                   |
| NRM groups with women in leadership positions          | number      | 0                               | 11            |                |                       |
| People in NRM groups formed/strengthened               | number      |                                 | 5 764         | 33%            | 71%                   |
| People trained in NRM (men/women)                      | number      |                                 | 5 682         | 6%             | 119%                  |
| <b>Marketing support</b>                               |             |                                 |               |                |                       |
| Market facilities constructed/rehabilitated            | number      | 10                              | 7             |                |                       |
| Marketing groups formed/strengthened                   | number      | 6                               | 6             |                |                       |
| People in marketing groups formed/strengthened         | number      |                                 | 24 650        |                |                       |
| People trained in processing and marketing             | number      |                                 | 23 770        |                |                       |
| <b>Rural financial services</b>                        |             |                                 |               |                |                       |
| Financial institutions participating in project        | number      | 21                              | 1             |                | 5%                    |
| People trained in business/entrepreneurship            | number      | 9 380                           | 6 756         | 13%            | 72%                   |
| Value of gross loan portfolio                          | EGP '000    |                                 |               |                |                       |
| IDS / Revolving Fund credit                            | EGP '000    |                                 |               |                |                       |
| IFAD Credit line                                       | EGP '000    |                                 |               |                |                       |
| Number of Individual loans for men                     | number      | NA                              | 3 102         |                |                       |
| Value of individual loans for men                      | EGP'000     | NA                              | 44 846        |                |                       |
| Number of individual loans for women                   | number      | NA                              | 782           |                |                       |
| Value of individual loans for women                    | EGP'000     | NA                              | 3 721         |                |                       |
| Number of cooperative loans                            | number      | NA                              | 103           |                |                       |
| Value of cooperative loans                             | EGP'000     | NA                              | 158 461       |                |                       |
| Number of marketing loans                              | number      | NA                              | 12            |                |                       |
| Value of marketing loans                               | EGP'000     | NA                              | 7 626         |                |                       |

Source: PCR 2014.

Table 3  
**Crop yields**

| Crop       | Unit   | Farmer fields |         | Demo plots | % change |
|------------|--------|---------------|---------|------------|----------|
|            |        | 2003/04       | 2013/14 | 2013/14    |          |
| Wheat      | ton/fd | 1.2           | 2.1     | 2.8        | 43%      |
| Maize      | ton/fd | 1.8           | 2.4     | 2.7        | 25%      |
| Groundnuts | ton/fd | 1             | 1.8     | 2          | 44%      |
| Berseem    | ton/fd | 26            | 41      | 55         | 37%      |
| Tomatoes   | ton/fd | 12            | 22      | 28         | 45%      |
| Potatoes   | ton/fd | 6             | 12      | 16         | 50%      |
| Beans      | ton/fd | 0.8           | 0.9     | 1.7        | 11%      |
| Oranges    | ton/fd | 12            | 16      | 19         | 25%      |
| Grapes     | ton/fd | 4             | 7       | 10         | 43%      |
| Peaches    | ton/fd | 5             | 7       | 9          | 29%      |

Source: PCR 2014.

Table 4  
**Livestock performance parameters**

| Parameter                         | Baladi         |               |          | Cross breed    |               |          |
|-----------------------------------|----------------|---------------|----------|----------------|---------------|----------|
|                                   | Before project | After project | % change | Before project | After project | % change |
| Milk/cow/day (litre)              | 2              | 6             | 200%     | 4              | 8             | 100%     |
| Age to calving cow (month)        | 33             | 26            | -21%     | 25             | 20            | -20%     |
| Conception rate cows (%)          | 22             | 56            | 155%     | 24             | 67            | 179%     |
| Lactation period (days)           | 110            | 170           | 55%      | 135            | 210           | 56%      |
| calf weight (kg)                  | 25             | 30            | 20%      | 30             | 40            | 33%      |
| Selling weight (fattening calves) | 280            | 360           | 29%      | 320            | 480           | 50%      |

Source: PCR 2014.

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