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## The Arab Republic of Egypt Promotion of Rural Incomes through Market Enhancement Project

PROJECT PERFORMANCE EVALUATION





**Arab Republic of Egypt**

**Promotion of Rural Incomes through Market  
Enhancement Project**

**Project performance evaluation**

**September 2023**

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Photos of activities supported by the Promotion of Rural Incomes through Market Enhancement Project in the Arab Republic of Egypt

Front cover: The Permanent Secretary of the Ministry of Agriculture and Land Reclamation visiting a bakery run by a women's association in Qena Governorate.

Back cover: Sellers at a PRIME-supported market in Menya Governorate (left); woman trained by PRIME working in a bakery (right).

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## **Preface**

*This report presents the findings of the project performance evaluation undertaken by the Independent Office of Evaluation of IFAD (IOE) on the Promotion of Rural Incomes through Market Enhancement Project (PRIME) in the Arab Republic of Egypt, which was implemented between 2012 and 2022.*

*PRIME was implemented in the context of limited access to finance by smallholders, which hinders timely purchase of agriculture inputs, especially for high-value inputs required for horticulture and livestock production. Therefore, the project aimed to increase the incomes of rural households, including smallholder farmers, landless people, women, unemployed youth, and small and medium entrepreneurs, through an integrated approach of ensuring access to finance, providing marketing support and value chain integration.*

*The evaluation concludes that significant design and early-delivery problems, weak subsidiary agreements with key implementing partners, inadequate project management, and poor implementation for most of the project duration led to lower-than-expected results, especially for the planned expanded horticulture production and marketing. Despite the project's shortcomings, some positive results and impact were achieved, including improved access to microcredit for women, better production techniques and market contracting for horticulture producers. The project's results were also limited due to weak monitoring and evaluation of ongoing interventions; many project resources ended up benefiting better-off farmers and enterprises rather than the ultimate target groups of small farmers, youth, unemployed and women. It is however encouraging to note that some of the project's shortcomings and the lessons learned have been addressed in the Sustainable Transformation for Agricultural Resilience in Upper Egypt programme.*

*The evaluation report puts forward three recommendations for ongoing and future projects in the Arab Republic of Egypt and the Near East and North Africa region as follows: (i) for projects with finance/credit-supported market development, ensure the right sequencing of capacity development, marketing support and finance components; (ii) support the expansion of national and subnational (governorate) technical capacities and strategic partnerships of the Ministry of Agriculture and Land Reclamation; and (iii) adaptively manage evident design weaknesses as early as they arise during implementation, and consistently with project design objectives.*

*I hope that the findings of this evaluation will be instrumental to further improving the results of the collaboration between the Government of Egypt and IFAD.*

*Indran A. Naidoo*

*Indran A. Naidoo, PhD  
Director  
Independent Office of Evaluation of IFAD*

## **Acknowledgements**

The project performance evaluation was led by Raymond Mubayiwa, IOE Evaluation Officer, and Prashanth Kotturi, former IOE Evaluation Officer. Detlev Peutz, IOE senior consultant, led the country mission and the preparation of the draft report. The evaluation team also included Kadry Furany (rural finance specialist), Nemat Guenena (gender and targeting specialist), Bassem Adly (marketing and value chain specialist) and Menna Al-amen (IOE intern). Fabrizio Felloni, IOE Deputy Director, Johanna Pennarz, IOE Lead Evaluation Officer, Mikal Khan, IOE Evaluation Officer, and Massiel Jimenez, IOE Evaluation Analyst, provided comments on the draft report. Antonella Sisti, IOE Evaluation Assistant, and Federica Raimondo, former IOE Evaluation Assistant, provided administrative support.

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## Currency equivalent, weights and measures

### Currency equivalent

Currency unit = Egyptian Pound (EGP)  
US\$1.00 = EGP 30.86

### Weights and measures

1 feddan = 4,200 square metres = 1.038 acres. A feddan is a unit of area used in Egypt and the Sudan.

## Abbreviations and acronyms

ADP	Agricultural Development Programme
BdC	Banque du Caire
CDA	community development association
COSOP	country strategic opportunities programme
CPO	country programme officer
CSPE	country strategy and programme evaluation
EGP	Egyptian pound
FMA	farmers' marketing association
GIZ	Gesellschaft für Internationale Zusammenarbeit (Organization for International Cooperation)
GPCU	governorate project coordination unit
IA	impact assessment
IAS	impact assessment study
IOE	Independent Office of Evaluation of IFAD
LoC	line of credit
M&E	monitoring & evaluation
MoALR	Ministry of Agriculture and Land Reclamation
MFI	microfinance institution
MoIC	Ministry of International Cooperation
MSMEDA	Micro, Small and Medium Enterprise Development Agency
MTR	midterm review
NCW	National Council for Women
NBE	National Bank of Egypt
NPCU	National Project Coordination Unit
PCR	project completion report
PDR	project design report
PFI	participating financial institution
PPE	project performance evaluation
PRIME	Promotion of Rural Incomes through Market Enhancement Project
SADS	Sustainable Agricultural Development Strategy towards 2030
SDR	Special Drawing Rights
SME	small- and medium-sized enterprise
ToC	theory of change
USD	United States dollar

# Map of the project area

## Arab Republic of Egypt

### Promotion of Rural Incomes through Market Enhancement Project (PRIME)

#### 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 | 22-11-2022



## Executive summary

### A. Background

- 1. Project background.** The Promotion of Rural Incomes through Market Enhancement Project (PRIME) was designed to reduce rural poverty and increase food security in the seven governorates of Qena, Sohag, Assiut, Menia and Beni Suef in Upper Egypt, and Beheira and Kafr-el-Sheikh in Lower Egypt. The project goal was to increase the incomes of 50,000 rural households, including smallholder farmers, landless people, women, unemployed youth, and small and medium entrepreneurs, by integrating them into the agriculture value chain. The project was approved in December 2011 and entered into force in April 2012. The project was extended for 18 months, with final completion and closing dates on 31 December 2021 and 30 June 2022 respectively.<sup>1</sup>
- PRIME was designed as a market, farmer/enterprise demand-driven project. It was expected to develop value chains of commercial horticultural crops and livestock, build the capacity of stakeholders at different levels, finance them through innovative instruments, and bring the produce to market. Better credit access would result from expanded demand from high-value productivity, profitability and better loan-management capacities, and improved loan products for the target groups and commodities.
- At design, the project budget was US\$108.22 million (EGP 655.53 million); this was revised to US\$96.53 million at midterm. IFAD provided a loan of US\$70 million and a grant of US\$1 million. A total of 89 per cent of funds were allocated to component 2's credit facility and minor activities including counterpart funds (US\$85.6 million), 5.6 per cent to component 1's marketing support, and 5.8 per cent to project management. The IFAD grant was used for studies, workshops, training and an advance of funds. In 2016, US\$2.3 million from the rural finance component was approved for capacity development in both components. However, the budget was revised again due to unfulfilled contributions from the Agricultural Development Programme (ADP) and the Micro, Small and Medium Enterprise Development Agency (MSMEDA). The IFAD loan and grant were mostly disbursed in Special Drawing Rights, with slightly lower disbursement in United States dollars.
- The Ministry of Agriculture and Land Reclamation (MoALR) acted as the lead project agency. The Project Steering Committee, chaired by MoALR, provided guidance for implementation. Three agencies were involved in the project implementation: MoALR for marketing support, ADP for agricultural research, and MSMEDA for the rural finance component. The National Project Coordination Unit (NPCU), under MoALR, was responsible for overall implementation, reporting and coordination with ADP and MSMEDA. In addition, governorate project coordination units (GPCUs) were established in the governorate directorates of agriculture. ADP and MSMEDA worked through participating financial institutions/microfinance institutions (PFIs/MFIs) on the ground. PRIME also collaborated with the National Council for Women (NCW) for gender and women empowerment activities, as well as nutrition-related activities.
- 5. Evaluation scope and approach.** The project performance evaluation (PPE) was undertaken in accordance with IFAD's 2021 Evaluation Policy,<sup>2</sup> and followed the 2022 IFAD Evaluation Manual.<sup>3</sup> The evaluation focused on five thematic issues and related questions, which included market linkages, credit delivery, capacities of community institutions, synergy between project components, and targeting. Using a mixed-methods approach, the analysis was informed by a reconstructed theory of change;

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<sup>1</sup> An initial extension for 12 months in April 2020 and a second extension for 6 months in June 2021 due to COVID-19.

<sup>2</sup> [https://webapps.ifad.org/members/eb/132/docs/EB-\)2021-132-R-5-Rev-1.pdf](https://webapps.ifad.org/members/eb/132/docs/EB-)2021-132-R-5-Rev-1.pdf).

<sup>3</sup> IFAD, 2022. 2022 IFAD Evaluation Manual. Parts 1 and 2.

it included a desk review of project documents, remote interviews with key project stakeholders, and in-person/field-level data collection in the project communities.

## **B. Main findings**

6. **The project was well aligned with national policies and development strategies.** PRIME was in alignment with the Sustainable Agricultural Development Strategy towards 2030, the Draft Micro, Small and Medium-sized Enterprise and Entrepreneur National Strategy, and the National Strategy for Women's Empowerment. It pursued two of Egypt's Country Strategic Opportunities Programme objectives and aligned with IFAD's strategy for improving rural livelihoods. **However, the scope of PRIME was ambitious, resulting in complexity and considerably high risks.** Multiple innovations in finance and marketing, several implementing agencies and a broad geographic coverage contributed to increased risk and complexity. While there was a clear focus on relevant value chains for IFAD target groups (vegetables and livestock), guidance on commodity prioritization was limited.
7. **The project successfully supported market-oriented horticulture and livestock value chains on the production side, but it had limited pull-effects from expanded market opportunities.** The project had some positive results and helped re-orient agriculture institutions towards horticulture and livestock. Among key achievements, in terms of marketing, was the arrangement of 287 sales contracts between farmers and buyers; this generated new market opportunities, but their effects were not well understood. In addition, the project did not effectively develop the business and marketing capacities of farmers. It also faced challenges such as weak organizational structure of farmers' marketing associations (FMAs), poor market knowledge and limited financial literacy training. The marketing initiatives, such as marketing outlets and marketing advisory councils, were not effective in providing benefits to the target farmers.
8. **The project did not contribute to innovative or new approaches, and its impact on rural finance institutions and their practices was limited.** Both ADP and MSMEDA continued their businesses in rural areas as usual without generating new loan products, processes or finance institution capacities. This was partly due to unclear expectations formulated in subsidiary agreements with ADP and MSMEDA. Supervision and Government oversight paid insufficient attention to changing ADP and MSMEDA practices during implementation. PRIME also did not have any effects on the capacities of implementing or participating rural finance institutions, or change their internal policies, regulations and loan conditions.
9. **There was a disconnect and reversed sequencing between the two main components of the project, namely marketing support and rural finance.** While the rural finance component was mainly implemented between 2015 and 2019, marketing and capacity development support proceeded slowly in 2016/17, only catching up in the project's last two years since 2019. The two components often worked in different locations and were not well coordinated, causing a lack of synergy and limited access to loans for farmers and enterprises in the marketing support component. In the end, PRIME consisted of separate subprojects, i.e. the NPCU, ADP and MSMEDA parts that worked in silos, with credit decisions unrelated to other project parts and planned synergies never developed; this resulted in a supply-driven rather than demand-driven approach.
10. **The project contributed to more opportunities for rural women; however, the impact was more visible in the rural finance sector than in marketing support.** MSMEDA's small and microcredits saw the highest women's participation, with 39 per cent of loans taken out by women. However, women made up only 6 per cent of ADP loans, as no gender quotas were in place. MSMEDA's loan shares for women were due to targeting criteria, which limited men's applications. Women who already had loans seemed to benefit most from microcredits, as the project did not

improve loan conditions specifically for female beneficiaries. The marketing support component reached 22 per cent of female farmers, with an even higher proportion being trained and in leadership positions. However, the actual benefits derived by women were not measured. Evidence suggests that women's involvement seemed to be more due to government requirements for such groups to have 30 per cent female membership and board representation, rather than effective access to benefits.

11. **The continuation of project benefits was partly ensured.** This was achieved through new market linkages for some FMAs, higher agricultural production capacities, and certain sustained rural services that were pioneered or expanded by PRIME. The project did generate some new FMA/farmer market linkages with buyers through supply contracts. These buyers built long-term relationships that are expected to be continued, more often on a personal (farmer) than institutional (FMA) basis. The technical capacity of rural institutions remained low, leading to questions about their sustainability without continued support. Some FMAs may receive support from other projects, while ADP and MSMEDA are likely to continue lending, but it is uncertain whether PRIME's target groups would continue being reached.

### C. Conclusions

12. **The project generated some positive results and impact, albeit considerably less so than planned.** Without effective, and only rudimentary, monitoring and evaluation of intermediate results – such as utilization of credit, marketing outcomes and capacity development – project results often remained simply unknown, including much of the project's impact on target groups. Both IFAD and the Government were very much aware of limited and diverted project effects and other PRIME shortcomings. The 2016 Egypt country strategy and programme evaluation already made several recommendations on issues that this PPE identified as critical for PRIME project performance. This included better geographic focus, the need for refined targeting and capacity development strategies, financial sector analysis, partnering for agricultural marketing and small- and medium-sized enterprise support, and revised national project and programme coordination and technical support structures.
13. **Significant project design and early-delivery problems in the project were not adequately addressed in a timely manner, neither by IFAD nor by the Government.** The project delivered rural finance, livestock and horticulture marketing support in seven governorates, but the project never managed to overcome fundamental design and early implementation problems and delays. Weak subsidiary agreements contributed to the project being carried out as three separately managed work streams: those of rural finance through ADP and MSMEDA, and of marketing support through MoALR (NPCU and GPCU), mostly through a business-as-usual approach. The challenges that IFAD and Government faced to steer funding, implementation capacities and intra-project cooperation effectively created a missed opportunity to introduce an innovative and integrated finance, capacity development and marketing model.
14. **Incoherent implementation led to lower-than-expected results, especially for the planned horticulture production and marketing opportunities.** Improved credit access, additionality and planned marketing support by the rural finance component, for the project's main target groups and commodities, could in the end not be demonstrated. Revolving credit funds were not established as planned. Market support had limited success in developing well-capacitated, sustainable FMAs with clearly defined roles to achieve better marketing opportunities, linkages and prices for their members. Capacity development, especially for marketing, was never strategically approached, and there were no capacity assessments and qualitative capacity results measurements.

15. **The project's targeting and gender ambitions were low, apart from self-targeting and fulfilling quantitative gender quotas.** Few activities were directly oriented towards the different target groups. Many project resources ended up with better-off farmers, enterprises and already well-capacitated farmer associations. The way ultimate target groups of small farmers, youth, unemployed and women could benefit from such broader support, such as for enterprises/SMEs, was never well established or measured. Without an adequate gender strategy, women's benefits were limited to formal participation and access, without touching fundamental gender roles, power relationships and sociocultural norms.

#### **D. Recommendations**

16. **Recommendation 1: Future projects with similar objectives of finance/credit-supported market development should ensure the right sequencing of capacity development, marketing support and finance components,** starting with the first two interventions. In addition, the use of lines of credit as the principal finance instrument should be reconsidered in view of alternative and complementary mechanisms; these include loan insurance, guarantee schemes and instruments for lowering transaction costs to address the main constraints of rural finance in Egypt, namely credit risks and transaction costs.
17. **Recommendation 2: IFAD should support the expansion of national and subnational (governorate) technical capacities and strategic partnerships of the MoALR.** For market-oriented production and business-orientation in future related projects, this includes above all its capacities to support well-governed and managed farmer and community associations as conduits for better market and credit access and, if necessary, generate the right enabling regulatory and policy environment for such associations. Contract farming should extend beyond sales contracts and include other forms of support for farmers and relevant SMEs. In terms of project management, and in line with the IOE country strategy and programme evaluation 2017 recommendation, this requires the establishment of a well-mandated, resourced project-management unit for IFAD-funded projects to effectively coordinate and provide technical and administrative guidance. This should address the long-term and systemic problems with programme management, coordination and implementation of IFAD's Egypt portfolio.
18. **Recommendation 3: IFAD and the Government need to address and adaptively manage evident design weaknesses and erroneous project assumptions as early as they arise during implementation, and consistently with project design objectives.**<sup>4</sup> Major agreements by the Government of Egypt with implementing agencies should be submitted for IFAD approval. IFAD should also insist on, and support, detailed project implementation plans in complex and innovative projects early on, and improve oversight of their implementation. This requires agile monitoring and evaluation systems to be in place, and resourced from start-up, to monitor early progress. Monitoring and evaluation would have to better cover critical intermediate outcomes as they arise, with special attention to achieving the full range of gender and target-group objectives.

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<sup>4</sup> In the project, early actions were needed, but only partly taken, to ensure project coherence across components, realistic finance of sub-components and clear roles of institutional management and oversight.

## IFAD Management's response<sup>5</sup>

1. Management welcomes the overall evaluation findings of the Promotion of Rural Incomes through Market Enhancement Project (PRIME) project performance evaluation (PPE) conducted by the Independent Office of Evaluation of IFAD (IOE).
2. Management takes note that IOE assesses the overall performance of the project as moderately unsatisfactory, nevertheless, Management rather believes that the project performed in a moderately satisfactory way, as PRIME was well-aligned with national policies and development strategies and IFAD management ensured flexibility of implementation modalities to cater for an evolving reality on the ground which was affected by political and social tensions. The project has successfully supported market-oriented horticulture and livestock value chains on the production side and contributed to create more opportunities to rural women.
3. Management would also want to emphasize that PRIME faced the double challenge of the Arab spring aftermath marked by a political and social unrests making the implementation of the project particularly challenging at the beginning, and the outbreak of COVID 19 towards the end of PRIME implementation. Considering these factors, Management believes that the overall performance rating could be adjusted to moderately satisfactory.
4. Management concurs with the PPE assessment that the disconnection and reversed sequencing between the two main components of the project, the marketing support and rural finance components and the limited pull-effects from expanded market opportunities limited the envisaged impact on the targeted beneficiaries.
5. Management agrees with the PPE recommendations, and assures that necessary steps towards have been taken to internalize and address them in future operations, in line with new institutional priorities and operational guidelines. In this regard, Management would like to acknowledge the following:
  - a. **Recommendation 1:** Future projects with similar objectives of finance/credit supported market development should ensure the right sequencing of capacity development, marketing support and finance components.

**Agreed.** IFAD is now kick starting its new investment in Egypt the Sustainable Transformation for Agricultural Resilience in Upper Egypt programme. This project also aims to develop rural institutions, capacity development and access to finance and already applied lessons learnt from PRIME experiences. In addition, IFAD is currently embarking on the design of a new ambitious programme under Nexus Water, Food and Energy initiative (NWFE) "Climate-Resilient On-Farm Water Management in Nile Valley & Delta (CROWN). CROWN concept note takes into consideration PRIME recommendations and lessons learned where CROWN would leverage and scale up PRIME's FMAs, online marketing platforms, and agribusinesses partners to accelerate the implementation of its value chain activities. While ensuring that beneficiaries who have benefited from the capacity development activities benefit from tailored financial products.
  - b. **Recommendation 2:** IFAD should support the expansion of national and sub-national (governorate) technical capacities and strategic partnerships of the MoALR.

**Agreed.** IFAD is now in the process of establishing and institutionalizing an IFAD National Coordination Unit in the Ministry of Agriculture and Land reclamation, which will manage and support all IFAD-financed projects and

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<sup>5</sup> The Programme Management Department sent the final Management's response to the Independent Office of Evaluation of IFAD on 14 March 2023.

provide ongoing technical and operational support for IFAD investments in Egypt. It is envisaged that this unit will specially support the policy dialogue in Egypt to create more favorable operating environment and support small-scale farmers and rural communities.

- c. **Recommendation 3:** IFAD and Government need to address and adaptively manage evident design weaknesses and erroneous project assumptions as early as they arise during implementation and consistently with project design objectives. Major agreements by the Government of Egypt with implementing agencies should be submitted for IFAD approval. IFAD should also insist on and support detailed project implementation plans in complex and innovative projects, early on, and improve oversight of their implementation. This requires agile monitoring & evaluation (M&E) systems to be in place and resourced from start-up to monitor early progress. M&E would have to better cover critical intermediate outcomes as they arise, with special attention to achieving the full range of gender and target-group objectives.

**Agreed.** Egypt country team will discuss this issue with the Government of Egypt, since the misalignment between the subsidiary agreement and the financial agreement caused many drawbacks in the implementation of IFAD investments notably PRIME. An early involvement in this process with the borrower will mitigate any defect that may arise. The establishment of the Central Coordination Unit as a hub of technical local expertise under the auspices of MoALR will support IFAD in enhancing the implementation of its investments as early as possible. In addition, the national team of experts who will guide and structure the work at project level will ensure coherence and integration of reporting systems. The first wave of recruitment for the Central Coordination Unit includes an M&E and procurement teams, gender specialist and IT & KM specialist. IFAD management is now considering early restructuring whenever needed for its investments especially in a continuously evolving local context.

6. Management thanks IOE for the fruitful evaluation process and will ensure that lessons learned from this exercise are internalized to further improve the performance of IFAD-funded projects in Egypt and elsewhere.

# The Arab Republic of Egypt

## Promotion of Rural incomes through Market Enhancement Project

### Project performance evaluation

## I. Country context and project background

### A. Introduction

1. In line with the IFAD Evaluation Policy,<sup>1</sup> and as approved by the 134<sup>th</sup> session of the IFAD Executive Board, the Independent Office of Evaluation (IOE) undertook a project performance evaluation (PPE) of the Promotion of Rural Incomes through Market Enhancement Project (PRIME) in the Arab Republic of Egypt in 2022.

### B. Country background

2. The Arab Republic of Egypt is the most populated country in the Middle East and North Africa region, with a population of 105 million as of February 2022. Over 50 per cent of the population is under the age of 25, and 62 per cent is below the age of 29; there is an annual population growth rate of 1.9 per cent.<sup>2</sup> The population is concentrated in 3 per cent of the total area of the country along the narrow Nile Valley and the delta. Administratively, the country is divided into 27 governorates. Egypt is a lower-middle-income country (US\$3,569 per capita in 2020),<sup>3</sup> and the second-largest economy of Africa. The economy was strongly affected by the downturn following the 2011 Arab Spring revolution. Egypt has undertaken a set of economic reforms since 2016 to improve the country's public finances, budgets, and market and investor confidence to facilitate sustainable growth and development following the downturn in the aftermath of the Arab Spring.
3. In 2019, GDP resumed its pre-revolution level and Egypt maintained a 3.6 per cent economic growth rate throughout the COVID-19 pandemic – one of the highest growth rates in the region.<sup>4</sup> The share of poor below the national poverty line dropped from 32.5 per cent in 2017–2018 to 29.7 in 2019–2020, as reforms were implemented, although still up from 25.2 per cent in 2010.<sup>5, 6</sup> A presidential initiative, *Hayah Karima* (Decent Life), was launched in 2019 to raise rural living standards and increase inclusive, sustainable development. Poverty rates in rural areas are three times higher than in urban ones (IFAD, 2020) and there are differences between Upper and Lower Egypt. In Upper Egypt, 51.9 per cent of the rural population is poor, compared to only 27.3 per cent in rural areas of Lower Egypt.<sup>7</sup>
4. The contribution of agriculture to Egypt's GDP decreased from 29 per cent in 1970 and 16.5 per cent in 2000, to 14 per cent in 2020.<sup>8</sup> But agriculture remains a principal source of livelihood for 57 per cent of the population, employing close to 30 per cent of labour, and 55 per cent in Upper Egypt; there is high participation among women (Statista, 2020). The sector is characterized by the importance of fruit and vegetable exports, the key role of livestock for many households, and strong processing linkages. Horticulture has the largest agriculture subsector share in GDP (6.3 per

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<sup>1</sup> <https://ioe.ifad.org/en/evaluation-policy>

<sup>2</sup> World Bank Open Data, World Development Indicators; 2020.

<sup>3</sup> <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=EG>

<sup>4</sup> GDP of 5.5 per cent in 2019, World Bank.

<sup>5</sup> Household income and expenditure survey results for October 2019 – March 2020.

<sup>6</sup> Communication by the Ministry of International Cooperation.

<sup>7</sup> Household, income, consumption and expenditure survey (2017/18), Central Agency for Public Mobilization and Statistics (CAPMAS): [https://www.capmas.gov.eg/Admin/News/PressRelease/201912310646\\_income1.pdf](https://www.capmas.gov.eg/Admin/News/PressRelease/201912310646_income1.pdf)

<sup>8</sup> International Food Policy Research Institute (IFPRI), 2018. An Agricultural Policy Review of Egypt. <http://ebrary.ifpri.org/utils/getfile/collection/p15738coll2/id/132788/filename/132996.pdf>

cent) followed by livestock (4.3 per cent) and fishing (1.1 per cent). Smallholder farmlands are increasingly fragmented due to population pressure, particularly in Upper Egypt. Rural Egypt also faces challenges for rural finance, with few banks serving villages and farmers, and high collateral and guarantee requirements.

5. **Government policies on agriculture, market and enterprise development.** In 2009, Egypt adopted the Sustainable Agricultural Development Strategy towards 2030 (SADS), which called for the development of a competitive, market and export-oriented agriculture sector through enabling poor smallholders and other market actors.<sup>9</sup> The Sustainable Development Strategy: Egypt Vision 2030 (2016) aimed at inclusive and balanced economic development; private enterprises and youth employment were at the centre of the draft Micro, Small and Medium Enterprises (MSME) and Entrepreneur National Strategy (2016).<sup>10, 11</sup> With women's access to financial products constrained by their low control over assets and absence of financial capacities, especially in rural areas, Egypt has recently made women's financial inclusion an explicit national objective, supported by the National Strategy for the Empowerment of Women (2030).<sup>12</sup>
6. **Egypt country strategic opportunities programme (COSOP) objectives.** The IFAD COSOP of 2011-18 had three objectives: i) strengthen the technical skills and organizational capacity of poor rural men and women, to take advantage of rural economic opportunities both on- and off-farm; ii) enhance sustainable use of natural resources, especially land and water; and iii) improve access of poor rural farmers to better-quality services and to technology, finance and markets. The most recent COSOP 2019–2024 calls for increased productivity and profitability of agriculture-related activities, with an emphasis on market-oriented approaches, pro-poor financial services and business advisory services. The current COSOP also emphasizes a stronger focus of IFAD activities in fewer governorates, and more innovative rural finance models. Thus, rural finance and markets are a common thread across COSOPs.

### C. Project description

7. **Description and evolution of the project.** PRIME was designed to reduce rural poverty and increase food security in the seven governorates of Qena, Sohag, Assiut, Menia and Beni Suef in Upper Egypt, and Beheira and Kafr-el-Sheikh in Lower Egypt. The project aimed to enhance the organizational capacities of smallholder farmers, link them to agricultural value chains of high-value commodities, and facilitate their access to financial services. Value chains would be identified at early project implementation.<sup>13</sup>
8. **Project objectives.** The project goal was to increase the incomes of 50,000 rural households, including smallholder farmers, landless people, women, unemployed youth, and small and medium entrepreneurs, by integrating them in the agriculture value chain. The expected outcomes of PRIME at design were: a) increased farm-gate prices for smallholder farmers through better organization, negotiation, information and access to markets; b) reduced production losses and higher productivity and profitability through access to finance for new technologies, better post-harvest, transport and processing facilities and integration in the agriculture

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<sup>9</sup> Sustainable Agricultural Development Strategy towards 2030, MoALR, Arab Republic of Egypt, 2009.

<sup>10</sup> Sustainable Development Strategy (SDS): Egypt Vision 2030. Ministry of Planning and Monitoring. 2016.

<sup>11</sup> MSME and Entrepreneurship Strategy and Operational Plan, 2016.

<sup>12</sup> National Strategy for the Empowerment of Egyptian Women. 2030 Vision and Pillars. National Council for Women. 2017.

<sup>13</sup> After initial targeting of seven value chains the project would carry out a review that would determine the ultimate number and support for up to 53 value chains identified in the PDR (Quality Assurance Meeting, 3 October 2011).



value chains; and c) increased assets and employment through enhanced opportunities for on- and off-farm rural employment.

9. **Project area and target groups.** The project was implemented in the seven governorates of Qena, Sohag, Assiut, Menia and Beni Suef in Upper Egypt, and Beheira and Kafr-el-Sheikh in Lower Egypt. The PRIME target groups within these governorates included smallholder farmers with less than three feddan of land,<sup>14</sup> landless labourers, women, unemployed youth, and small and medium entrepreneurs.

The selection of governorates was based on: (i) the incidence of poverty in these governorates; (ii) their potential for production of horticulture crops, livestock, herbs and medicinal plants; (iii) the agroecological variation in the governorates, which enabled capitalizing on their year-round production potential; and (iv) the potential to capitalize on IFAD's previous investments in irrigation and institutional development at the farm level.<sup>15,16</sup>

10. **Programme components.** PRIME entailed three components: (1) marketing support; (2) rural finance; and (3) project management and coordination. The marketing support component was designed to strengthen the capacities of smallholder farmers for collective marketing, by organizing and strengthening existing farmers' marketing associations (FMAs), and improving farmer linkages with market intermediaries along the value chains of selected commodities of horticulture and livestock, market intelligence and market-oriented production. The rural finance component funded a credit facility of medium, small and microfinance loans for small- and medium-sized enterprises (SMEs) and farmers. This was expected to finance selected value chain activities and investments for horticulture, livestock and other agriculture-related investments. The component would also develop innovative loan products, risk sharing for agribusiness investments, and capacities of financial intermediaries.
11. **Implementation arrangements and agencies.** The Ministry of Agriculture and Land Reclamation (MoALR) was the lead project agency and had overall responsibility for project implementation, guided by an inter-ministerial, high-ranking project steering committee chaired by the MoALR. Project implementation involved three agencies: MoALR for marketing support, the Agricultural Development Programme, (ADP, previously the Agricultural Research and Development Fund), and the Micro, Small and Medium Enterprise Agency (MSMEDA, previously Social Fund for Development for rural finance), (annex VII, figure A.2). Overall project implementation, reporting and coordination with ADP and MSMEDA were the responsibility of the National Project Coordination Unit (NPCU), under the MoALR. Governorate project coordination units (GPCUs) were established in the governorate directorates of agriculture and reported to the NPCU. ADP and MSMEDA worked through different participating financial institutions/microfinance institutions (PFIs/MFIs) on the ground. PRIME also worked with the National Council for Women (NCW), for mainstreaming of gender and women-empowerment activities as well as nutrition-related activities.
12. **Project financing.** At design, the total budget for PRIME was US\$108.22 million (EGP 655.53 million), which was revised at midterm to US\$96.53 million (table 1). IFAD contributed a loan of US\$70 million on intermediate terms, and an IFAD grant of US\$1 million. Eighty-nine per cent of all project funds were allocated to the credit facility and some other minor activities under component 2, including counterpart funds (US\$85.6 million), 5.6 per cent to funding of marketing support under

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<sup>14</sup> Equivalent to close to three acres. See weights and measures section in report.

<sup>15</sup> PDR, para. 9.

<sup>16</sup> It should be noted that the 2016 Egypt CSPE called for sharpened geographic focus of projects in Egypt, which also applies to the project's coverage of seven governorates.

component 1 (US\$5.4 million), and 5.8 per cent for project management and coordination (US\$5.6 million). The IFAD grant went to studies, workshops and training, as well as an advance of funds. In 2016, the Government of Egypt approved the use of US\$2.3 million from the rural finance component for capacity development in both components. The budget was further revised at midterm, as planned contributions by ADP and MSMEDA did not materialize (chapter III, Quality of design). A total of 99 per cent of the IFAD loan and 100 per cent of the IFAD grant were disbursed in Special Drawing Rights (SDR), somewhat less so in US\$ (table 1).

13. **Timeframe.** The project was approved in December 2011 and entered into force in April 2012. The project was extended for 18 months, with final completion and closing dates on 31 December 2021 and 30 June 2022.<sup>17</sup>

Table 1  
**Planned and actual costs per financier**

<i>Financier</i>	<i>Appraisal at design (US\$ 000)</i>	<i>Revision at midterm (MTR) (US\$ 000)</i>	<i>Actual (US\$ 000)</i>	<i>Percentage of disbursement (Appraisal)</i>	<i>Percentage of disbursement (MTR revision)</i>	<i>Percentage of disbursement</i>
IFAD loan	70 000	70 000	61 084	87%	87%	99%
IFAD grant	1 000	1 000	904	90%	90%	100%
Government	7 600	7 551	6 260*	82%	83%	
ADP	10 900	150	150	1%	100%	
MSMEDA	1 000	100	100	10%	100%	
Beneficiaries	17 700	17 742	23 200	131%	131%	
Total	108 220	96 543	91 698	85%	95%	

Source: PRIME draft project completion report (29 August 2022), para. 148-154.

\*91 per cent in-kind contributions (salaries, cars, office, mobile units).

<sup>17</sup> An initial extension for 12 months in April 2020 and a second extension for 6 months in June 2021 due to COVID-19.

## II. Evaluation objectives, methodology and process

14. **Objectives.** The main objectives of the PPE were to: (i) assess the results of the project and contributing factors; (ii) generate findings and recommendations for the design and implementation of ongoing and future operations in the country; and (iii) identify issues of corporate, operational or strategic interest that merit further evaluative work.
15. **Methodology and process.** The PPE was undertaken in accordance with the IFAD Evaluation Policy (2021),<sup>18</sup> and followed the 2022 IFAD Evaluation Manual.<sup>19</sup> Accordingly, it adopted a set of internationally recognized evaluation criteria and a six-point rating scale (annexes II and III) to assess the performance of the project. In addition, the evaluation examined the performance of IFAD and the Government of Egypt in the design and execution of the project. The evaluation identified five thematic issues and related questions for special consideration in the evaluation, based on an initial analysis of documentation and interviews with the Project Manager and IFAD Country Programme Officer (CPO). These themes were: developing market linkages, credit delivery, capacities of community institutions, synergy between the two project components, and targeting (annex IV). These specific lines of inquiry complemented the standard areas and evaluation questions of the IFAD IOE evaluation framework (annex VI). The thematic key issues referred mainly to effectiveness and efficiency of project interventions. They were mainly addressed in the respective report sections, with some deep dives presented in boxes throughout the report.
16. The evaluation carried out desk reviews of project and other relevant documents, including the IOE Egypt Country Strategy and Programme Evaluation (CSPE) of 2016, which covered PRIME at its early implementation. It conducted personal and virtual interviews with key informants in the country and at IFAD, as well as field visits.<sup>20</sup> The evaluation analysis followed a reconstructed theory of change (ToC - annex IV) that was informed by the project design report (PDR) and the revised logical framework of the midterm review (MTR). Field-level data was collected between 15 and 24 May 2022, in two governorates in Egypt that represented both poor and better-off areas of project interventions.<sup>21</sup> Within the sampled sites, the PPE team met a wide range of project stakeholders in individual and group interviews. Meetings included farmer and community associations, marketing companies, participating financial and microfinance institutions, gender experts, local authorities and project staff. The PPE also carried out phone interviews with 13 randomly selected beneficiaries of small and medium-size project loans, as an in-depth, qualitative investigation.<sup>22</sup> The mission itinerary and the full list of persons met and interviewed are annexed to this report (annex IX). Mission wrap-up meetings were held face-to-face with IFAD and Government of Egypt stakeholders on 29 and 30 May 2022 to validate preliminary mission findings, share emerging messages and inform of next steps. These meetings were followed by report drafting and peer review, upon receipt of the draft project completion report (PCR) in early August 2022.
17. **Data availability and limitations.** The project monitoring and evaluation (M&E) system collected a lot of data on project activities and outputs, from training participation data and loan records to contract numbers and signed partnership agreements. However, there was limited reliable quantitative information on loan

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<sup>18</sup> <https://webapps.ifad.org/members/eb/132/docs/EB-2021-132-R-5-Rev-1.pdf>

<sup>19</sup> IFAD, 2022. 2022 IFAD Evaluation Manual. Parts 1 and 2.

<sup>20</sup> See annex VIII for list of key persons consulted.

<sup>21</sup> Selection criteria for the two sampled governorates included (i) coverage of governorates from Upper and Lower Egypt, (ii) poverty rates and substantial target-group presence (inter- and intra-governorate), (iii) actual project outreach to target groups, including women and (iv) diversity of project activities. The two governorates were incidentally the same as those selected for the Impact Assessment Study's pre-testing phase.

<sup>22</sup> The beneficiaries of these types of loans were otherwise difficult to trace in the field.

utilization and effects, capacity development and marketing results for the two main project components. Intermediate project results and indicators in the project logframe were changed during the MTR and did not sufficiently and consistently cover such data. While the impact assessment study (IAS) commissioned by NPCU and supervised by the IFAD Near East, North Africa and Europe Division regional office had limitations in terms of scope and methodology, it provided some useful bases for comparing and triangulating the PPE's field and other observations. Another limitation was the lack of an overarching M&E system for the two main project components, which made beneficiary identification and benefit assessments across components difficult. The non-availability of consolidated financial statements by the two implementing agencies of the rural finance component and its PFIs/MFIs prevented the full assessment of the value added of this component.

### **Key points**

- The Arab Republic of Egypt is a lower-middle-income country and the second-largest economy in Africa. After the economic and social downturn in the aftermath of the 2011 Arab Spring revolution, the country undertook economic reforms, introduced social programmes and recovered to pre-revolution economic growth rates.
- Agriculture remains a large economic sector and the principal source of livelihoods for 57 per cent of the population, with high participation among women. Horticulture and livestock play dominant roles. Fragmented landholdings and weak access to rural finance are common.
- PRIME was carried out in seven governorates of Lower and Upper Egypt, entering into force in April 2012 and completing its operations in December 2021. The project aimed to enhance the organizational capacities of smallholder farmers, link them to agricultural value chains of high-value commodities, and facilitate their access to financial services. Rural finance and marketing support were the two main components.
- At design, the estimated project cost was US\$108.22 million, which was revised at midterm to US\$96.53 million. IFAD costs included a loan of US\$70 million at intermediate terms and an IFAD grant of US\$1 million. A total of 90 per cent of all project funding eventually went to rural finance.
- The objectives of the evaluation were to: (i) assess the results of the project and contributing factors; (ii) generate findings and recommendations for the design and implementation of ongoing and future operations in the country; and (iii) identify issues of corporate, operational or strategic interest that merited further evaluative work.

### III. Main evaluation findings

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

##### Relevance

##### Alignment with national policies and development strategies

18. **The project was well aligned with national policies and development strategies.** It operationalized the economic and institutional visions of SADS).<sup>23</sup> SADS was aimed at integrating farmers into market and export-oriented economic production, and supporting smallholder producer associations through better marketing, contract farming and provision of suitable and timely loans. PRIME also was relevant to the later targets of the draft MSME and Entrepreneur National Strategy (2016) for jobs creation,<sup>24</sup> small- and medium-sized enterprise (SME) integration into value chains for employment in agriculture, commerce and services, expanded microfinance for women, and allocation of at least 10 per cent of land to young people. The project was also aligned with the economic and financial inclusion objectives of the National Strategy for the Empowerment of Women (2030) (National Council for Women 2017).
19. **The project pursued two of three strategic objectives of Egypt's COSOP 2011–2015:** improving technical skills and organizational capacity of poor rural men and women to take advantage of rural on- and off-farm economic opportunities by strengthening FMAs and community development associations (CDAs), and access of poor rural farmers to quality services, technology, finance and markets; and provision of financial services to value chain and contract farming. PRIME remained well aligned with IFAD's current COSOP 2019–2024, especially its first objective of improved livelihoods for rural men and women by enhancing productivity and profitability of agriculture-related activities. Project design was relevant for IFAD target groups, as many beneficiaries are engaged in market-oriented horticulture and livestock production.
20. **PRIME's design made reference to the principles of IFAD's Rural Finance Policy (2009) and Decision Tools for Rural Finance (2010).** These meant that for IFAD projects to facilitate access to a variety of financial services, institutions, models and delivery channels through a demand-driven approach, the agency would help develop innovative products and serve new markets. The policy encouraged a market-based approach, which avoided distortions by pricing at or near commercial rates. The Decision Tools stressed that the allocation of funds for lines of credit (LoCs) would only be considered if, among others, the market demonstrated a clear lack of liquidity as shown by a rigorous market assessment, and partner financial service providers used this capital as part of their own strategic plan to develop new products and/or serve new markets in rural areas.<sup>25</sup> They should also have the capacity to absorb and manage an LoC efficiently, transparently and independently of political interference. The appropriateness of an LoC was not well established for the project (see below under Quality of design).
21. **PRIME corresponded well with IFAD's New Strategic Framework 2011–2016,** which called for promoting farming as a business in order to access market opportunities, investing in processing and marketing facilities, and capitalizing on synergies with off-farm private sector enterprises. Non-farm MSMEs should be

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<sup>23</sup> Sustainable Agricultural Development Strategy towards 2030, MoALR, Arab Republic of Egypt, 2009.

<sup>24</sup> Draft MSME and Entrepreneurship Strategy and Operational Plan, 2016 (as referenced in International Labour Organization 2017, chapter 3.1).

<sup>25</sup> Decision Tools for Rural Finance (2010). Box 11, p. 39.

assisted, to provide rural employment, entrepreneurial opportunities and empowerment of poor rural people.

### **Quality of design**

22. **The project was ambitious in scope, with detailed analyses of rural finance and market problems, constraints and sectoral opportunities, and many innovative features and solutions.** A commentator at the time described the design as “sweeping in its overall vision”.<sup>26</sup> PRIME was designed as a market and farmer/enterprise demand-driven project. The project would develop value chains of commercial horticultural crops and livestock, build the capacity of stakeholders at different levels, finance them through innovative instruments, and bring the produce to market. Better credit access would follow on from expanded demand due to high-value productivity, profitability, and better loan-management capacities and improved loan products for target groups and commodities.
23. **But at the same time, the complexity and potential risks of the project were also considered as high** (by the same commentator), with many proposed innovations in finance and marketing, several implementing agencies and a broad geographic coverage, especially for a country that went through turbulent and unstable times after the 2011 revolution. Also, while PRIME clearly focused on value chains that were generally relevant for IFAD target groups, vegetables and livestock, it did so without clear guidance for prioritizing among the many proposed commodities.
24. **The project did not establish an unambiguous rationale for using an LoC.** The PDR review at the IFAD Quality Enhancement panel strongly questioned whether there were bank liquidity constraints in Egypt and whether an LoC was the right instrument for a demand-driven value chain/marketing project – especially in a setting where financial liquidity was not the main challenge. Instead, perceptions by financial institutions (FIs) of agricultural and target-group risks were considered as paramount for limited credit supply in rural areas. In such a situation, the review noted that guarantees, portfolio insurance and other risk-management techniques deserved more attention and would likely be preferable to an LoC. Similarly, the 2016 Egypt CSPE concluded and agreed with the Government, that IFAD decision tools for rural finance activities should be better deployed to assess capacities and needs in the financial sector at micro, meso and macro levels in the project.
25. **Design was not sufficiently ground-proofed and resourced.** There were three major design weaknesses that contributed to ultimately disjointed execution and limited results of the project: (i) unrealistic budgeting; (ii) weak project implementation and management arrangements; and (iii) insufficient institutional capacity and fiduciary assessments, as further explained in the following paragraphs.
26. Budgeting of the marketing support component was unrealistic, as it was not formally agreed with the major planned financier in advance. Most of the component’s planned US\$13 million was supposed to be financed through ADP (US\$9.6 million) and MSMEDA (US\$ 1 million), from their own funds and interest gained from PRIME and other projects. This contribution was never formally agreed on; funds were not made available and were ultimately dropped at midterm. The Government would contribute US\$2 million for financing marketing operations on the ground, incremental salaries etc. – an amount that was however only available in kind. Ultimately, only a US\$1 million IFAD grant remained as cash contributions for marketing support. In the absence of co-financing, IFAD’s options were limited as the Government of Egypt only accepted IFAD loans for finance and infrastructure activities, and the latter were not part of the project. Finance limitations were especially stark, as the project covered a large area of seven governorates. The 2016

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<sup>26</sup> Review at QE Panel of 17 March 2011.

CSPE had already pointed to the need for sharper geographic focus (although not only for financial reasons).

27. **Project design underestimated the need for a well-mandated, resourced and skilled national project management unit to coordinate a complex project such as PRIME**, guide its technical execution in the seven governorates, and support it administratively. Relying only on government resources for the NPCU at the MoALR would lead to insufficient dedicated and skilled staff, especially for key positions in value chain and capacity development, but also for finance, procurement and M&E, especially during the project's early years. Implementation arrangements gave NPCU limited oversight for rural finance and its M&E. It focused on implementing marketing support, capacity development and coordinating with rural finance. Subsidiary agreements by the Ministry of International Cooperation (MoIC) with ADP and MSMEDA allowed these agencies to execute their operations independently from the rest of the project, while both were officially part of the NPCU.<sup>27</sup>
28. **Fund absorption, implementation and new product development capacities of ADP and MSMEDA as PRIME implementing agencies were not sufficiently assessed and considered at design.** Both institutions were well established, with positive technical track records for public finance support. Yet even at design, their absorption capacity for additional funds and need for liquidity was questioned.<sup>28</sup> PRIME design also did not include due diligence reviews of ADP and MSMEDA, nor adequately assess their capacities for carrying out the proposed lending interventions at scale, especially of micro-credit. This led to component redesign early on during implementation; it also led to erroneous assumptions about establishing revolving funds and generating innovative loan products for IFAD's primary target groups of smallholder farmers, women and youth.
29. **On the ground, the roles, affiliations and capacities of targeted farmer and community organizations were complex, and their roles for the project and their needs were only partly understood at design.** According to the PDR, the project would strengthen informal farmer groups and existing farmer associations, and create new marketing-oriented associations where required.<sup>29</sup> Farmer marketing associations were considered an appropriate institutional platform for small farmers to organize themselves to access agribusiness support services.<sup>30</sup> CDAs would be important as credit-delivery partners. How the proposed central model of FMAs could effectively work with the system of existing cooperatives, other farmer associations, CDAs and NGOs to promote their role in a market-oriented value-chain project and farmer empowerment remained unclear at design. Many of these organizations were more socially than commercially oriented, with weak structures and cohesion, diverse legal status and government by different laws. There was no participatory assessment of capacities and requirements for implementing the project as planned. Basic organizational capacities were only assessed in 2019. This finding is supported by the conclusion of the 2016 CSPE in Egypt; this highlighted the need to take stock of existing community-level institutions, and their enabling legal and policy framework, to ensure better local project implementation.

#### **Targeting of beneficiaries**

30. **Project design relied on geographic and self-targeting mechanisms for reaching the main target groups (as well as quotas for women and youth), but fell short on guidance for proactive management of targeting objectives.**

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<sup>27</sup> IFAD had a financing agreement with MoIC which had no obligation under the project of reporting on subsidiary agreements made to IFAD; and IFAD had no right of objection to these agreements. This was changed in the recent IFAD Sustainable Transformation for Agricultural Resilience in Upper Egypt programme.

<sup>28</sup> IFAD reviewer's Recommendations Note for the QE panel on 17 March 2011.

<sup>29</sup> PDR para. 59.

<sup>30</sup> PDR para. 16.

Design was clear in its geographic targeting criteria of choosing governorates and villages with high poverty incidence, as well as production potential for targeted agricultural commodities. All activities would take place in the same villages. In addition, the project would be self-targeting through its large share of microcredit and executing organizations that were already working with target groups, especially smallholder farmers, women and youth. The supported agriculture subsectors and value chains (horticulture and livestock) provided ample opportunities for benefits by the target groups. The project set quantitative targets for access and participation of women and unemployed people in credit and farmers' organizations (PDR targets between 15–25 per cent, increased at midterm to 30 per cent or higher).

31. Although design indicated several target-group-specific interventions, it did not provide sufficient guidance for implementation on how to proactively reach target groups, analyse their participation in, and benefits from, certain value chains and project activities, and capture and optimize indirect targeting effects when investing in larger farms and market enterprises.<sup>31</sup> Design saw gender mainstreaming and women's empowerment as an integral part of all project activities, and knowledge regarding gender approaches would be disseminated among field actors and target groups.<sup>32</sup> Specific aspects included women's lack of access to working opportunities and financial services, and widespread lack of skills, including illiteracy.<sup>33</sup> But design lacked specific advice and activities for achieving relevant social and gender-transformative outcomes.

#### **Adjustments to project design**

32. An adjustment to project design during implementation partly enhanced relevance. The Government agreed in 2016 to reallocate US\$2.3 million from the IFAD loan of the rural finance component for capacity building. This helped market support but did not prevent the cancellation of capacity development for FIs under the rural finance component in 2017; also, there were few results from the subcomponent of Credit Research and Development on innovative loan products and risk-management arrangements.<sup>34</sup>
33. **Summary – relevance.** PRIME was well aligned with government and IFAD policies and priorities, and its innovative approach and choice of agriculture priority subsectors were relevant for IFAD target groups. The design had relevant analysis of rural finance and sectoral opportunities in Egypt, but it also had major weaknesses of unrealistic and disproportionate budgeting for the two components – especially inadequate funding for marketing support and capacity building – as well as implementation arrangements, ex-ante capacity assessments and choice of instruments. Ultimately, these weaknesses led to an incoherent design that undermined positive and innovative design aspects. Since they were only partly mitigated during implementation, they substantially contributed to disjointed project implementation and weak results. For these reasons, the overall relevance of PRIME is rated **moderately unsatisfactory (3)**.

#### **Effectiveness**

34. This section assesses how project activities and outputs contributed to achieving PRIME outcomes. The project had three major results/outcome pathways, with the following three outcomes: (i) increasing agricultural production and profitability in selected value chains; (ii) increasing access to sustainable financial services for SMEs and farmers; and (iii) increasing availability of suitable and timely financial services for supported value chain marketing activities. The first two pathways corresponded to the two main project components of marketing support and rural finance, and the

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<sup>31</sup> PDR annex 2, table 2.

<sup>32</sup> PDR para. 76.

<sup>33</sup> PDR annex 2, para. 8.

<sup>34</sup> Subcomponent 2.3 "Strengthening Financial Intermediaries".



third pathway was meant to be through interactive synergies between these two components. The reconstructed PRIME ToC shows how project activities and outputs generated these outcomes, as well as the impact of higher incomes, nutrition and reduced rural poverty (annex V).

**Results/outcome pathway 1: Increased agricultural and livestock production and profitability in selected value chains**

35. **The project successfully supported market-oriented horticulture and livestock value chains on the production side, with limited pull-effects from expanded market opportunities.** The project carried out many activities and outputs such as field schools and demonstration plots, agricultural research, training and organizational support, and some group farming that led to increased agricultural production and profitability (PRIME progress and supervision reports). These were achieved with the limited additional PRIME funds that were made available by the project for this component – US\$4.3 million (table A.2, annex 7) – with almost half through in-kind contributions from the Government of Egypt (42 per cent). The MoALR put much of its regular farmer support and partnerships into the service of the project, especially in its last two years. PRIME helped reorient agriculture institutions and priorities towards horticultural market products and, to some extent, livestock. The project gained a high profile in the country during its last two to three years, due to its active public promotion by MoALR.
36. The project’s main marketing achievement was the arrangement of 287 sales contracts between FMAs and buyers – a relatively modest number given its ambitions.<sup>35</sup> These seasonal contracts concentrated on the 61 most commercially active FMAs, out of a total of 178 FMAs that the project worked with. They were mostly supply contracts at market prices rather than contract farming arrangements with input or financial services and higher guaranteed farmer prices for quality standards. A few companies also provided farming inputs to ensure that quality and health standards would be met. Notwithstanding such limitations, the contracts generated new market opportunities and benefits for participating FMAs and farmers. But their ultimate effects on more secure sales, sustained higher standards, and prices and other benefits were not well recorded. Although some farmers appreciated sales contracts when they were carried out during the interviews, others called for more support, especially for farming inputs.
37. In terms of other new linkages and opportunities in value chains with high-value addition, a PRIME study mapping horticultural value chains in 2019 failed to highlight such opportunities and critical value chain bottlenecks, especially for the PRIME/IFAD target groups. PRIME kept working in horticultural crops already cultivated and with relatively well-established and capable horticulture FMAs and farmers. Livestock production was mainly supported by rural finance, except for the last two project years when livestock training was added. The project signed numerous protocols for cooperating with NGOs, other government agencies and donor projects, and several communication events were organized. It also established seven marketing outlets, one in each governorate. But the effects of these partnerships and marketing outlets for PRIME FMAs and farmers were not evident at project completion. There was little data on outlet-marketing volumes and their advantages for target farmers. For many farmers, these outlets were too far away and incurred high transportation costs (PCR, para. 83).<sup>36</sup> Management of these outlets was passed on by the project to seven organizations, including FMAs. Four outlets were operational as of late 2022.<sup>37</sup>

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<sup>35</sup> The project did not set any logframe targets for the number of seasonal contracts, but considering the number of products and farmer groups to be supported over many years, the number is considered to be on low by the PPE.

<sup>36</sup> The PCR provides little information on concrete outputs or outcomes of these partnerships and marketing outlets.

<sup>37</sup> Report on sustainability of PRIME component 1, sent to IFAD on 27 November 2022 (according to information from the Programme Management Department of IFAD).

38. **PRIME did not effectively develop the business management and marketing capacities of FMAs, but helped with their production capacities.** Capacities of most supported FMAs, marketing committees and trained beneficiaries remained weak, especially on entrepreneurship and business acumen (PCR, para. 50/52 and 74-76). FMAs' organizational capacity and market constraints were not truly addressed to allow them to identify, negotiate and enter marketing contracts with private sector buyers or assess the real costs of finance (box 1). The role of FMAs and marketing committees was oversight of contracts and helping farmers with contract problems. Searching for new buyers, market opportunities and finance was usually not part of their tasks.
39. The majority of the PRIME FMAs were found to have serious constraints in their corporate structure and around their members' perceptions of their role and functions – which were not well formulated and understood, including those of the marketing committees created. The GPCUs had few available staff who were knowledgeable on marketing and business aspects, and the two marketing consultants who covered seven governorates were stretched in their responsibilities and resources. Such weaknesses in marketing and business development capacities in rural support services were also noted in the 2016 Egypt CSPE; this evaluation suggested that IFAD, among others, proactively seek strategic partners for marketing, to overcome lack of sufficient implementation experience (CSPE, recommendation 2).
40. NPCU and GPCU were also unable to effectively deliver training on financial literacy and investments, since rural finance institutions did not participate. Some other aspects of training that focused on classical agricultural topics, such as crop management and livestock husbandry, were better delivered and more beneficial (PCR, para. 74). For instance, the Farming Systems Research Unit provided high-quality technical backstopping and supervision, through 19 field schools on horticulture production. Interviews during the mission and the field visits suggested that the value-added of the Marketing Advisory Councils established by PRIME in each governorate was not high, as they consisted mainly of government officials with few external technical and financial experts or FMA/farmer representation.

**PRIME developed additional capacities of farmer and community associations**

**The project worked with a highly diverse set of rural organizations, including agricultural cooperatives, CDAs and NGOs, governed by different laws and institutional responsibilities.** Some of these organizations were well established, active and well resourced, with good leadership and track records, while others had only rudimentary organizational structures and activities. Many organizations were more socially than commercially oriented. PRIME capacity development included support for their boards, governance and members.

**Within these organizations, the project worked with 178 FMAs (out of a target of 200), many of which existed prior to the project, and established 237 marketing committees.** Their roles and functions ranged from facilitating higher-quality production in targeted value chains and identifying better marketing opportunities and market linkages, to facilitating finance access for their members. Marketing committees were specifically formed to facilitate communication between farmers and market companies. PRIME organized training on income generation and business management (for 19,000 people), horticulture (11,700) and livestock production (5,000).<sup>38</sup> Some training was directed at FMA governance.<sup>39</sup> About 27 per cent of beneficiaries found their training useful for marketing and contracting, 26 per cent for improved crop production and post-harvest management, and 8 per cent for cultivating new crops (IAS).

**Much of the training on marketing, financial management and organization was delivered without clear plans and prior beneficiary-capacity-needs assessments.** The project faced problems in addressing the multiple knowledge, technical and institutional constraints of FMAs and their members in effectively fulfilling their functions. Capacity development was not well oriented towards the capacity levels and needs of the different organizations and members. No capacity assessments were carried out, and qualified trainers were in short supply. Late start and slow disbursements for capacity development did not leave much time to raise the institutional and marketing capacity of all selected FMAs. A 2019 study assessed the institutional maturity of FMAs and found 58 out of 163 supported at the time were active and mature, 91 moderately active and 14 inactive.<sup>40</sup> The need for better capacity building of community-level institutions, and in particular the development of a capacity-building strategy with support from a rural institutions specialist, was also a major conclusion and recommendation of the 2016 Egypt CSPE (recommendation 5).

**As a result, the project decided to concentrate its support in its remaining two years on about 60 already well-established and active FMAs.** This led to some good results and amplified project support (PCR, para. 87). For instance, the Hosh Eissa association in Beheira, a wealthy association headed by a wealthy farmer, was contracted by the food bank for farmers to supply an agreed amount of produce. The ultimate effects of capacity development can only be approximated, as the PRIME M&E system did not track any knowledge outcomes gained by training participants, nor did the IAS focus on this aspect.

Source: PPE key informant interviews and document review.

41. **Market intelligence.** The project introduced some innovative electronic platforms (Facebook, YouTube, WhatsApp, Shari selling platform), but mostly at a late stage. It was more agriculture-production than marketing oriented, and with low reach so far (<1 per cent of beneficiaries in IAS survey), particularly among the many farmers who do not have smartphones, and especially among women. There is no evidence that better market information led to higher sales prices, which was one of the main goals of the project.
42. **On marketing support outcome indicators,** the PCR reported higher tomato yields of 19 per cent above baseline, and 7 per cent above target; and higher productivity of livestock of 35 per cent, and 3.5 per cent above target (PCR

<sup>38</sup> Source PCR, appendix 1, logframe.

<sup>39</sup> 2020/21 Progress report.

<sup>40</sup> As indicated earlier the final number of FMAs the project worked with was 178; 163 refers to the number in 2019.

logframe). Post-harvest losses were reduced from 45 to 11 per cent (surpassing the target of 22 per cent), and tomato prices increased by a factor of 4 since the baseline. However, the validity of the reported price increase for tomatoes is questionable in a high-inflation environment with heavily fluctuating tomato prices, without clear reference to the methodology applied (IAS).

**Results/outcome pathway 2: Increased access to sustainable financial services in project-targeted areas for enhancing rural investments**

43. The rural finance component was meant to provide additional funds for rural areas through its credit facility, mainly for market-oriented production in selected value chains, and better credit access for smallholder farmers, SMEs and other target groups. It was also supposed to develop the capacities of financial intermediaries in microfinance and rural services, and innovate market-based loan products and risk-sharing arrangements for SMEs.
44. **The project credit facility disbursed its loans effectively.** ADP and MSMEDA provided a total of Egyptian Pounds (EGP) 1,346 million (US\$74.8 million) as loans,<sup>41</sup> with roughly equal shares between the two agencies.<sup>42</sup> This happened through nine banks and, to a lesser extent, 22 CDAs, mostly between 2016 and 2019. Revolving funds were only established in microcredit PFIs/MFIs that reported loans for PRIME beneficiaries beyond initial disbursements; however, there is insufficient information on such funds (annex VII, table A.3).
45. **Credit was delivered through four channels with different loan sizes, purposes and beneficiary numbers.** ADP provided small and medium loans for agriculture, through its network of participating banks, to 598 beneficiaries (figure 1). This resulted in an average loan size of US\$50,000, with 62 loans larger than US\$200,000 and only 150 of less than US\$10,000. MSMEDA distributed small-sized loans to 2,711 beneficiaries through the National Bank of Egypt (NBE), with an average size of US\$5,000. MSMEDA's microloans were mostly channelled through the Banque du Caire (BdC) to around 23,000 beneficiaries (US\$1,000 of average loan size). Another 9,000 beneficiaries were reached with microloans through MSMEDA's network of CDAs (US\$540 of average loan size).<sup>43</sup> While most ADP loans, especially medium-scale ones, went to the better-off Lower Egypt governorates (Beheira and Kafr el Sheihk), most MSMEDA loans were provided in lower Egypt governorates, with a concentration of microloans in just two governorates – Menia and Beni Suef – that are among the ones with the highest rural poverty rates in Egypt (annex VIII, figure A.4).
46. **Relatively fewer loans were given for horticulture production, the main commodity to be supported by the project,** and if they were, they often went to large, commercial farms funded by ADP. The main reason was that credit delivery remained largely PFI-supply-driven and unconnected to the marketing support component, as will be further discussed below. In contrast, there were many loans for livestock, mostly small- and medium-sized (ADP and MSMEDA NBE), with only few microloans (MSMEDA BdC/CDA) (annex VII table A.4, figure A.6). Again, these were common purposes for agricultural loans in PFIs. Microloans went largely to commercial and informal businesses, but it was unknown how many of these were agriculture-related, such as for processing of produce or output and input marketing.<sup>44</sup>

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<sup>41</sup> At the prevailing exchange rate of EGP18/US\$ during the period when most of the loans were provided (2017-18).

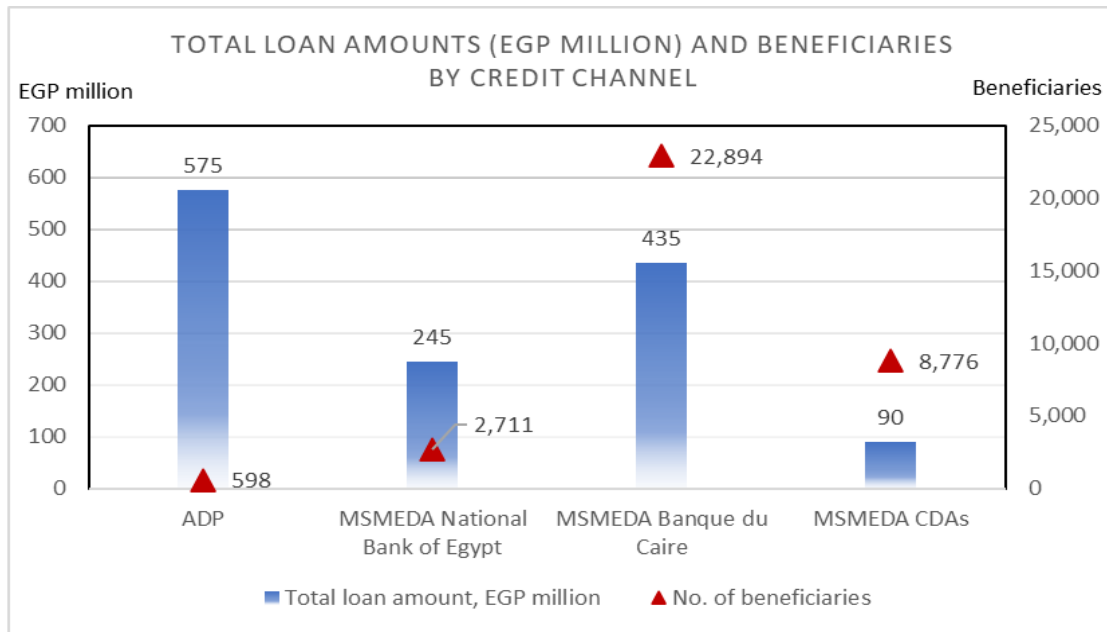
<sup>42</sup> ADP lists of beneficiaries show loans for a total of EGP 575 million, while MSMEDA provided loans for EGP 770 million (including revolving funds).

<sup>43</sup> The PDR had planned loan average sizes of US\$1,500 for microfinance, US\$14,000 for small loans and US\$95,000 for medium scale loans. The actual amounts were lower in US\$ due to the depreciation of the Egyptian Pound in 2016.

<sup>44</sup> An comparative, tabular overview of activities, outputs and outcomes by channel (ADP, MSMEDA NBE small loans, MSMEDA BdC microloans and MSMEDA CDAs is provided in annex VII, table A.5.

Figure 1

**Rural finance component: loan amounts and beneficiaries by credit channel**



Source: Evaluation team analysis of project data.

47. **Both ADP and MSMEDA continued their businesses in rural areas as usual without generating new loan products, processes or finance institution capacities.** PRIME did not contribute to any innovations, new approaches or new products. There was no participatory development and piloting of new delivery models as proposed at design. The lack of clearly formulated expectations in subsidiary agreements with ADP and MSMEDA, and problems with allocated funds and responsibilities for these activities, explain at least part of this outcome.<sup>45</sup> Supervision and government oversight paid insufficient attention to changing ADP and MSMEDA practices during implementation. PRIME also did not have any effects on capacities of implementing or participating rural finance institutions, nor change their internal policies, regulations and loan conditions.
48. **The additionality of PRIME funds and increased lending in targeted rural areas could not be established by the PPE.** The injection by PRIME of reasonably priced funding at below-market rates increased loanable assets and the balance sheets of ADP, MSMEDA and participating FIs. PPE interviews during the field mission indicated some expanded lending; however, most interviewees saw the low cost of IFAD funds as their most appealing factor, rather than additionality.<sup>46</sup> It was not possible to calculate for the PPE whether, and to what extent, these funds led to additional lending, without analysis of consolidated annual financial statements for PFIs and MFIs (before and after PRIME). This was especially the case in the absence of new loan products, processes and ring-fenced, revolving funds. Such statements were not made available. According to the MTR, ADP planned to use reflowing funds from PRIME loans for investments in treasury bills and other interest-bearing investments. For both ADP and MSMEDA, low-interest PRIME loans allowed cover in principle for higher risks and transaction costs in agriculture lending. However, the credit facility did not come with incentives for doing so, nor sanctions if this was not

<sup>45</sup> According to the PCR, US\$18,000 was spent through ADP contributions on the sub-components for credit research and development and strengthening of financial intermediaries (table 2). There is no information about any results. IFAD funds for capacity development were supposed to be managed by NPCU, not ADP or MSMEDA. The sub-component on risk-sharing was dropped at mid-term.

<sup>46</sup> Source: PPE interviews at ADP, MSMEDA and several PFIs/MFIs.

happening. Decisions on changed and expanded lending in targeted governorates were left to the discretion of the implementing partners and their FIs.<sup>47</sup>

**Results/outcome pathway 3: Availability of suitable and timely financial services for supported value chain marketing activities**

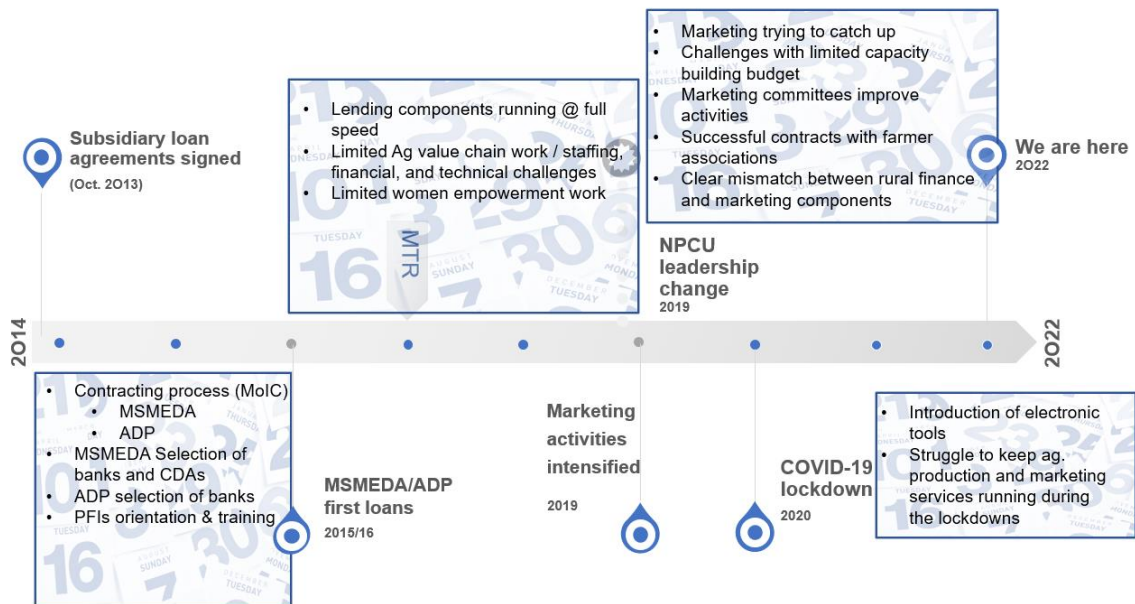
49. A large part of project outcome and income benefits, particularly for smaller farmers, marginalized groups and women, were supposed to come through interactions and synergies between the marketing support and rural finance components, and the support of expanded market opportunities through rural finance.
50. **There was a complete disconnect and reversed sequencing between the two principal project components, which started early in the project.** Start-up of PRIME was delayed for both components but more so for the marketing component (figure 2). While the rural finance component was mainly implemented between 2015 and 2019, marketing and capacity-development support proceeded slowly in 2016–17, only catching up in the project’s last two years since 2019. Early supervision missions reported an ad-hoc, underresourced and scattershot approach.<sup>48</sup> The two components were also working in different locations and any overlaps were coincidental where they happened. Most capacity development for FMAs and individuals to better qualify for manage loans by ADP/MSMEDA, and establish credit worthiness, came after the credit component was largely completed in 2019. This included a late attempt in 2020 to provide technical support and financial literacy training to beneficiaries with livestock loans under the project.
51. To remedy this disconnect between the two components, the MTR recommended the creation of a financial window for farmers associations (MTR, p. 12). This recommendation was never followed up on by the project. **The subsidiary agreements made with ADP and MSMEDA did not contain specific requirements for collaboration or use of the credit facility as proposed at design.** Neither NPCU nor GPCUs had designated staff for credit matters or liaising with rural finance and in the governorates, where ADP and MSMEDA were only represented by their PFIs/MFIs, which had limited decision-making mandates. All credit decisions were centralized and governed by the usual ADP/MSMEDA loan procedures, and not by project considerations.

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<sup>47</sup> The PPE did not have access to these subsidiary agreements during the mission. This statement is based on interviews with key informants.

<sup>48</sup> Supervision Report 2018.

Figure 2  
Project timeline



Source: PPE documents review.

52. In the end, PRIME consisted of three separately conducted subprojects: the NPCU, ADP and MSMEDA. These parts worked in silos, with credit decisions unrelated to other project parts. **Planned synergies never developed, and farmers and enterprises in the marketing support component did not improve their access to loans disbursed through the rural finance component.** It was particularly the project’s targeted horticultural producers that suffered most from the absence of PRIME credit, whereas livestock farms were supported – although not necessarily in the market-driven way the project had envisioned. Due to the shortfalls in design, the intended demand-driven approach became supply-driven (box 2).

Box 2

**PRIME was far from being demand-driven by the needs of farmers and other value chain actors, as planned at design**

**Although PRIME was conceived as a demand-driven project, it ended up with a supply-driven approach due to its design weaknesses and failure to correct these during implementation.** PRIME envisaged a strategy based on a market-led approach driven by farmers and enterprises in competitive horticulture and livestock commodities, underscored by capacity development in their production, marketing and financial management. The project would fill credit gaps and offer improved access for targeted commodity investments and beneficiaries, supporting linkages between farmers and buyers. Yet the reality of several design weaknesses, especially the project’s application of lines of credit without the necessary conditionalities, generated a mostly supply-led credit provision by established organizations; this provision was largely unrelated to the planned demand side. PRIME also did not have a coherent value chain, market and capacity development vision and strategy, or the assessments of market opportunities that could have led to more demand-driven operations. **The role of private sector actors in the project, SMEs and other non-government players, and strategies to increase their interactions with smallholder farmers, other target groups and their organizations at village level, were never well defined.**

Source: PPE key informants and documents review.

## **Effectiveness of targeting and outreach**

### ***(i) Targeting***

53. **Many PRIME project activities reached their intended target groups directly, though far from all; this was mainly through geographic targeting, self-targeting and purposive, direct-targeting mechanisms.** The project's geographic focus on governorates with high poverty rates helped in reaching poorer parts of rural Egypt, mainly in Upper Egypt, where most farms are small. On the other side, many project funds clearly went to loans for better-off farmers, especially in Lower Egypt, particularly those by ADP (see earlier in this chapter). Little to nothing is known as to what extent project activities in Lower Egypt – where farms tend to be larger and wealthier – had secondary linkage effects on smaller farmers, the landless and unemployed youth. The planned selection of PRIME target villages according to high poverty incidence and production potential for selected commodities was not applied. The project worked mainly in villages that already had a significant production of targeted commodities, especially horticulture.
54. MSMEDA loan products were generically suitable and relevant to the target groups of smallholder farmers and SMEs, short-term and quick to obtain. Maximum loan amounts kept better-off customers out. For ADP there was no, or very little, apparent direct targeting considering the size of the loans (reference to section (ii) of this chapter on rural finance effectiveness). For marketing support, FMAs (cooperatives, CDAs and NGOs) were mostly selected according to their activity levels, organization and size, without predefined criteria. Nevertheless, most FMA members consisted primarily of small farmers and beneficiaries with small businesses, with women being specifically targeted and included. Some self-targeting was evident in training and capacity development. The equity effect of the selection of the most capable FMAs for marketing support in the project's last phase on equity is not known. Reaching the most vulnerable, such as farmers with less than 1 feddan, destitute landless and widows, was not systematically pursued, except through indirect effects on landless labourers and some of the MSMEDA microloans. SMEs were an important target group, but in the end little is known about their effectiveness in supporting agriculture and reaching the ultimate target groups (box 3).
55. Certain problems in targeting effectiveness are related to the absence of a refined and explicit PRIME strategy for operationalizing the targeting goals of different groups of beneficiaries and the poor, including SMEs. The absence of such strategies in Egypt was also pointed out by the 2016 Egypt CSPE, which also called for appropriate monitoring of disaggregated data of these beneficiaries (CSPE recommendation 1).



**The contribution of targeting and support to SMEs, in terms of value chain development, lacked clarity**

**Many SMEs received credit through PRIME, but their support for farming and indirect effects remained unclear.** Such SMEs included large agriculture production and marketing/processing companies through ADP, smaller enterprises through MSMEDA NBE small-scale credit and village commerce, and informal businesses through MSMEDA microcredit. However, it remains unclear to what extent the different targeted enterprises were reached, such as input suppliers, agribusiness companies, contract farms and village businesses serving agriculture. The capacity of the project to implement SME support and monitor performance was weak. The 2016 Egypt CSPE already pointed to the need for IFAD projects in Egypt to seek strategic partners for SME loans, due to insufficient experience in implementing agencies (CSPE recommendation 2).

**SMEs cannot be clearly identified in the loan database, nor was there any reported follow-up on their loan activities.** The credit database includes the purpose of the loan (such as inputs, marketing, livestock, commercial and informal business); however, it does not indicate whether the loan is for a farm or an SME, or whether it is indeed for farming or other village businesses – as in the case of many microloans for commercial and informal businesses. There was no M&E of beneficiaries' utilization of credit in the rural finance component. These enterprises were very likely to generate incomes and employment, albeit not necessarily for the intended beneficiaries identified by the project.

The IAS conducted 49 qualitative sample interviews of MSMEDA-supported enterprises and ADP loan beneficiaries, but did not present findings from these interviews in the report.

*Source:* PPE key informant interviews and documents review

56. **The project contributed to more opportunities for rural women, but women's capturing of benefits was more apparent in rural finance than in marketing support.** Women's participation and benefits were strongest in rural finance, especially through MSMEDA's small and microcredit, where 39 and 43 per cent of loans respectively were taken out by women. Women's share was much lower in ADP at 6 per cent, as no gender thresholds were applied. Women's loan shares in MSMEDA were at least partly driven by the selection criteria, to the extent that they targeted women and limited men's applications. There were indications that most microcredit benefited those women already receiving such loans, since the project did not provide improved loan terms or conditions for women. Marketing support performed well in the number of women reached. FMAs included 22 per cent female members, with a slightly higher proportion of women among those being trained (between 25-30 per cent), and many women were reported in leadership positions (PCR). The project also created 17 women's marketing associations and 58 women's committees within FMAs. However, women's share of benefits remained largely unmeasured due to the broader challenges with outcome and impact measurements in the project. Women's participation appeared to be more driven by government guidelines for such bodies than by effective access with benefits. Government guidelines required that women constitute 30 per cent of FMA/CDA members and of Board members (PCU, para. 95).
57. **The reduction of microloans in total lending during implementation caused fewer target groups to be directly reached than planned.** Changes became necessary as ADP and MSMEDA management and absorption capacities for microloans were limited. The PDR had envisaged US\$42 million for microloans and US\$14 million of loans for small- and medium-scale businesses each (a total of US\$70 million), equally partitioned between ADP and MSMEDA.<sup>49</sup> However, before lending started, the amount allocated to microloans was reduced from US\$42 million to US\$14 million, and it was to be solely handled by MSMEDA and its affiliated

<sup>49</sup> At design PRIME credit amounts were supposed to reach from a US\$1,500 for microfinance, US\$14,000 for small loans to US\$95,000 medium loans.

PFI/MFIs. ADP remained in charge of medium and small-scale loans only, mostly for larger farmers and enterprises. At the same time, MSMEDA shifted some of its lending to small-scale loans to agriculture. This reduction in the share of microloans certainly affected PRIME target groups of women, small farmers and small enterprises that were the main beneficiaries of microloans, often self-targeting. With the reduction of microloans, they obtained a significantly smaller share of all credit than planned.

**(ii) Outreach**

58. **According to the PCR, PRIME succeeded in reaching out to 34,967 households, representing 70 per cent of those targeted at design (50,000).** A total of 35,611 persons were trained in income generation, marketing and business management, horticulture, and livestock husbandry, among them 29.5 per cent females (thus close to achieving the required 30 per cent gender quorum). The training numbers by far exceeded design plans, by a factor of two to four for different training types, but they may also include some double counting. The supported 178 FMAs had a total of 134,780, of whom 21.6 per cent were females.<sup>50, 51</sup>
59. The rural finance component allowed 26,864 persons to access financial services, which was considerably lower than the original end-target of 47,030 (57 per cent). Original estimates were based on a much larger share of microcredit and on revolving funds for continued dedicated project loan purposes. Of those served with loans, 41 per cent were women and 46 per cent were young people under 35 years of age (PCR, para. 60). The number of FIs participating in PRIME was 31, compared with an end target of 10. The reason for this difference is that the PDR had not counted village-based MFIs as FIs.
60. Some of these reported outreach numbers do not match up well. It is not clear whether the reached households include both marketing and rural finance beneficiary households, given the reported numbers of persons trained, receiving credit and being part of FMAs, and the largely disconnected way the components worked.

**Innovation**

61. **The project missed its main planned innovation:** the shift towards a demand-driven horticulture marketing paradigm for target groups, supported with innovative loan products for farmers and enterprises. The most important innovation PRIME aimed at was developing relevant and accessible financial products, especially production and marketing finance for horticulture, and the relevant capacities of loan clients to efficiently manage these (farmers, FMAs and rural enterprises). Linking such products with improved contract farming in horticulture, more market-led livestock production, and new integrated value chain partnerships were other innovations. All these unfortunately were not, or not sufficiently, implemented.
62. A seasonal loan facility, tested as an innovation for Egypt in Sohag Governorate, was seen by all sides as promising but apparently not scaled up by MSMEDA.<sup>52</sup> In contrast, MSMEDA for the first time used NBE to channel small-scale loans to its target groups, and more efficiently than through its own network of PFIs/MFIs.
63. **Several innovative ways of communication were introduced by PRIME.** Knowledge sharing with other farmers, agricultural technical experts and market partners was encouraged through WhatsApp groups and other social media, especially during the pandemic. Some produce-marketing platforms were tested, but at a late stage in the project and without much success. The MoALR also started using new distribution channels, including a website and YouTube, for 51 short videos

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<sup>50</sup> The PCR also refers to a second and different outreach number of “59,186 members of rural producers’ organizations were supported through PRIME” (end target 8,400) of whom 33.9 per cent were females. (PCR para. 59, and appendix 1, output indicators 2.1.3 and 2.1.4).

<sup>51</sup> The planned number of FMAs to be supported was 200, this means an 89 per cent achievement of the target.

<sup>52</sup> MTR 2017.

of PRIME success stories, 20 booklets and posters for different crops, including one for organic farming, and 10 gender-related posters. Usage rates were not documented.

64. **Summary – effectiveness.** The project reached some output and outcome targets in marketing support and rural finance, although it missed several outreach targets. Although relatively successful on the production side, the project failed to develop sufficient capacities and market linkages for FMAs and farmers to significantly increase their opportunities and profitability through more market-oriented production of targeted commodities. Planned synergies between the components did not develop, and targeted horticulture farmers remained without sufficient credit access. Some credit was effective for the poorer target groups and for women, but little is known about how supported SMEs and larger farms affected IFAD target-group production and profitability. Geographic and self-targeting worked to some extent, but fewer microfinance loans than planned limited self-targeted credit. On balance, overall effectiveness is rated **moderately satisfactory (4)**.
65. **Summary – innovation.** Few innovations were triggered by the project, mainly on the communications side. Innovation is rated **moderately unsatisfactory (3)**.

### **Efficiency**

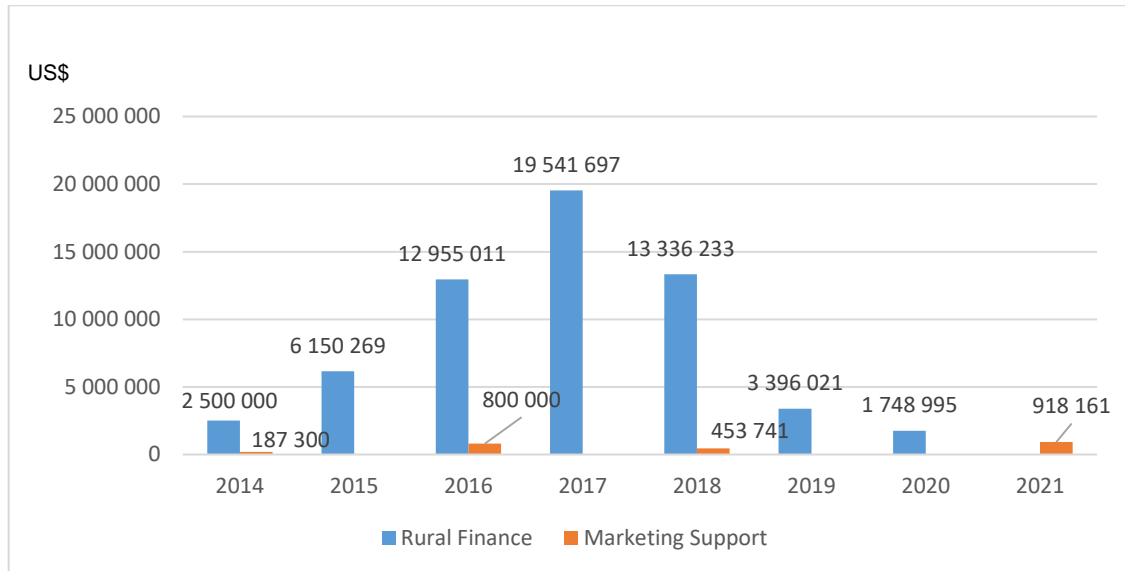
66. **PRIME started disbursing late, and disbursements were unequal across components, which delayed implementation of the project as planned.** The project was approved on 13 December 2011 and became effective on 10 April 2012, within a reasonable time. The Subsidiary Loan Agreement between the Ministry of International Cooperation and both ADP and MSMEDA was signed on 26 October 2013, with substantial delays caused by the aftermath of the Egypt revolution of 2011. The first disbursement by IFAD (i.e. withdrawal application) was on 20 November 2014, more than 2.5 years after effectiveness. Disbursements were rated highly unsatisfactory in 2014 and unsatisfactory in 2015; PRIME had turned into a problem project.<sup>53</sup>
67. By 2016, disbursements had improved for the rural finance component – after some adaptive programmatic, institutional and procedural changes in MSMEDA and ADP – and they peaked in 2017 (figure 3). Overall, the rural finance component was efficiently delivered, notwithstanding some smaller concerns about CDAs and intermediary costs (box 4). MSMEDA completed its withdrawals in July 2018, followed by ADP in March 2020. In contrast, the marketing support component was not only much lower in volume but also much slower in disbursements, and its largest annual withdrawal occurred only in 2021. In the project’s last two years, COVID-19 contributed to some inefficiencies in delivery, especially postponed trainings. But the project acted swiftly by maintaining activities and communication with beneficiaries, through electronic means and social media, wherever possible.
68. **Disbursement rates at completion were high, reaching 94 per cent of all planned project costs (in US dollars),** but with some differences across components: 97 per cent of rural finance was disbursed, versus 80 per cent of that of marketing support and 85 per cent of Programme Management and Coordination (table 1 and annex VII, table 1.A). Ninety-nine per cent of the IFAD loan and 100 per cent of the IFAD grant were disbursed in SDR. A total 100 per cent of all the IFAD grant was used, mainly for capacity development in marketing support. Out of the reallocated loan funds of US\$2.3 million (chapter III.A, Relevance), only US\$1.5 million (or 63 per cent) were in the end used for marketing support.

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<sup>53</sup> Operational Results Management System.

Figure 3

**PRIME disbursements 2014-2021 (IFAD fund transfers / Project withdrawal applications)**



Source: PCR PRIME project, para. 154

Box 4

**Credit delivery benefited from well-established financial institutions and systems**

**PRIME benefited from the existing finance infrastructure of functioning PFIs/MFIs, apex systems and known financial products.** The project built on existing experiences, tested systems and mature regulations for ADP and MSMEDA, and its pre-qualified financial service providers who were mostly well-established national banks. ADP could count on a network of experts on technical feasibility studies. The 22 CDAs selected for part of the microloans were also well capacitated and among the best CDAs in the targeted governorates. Loan portfolio performance in PFIs and MFIs was meeting acceptable standards and written policies, and procedures were being followed. Organizations were able to produce accurate and timely financial reports and analytics about the portfolio performance. ADP and MSMEDA were both able to improve their internal systems of loan approvals and partners during the time of the project, to mitigate some weaknesses and increase their efficiency in delivering credit. ADP made its approval processes more independent from the presence of the Minister of MoALR, and MSMEDA significantly expanded its small-credit lending through the banking sector (NBE). For MSMEDA, there had been early concerns at approval about the agency’s absorption capacities, as MSMEDA also obtained considerable funds in parallel with other international donors. ADP kept having difficulties in producing a requested due-diligence review, including information on its assets and liabilities; the part of lending resources that was not on-lent but invested in the financial markets; safeguards on the proper use of its entire financial resources; and audited financial statements. At the time of the MTR (October 2017), ADP had not yet provided such information.<sup>54</sup>

**Interest rates for PRIME loans to customers were the same as those for non-PRIME loans, in line with IFAD policy.** Nominal interest rates varied for different channels: they were relatively low for ADP loans (7.5–9.5 per cent per annum) and MSMEDA NBE small scale loans (9–10 per cent per annum), but considerably higher for MSMEDA microloans (around 28 per cent per annum). Effective interest rates that included all customer loan costs were unknown. Some supervision missions regarded MSMEDA microloans as relatively inefficiently disbursed and too costly (e.g. Supervision Report March 2021). To what extent interest rates considered operational costs and inflation –

<sup>54</sup> There is no supervision record of follow-up on the related MTR recommendation.

especially the one induced by the heavy devaluation of the Egyptian pound in 2016 – for differently sized loans was not assessed by PRIME.

**There was no information on the PRIME portfolio financial well-being at completion, which was a PRIME outcome indicator.** Neither ADP nor MSMEDA released data on the percentage of its loans with more than 30 days in default, and on PFI operational self-sufficiency of more than 100 per cent. There was some evidence of loan portfolio deterioration due to temporarily declining livestock prices in 2019 and, secondly, during the COVID-19 pandemic. For the latter, NBE reported 1.4 per cent of its total portfolio at risk of default (i.e. payments over 30 days due) as of 31 August 2021. A total of 196, out of 533 borrowers of PRIME ADP borrowers, used the opportunity of a 6-month repayment postponement granted by the Central Bank of Egypt due to COVID-19.<sup>55</sup> MSMEDA did not offer such a postponed repayment option to its microloan customers. The PPE team reviewed financial records for two MSMEDA CDAs and found their portfolio and financial records were fully acceptable.

**The use of a two-tiered system of ADP/MSMEDA and intermediary FIs increased both the loan disbursement time and the cost of fund management,** resulting in higher loan costs for end beneficiaries. Direct engagement of the project with sustainable private sector PFIs could have eliminated extra tiers of the disbursement process.

Source: PPE key informant interviews and document review

69. **Quality of project management was weak, with limited coordination between components. This affected efficiency of implementation.** It further deteriorated in 2018/19. The NPCU did not receive early training and support to manage the complex project. Management faced chronic staff shortages and lacked basic equipment, especially at GPCU level. Horizontal and vertical communication were inefficient, which contributed to poor coordination with ADP and MSMEDA.<sup>56</sup> The NPCU led by MoALR had some high-level representation by MSMEDA and ADP, but both entities did not establish dedicated PRIME units with technical staff for planning, managing and coordinating thematic activities. By 2019, administrative, accounting, M&E, gender and financial management had barely made any progress.<sup>57</sup> The main NPCU/MoALR responsibilities of marketing support and managing the capacity development suffered most. The first PRIME marketing advisor was only appointed in June 2017 (and dismissed in 2019), as there were few qualified marketing personnel at MoALR. In the absence of effective NPCU and GPCU management, the Farming Systems Research Unit was instrumental in providing guidance and advice on farming systems and certain high-value crops marketing, at low budget; but this had limited effects on core project objectives, as noted by the MTR.
70. **Long-overdue changes in project management and key staff came only in 2019 and brought some good results.** NPCU performance improved, with vacant positions being filled in M&E, marketing and gender. The project implementation plan was finalized, an exit strategy developed and vertical communication with GPCUs improved, with added capacity training for GPCU level managers and enhanced participation in annual work plans and budgets. Despite considerable NPCU improvements and a committed project coordinator, the NPCU team continued to be weak on guidance of marketing and capacity-development activities in the field, along with timely provision of necessary resources, including finance. The two marketing advisors had to cover too much ground and were not optimally resourced for their responsibilities. PRIME management structure and decision-making remained centralized, which affected services by GPCU and field needs, despite frequent NPCU field visits and regular use of up-to-date communications technologies during COVID-19 (WhatsApp groups, online meetings). Long-term and

<sup>55</sup> Supervision Report March 2021.

<sup>56</sup> Supervision Report November 2018.

<sup>57</sup> Supervision Report November 2019.

systemic problems with project and programme management, coordination and implementation of IFAD's Egypt portfolio were already identified by the 2016 Egypt CSPE. The evaluation concluded that there was an urgent need for a sufficiently resourced and capacitated programme coordination unit at central level, and the establishment of a structure for effective coordination and technical support for integrating complementary interventions.

71. **Costs for project management were low, at 5.2 per cent of total project costs.** They were close to what had been planned. However, these costs covered mostly the implementation of marketing support and capacity development through NPCU and GPCUs; only 5 per cent of management costs were spent on national project coordination. ADP and MSMEDA were responsible for their own management budgets, to the extent that they incurred extra costs. Management costs were largely in kind, and all were contributed by the Government of Egypt. If project management costs of US\$4.7 million were compared with the costs of marketing support – US\$4.3 million alone – the ratio would change considerably and be considered very high.
72. **Financial management by NPCU improved over time, while that by ADP and MSMEDA was satisfactory throughout.** The NPCU team managed only 5 per cent of all IFAD PRIME funding, with the remaining funds managed by ADP and MSMEDA. NPCU financial management improved from moderately unsatisfactory in 2018/2019 to satisfactory in 2021.<sup>58</sup> The NPCU financial management team was not well qualified but could rely on an experienced part-time financial supervisor for quality control (PCR). External audits by KPMG were mostly carried out on time, except in 2020 when they were late. ADP and MSMEDA had satisfactory financial management through experienced financial staff (PCR). For MSMEDA and ADP and its main agent bank, the Commercial International Bank, the flow of funds could be easily traced down to the beneficiaries. Commercial International Bank funds were internally and externally audited, but there was no such information for MSMEDA in the PCR.
73. **The project economic and financial analysis (EFA) at completion showed positive returns but a sharply lower economic net present value (NPV) than estimated at design.** PDR and PCR undertook appropriate and well-documented EFAs at design and completion. The PCR based its farm and enterprise models and estimates on the actual sectoral use of credit funds and the actual production effects of marketing support, correctly so. Most loans were for livestock enterprises with different-sized holdings and some processing enterprises; marketing support covered several regular crops and horticulture and yield effects (based on empirical IAS data). In contrast, the PDR used farm and enterprise models that were mostly based on enhanced horticultural production and prices, in line with the original project objectives. The PCR EFA arrived at a net present value of US\$18.3 million, with an economic internal rate of return of 16.6 per cent, whereas the PDR had estimated an NPV of US\$78.9 million.<sup>59</sup> This large difference between NPVs at design and completion suggests that the project may have foregone some considerable additional gains for farmers, by not implementing what was originally planned – especially for horticulture. It also indicates some unrealistic, exaggerated estimation of the NPV by the PDR.
74. **Project costs per beneficiary were relatively high at US\$2,622 per household and US\$1,468 per beneficiary.** The latter includes beneficiaries who obtained training and credit services, with some potential overlap between both groups. Still, these figures do not include indirect beneficiaries of credit-based investments or non-trained FMA members, which makes it difficult to judge these figures.

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<sup>58</sup> Various supervision reports.

<sup>59</sup> The PDR did not present the EIRR, only the NPV.

75. **Summary – efficiency.** Late project start-up and disbursements affected delivery, especially of the marketing support component. Project management efficiency of NPCU and GPCU was low, especially during the first five to six years of the project. After initial problems, ADP and MSMEDA improved their efficiency over time, and the rural credit component was relatively efficiently implemented – especially where it relied on PFIs and their standard credit processes. However, the use of a two-tiered credit delivery system also decreased overall efficiency. Economic and financial returns for PRIME were far lower than planned, due to changed implementation objectives and schedules. While some problems with efficiency were related to problematic political, economic and pandemic contexts of implementation, other factors were considered more pertinent, especially project management and governance arrangements and decisions. On balance, overall efficiency is rated **moderately unsatisfactory (3).**

### **Rural poverty impact**

#### **Household income and net assets**

76. **The project was designed to raise beneficiary incomes and net assets through two different impact pathways:** first, through higher direct incomes by smallholder farmers, landless labourers, women and youth, from better horticulture and livestock farming and market access; and secondly, through direct and indirect incomes and employment generated by village and value chain SMEs, and their support for better farmer market linkages and contracts. Both income pathways would result from better and integrated access by target groups and SMEs to market opportunities, training and financial services (PPE PRIME Theory of Change: annex V and figure A.1).
77. **The project had positive impacts on targeted household incomes and net assets; yet magnitude, pathways and distribution of impact among different target groups were difficult to determine.** The disconnect of credit and marketing-support activities in time and location resulted in two groups of beneficiaries – those who received loans without capacity building and marketing support; and those who benefited from marketing support but most of whom did not have access to PRIME finance. Beneficiary interviews by PPE and IAS, supervision reports and anecdotal stories confirmed positive income effects by the project. They were often the result of better agricultural productivity through project technical assistance and better practices, as well as some enhanced selling channels, such as by those FMAs that obtained sales contracts through the project. PRIME loans from rural finance contributed to higher incomes, especially through livestock loans, small businesses and employment. According to the rural finance logframe outcome indicator, PRIME generated 27,000 jobs, among them 41 per cent for women and 46 per cent for people under 35 years (PCR, para. 60). However, these numbers simply referred to the number of loans taken out, rather than generated employment.
78. **The statistical, quantitative analysis by the impact assessment study confirmed improved incomes and market participation as a result of project participation** (PCR, para. 63–66 and appendix 10). According to this analysis, PRIME succeeded in achieving a 30 per cent increase in gross monthly per-capita income. Self-employment and livestock played a major role. The IAS also found a tripling of monthly incomes for self-employed beneficiaries, perhaps as a result of capital infusions through microloans, and largely through those self-employed in agriculture.<sup>60</sup> Beneficiaries had more access to loans (36 per cent higher application rate) and bank accounts (plus 5 per cent), and accrued more savings. The project increased the likelihood of beneficiaries' participating in the livestock market by 12 per cent, their milk production by 15 per cent, and their sale of live and slaughtered animals by 77 per cent. Project beneficiaries also had more diverse income sources

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<sup>60</sup> It is not clear whether self-employed includes livestock.

(52 per cent), apparently driven by marketing activities. Finally, project beneficiaries managed to increase their overall asset index by 4 per cent, and that of livestock by 11 per cent. Their purchase of water pumps was up by 17 per cent. The IAS analysis did not investigate any target-group-specific income effects, nor did it analyse any SME indirect employment and income effects, or those of small- and medium-scale credit.

79. There are, however, some caveats in interpreting and extrapolating the IAS results to the whole project, and in attributing them to project interventions. Apart from substantial structural differences in livelihood strategies between control and treatment groups in this cross-sectional study, the PPE team is concerned about self-selection biases through project management decisions in credit delivery and market support; the quality and completeness of income data (based among others on discussions with the data collection team and study limitations mentioned in the IAS draft report of May 2022, p. 23); and the diversity of PRIME interventions in terms of their scale, target groups and timing. Only those credit beneficiaries who received microcredit were included in the IAS quantitative analysis. The question of additionality of project interventions is not addressed, nor the time lag of credit received and impact assessed. This is a major issue raised in the IAS draft report, and also found by the PPE. Finally, gross income appears to be a problematic proxy for income gains in a credit project with significant production costs and loan repayments.

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

80. **The project invested in individuals' empowerment and grassroots organizations in modest ways and rather late in the project cycle.** This happened mainly through training in agriculture and income generation, with added value for beneficiaries – especially for their horticultural know-how (cross-reference to Communities and capacities development chapter) – and, secondly, by organizing beneficiaries into different types of village-level grass-roots organizations, such as FMAs, marketing committees, various women's associations and farmer groups. For the latter, 812 farmers were helped in four governorates, collectively cultivating a total area of 2,915 feddans which especially helped with improving farmers' quality of produce in horticultural production (2020/21 progress report).
81. **Although the quality of established and supported grass-roots organizations at the end of the project was not always high, the project contributed to some extent to new structures and institutions.** These drew attention to the marketing aspects of agricultural production. PRIME helped to establish boards with formally qualified individuals for these organizations, and to improve certain organizational and negotiation skills. Through its appreciation of women and youth representation, and engagement in organizations and processes, the project strengthened the potential voices of these target groups. In reaching out socially, the project also initiated some community schools and savings funds, but their sustainability after project closure was questionable (PCR, para. 73).

#### **Food security and nutrition**

82. **The project was found to have a significant positive effect on nutrition diversity but less so on the broader indicator of food security, which includes nutrition diversity.** One of the project's original goals was to contribute to improved food security and nutrition in Egypt, at national level and for poor households in targeted areas. The observed increases in the project of agricultural production capacity and diversification, lower post-harvest losses and overall income gains had a positive effect on nutrition diversity. Household dietary diversity scores of the last 7 days and the last 24 hours were positive and highly significant (PCR, IAS note). PRIME and the National Council for Women organized seminars on good nutrition, improved hygiene and micronutrients preservation. Although reduced infant malnutrition was part of the original PDR PRIME project, there were no specific activities to address children's malnutrition.



83. However, the project did not reduce the relatively small percentage of households that were still food-insecure (7 per cent according to the IAS). It also did not have any effect on households' ability to recover from shocks that could threaten food security (IAS, PCR, IAS). This was despite the fact that the IAS and the PCR reported higher livestock production and income for participating PRIME households. There were also indications of higher production of more than 50 horticultural crops, mainly due to new techniques that enabled farmers to cultivate their lands more productively. According to the PCR, post-harvest losses were also reportedly reduced from 45 per cent to 11 per cent (surpassing the target of 22 per cent).<sup>61</sup>

### **Institutions and policies**

84. **Institutional impact.** The project had some moderately satisfactory effects on the institutional capacities of its seven GPCUs, which were well integrated into the MoALR organizational structures. These consisted primarily of learning effects – from redirecting their attention to market opportunities and horticulture crops – and their strengthened gender awareness and understanding. To some extent this was also the case in the NPCU. In contrast, such impact or learning effects were completely absent from the implementing and financial institutions that worked on rural finance, as they did not change their operational modalities or approaches to value chain financing as foreseen in the design. The project was also less successful in institutionalizing effective marketing boards at governorate level, with capacities to deliver on their mandates (PCR). These boards included few private sector partners and had little continuity and impact.
85. **Policy dialogue.** Towards its completion, PRIME organized a policy dialogue workshop drawing on PRIME lessons. Attended by different concerned ministries and stakeholders, the conference aimed – among other things – to enhance by-laws for agricultural extension to be passed by the Agriculture Committee in the House of Representatives. It also discussed more effective partnerships between smallholder farmers and the private sector. Ambitious plans for PRIME to affect MSMEDA's policies, financial products and engagement with NGOs and CDAs, and microfinance practices of other international donors, such as the World Bank and African Development Bank, did not materialize (Supervision Report, 2019). There were only few policy results, if any, with lasting impact.
86. **Summary.** The findings about impact on household income and net assets are not conclusive, as there is no sufficient and reliable data available. Anecdotal evidence and better production capacities suggest some higher incomes as well as positive nutrition effects. There were significantly fewer lasting investments in human and social capital development than planned, especially in financial management and marketing, as training capacities were weak and beneficiaries' capacities were not assessed in advance. Institutional and policy impacts were low, especially in rural finance, including policy outreach and systems influence. On balance, and in view of the positive rural income effects, the impact is rated **moderately satisfactory (4)**.

### **Sustainability of benefits**

#### ***(i) Technical and institutional sustainability***

87. **The continuation of project benefits beyond completion was partly ensured, through new market linkages for some FMAs, higher agricultural production capacities, and certain sustained rural services that were pioneered or expanded by PRIME.** Some sustainability would be expected in terms of continuously higher farmer profitability. The project did generate some new FMA/farmer-market linkages with buyers, through supply contracts. These buyers built long-term relationships that are expected to be continued, more often on a personal (farmer) than institutional (FMA) basis. Some higher agricultural production

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<sup>61</sup> PCR para. 58.

capacities were also likely to continue, for horticulture and livestock, which would contribute to higher profitability and financial sustainability.

88. The project developed an exit strategy well before closure, but did not obtain political backing through the Government of Egypt's commitments for continued incremental funding, or develop concrete plans and operational manuals for extending its work and institutional structures such as the GPCUs. A request by MoALR to include selected PRIME activities for marketing support under the State Budget was not approved (PCR). Project assets were successfully transferred into a separate Asset Management Unit under MoALR, which allowed some continuation of work with FMAs. Nevertheless, a report on PRIME project sustainability, in November 2022, pointed to the continuity of new communication technologies and social media in rural extension, implementation of contract farming, marketing outlets, and women empowerment activities, in a majority of PRIME governorates. Technical capacity of grassroots institutions, especially the critical marketing capacities of farmer and community-based institutions, FMAs and marketing committees, remained low as discussed elsewhere (chapter III.A and chapter III.B, Effectiveness). The sustainability of most of these organizations, and that of the governorate marketing councils, was questionable at project completion without continued support. For a few FMAs, such support was expected through other projects, such as the Agriculture Innovation Project funded by Gesellschaft für Internationale Zusammenarbeit [Organization for International Cooperation] (GIZ), which agreed to work with 20 PRIME FMAs in selected governorates. As far as ADP and MSMEDA are concerned, they are expected to continue lending as part of their regular operations, including funds obtained through PRIME. Still, their use for the designated PRIME purposes and target groups is uncertain. Loan agreements did not have provisions on establishing or using revolving funds, and, if established, whether to use them as credit and for PRIME project target groups and value chains.

***(ii) Environment and natural resource management and climate change adaptation***

89. The project did not implement any activities in environmentally sensitive areas or with significant irreversible or cumulative environmental impacts. **PRIME promoted more efficient and environmentally sound production practices in horticulture, which had a positive environmental impact and demonstration effect.** These were in line with the GLOBAL G.A.P. standards for horticulture. Through better crop rotations and drip irrigation, the project achieved higher water efficiency and water-resource protection. It also worked towards less fungicide, insecticide and chemical fertilizer use, to comply with export coding requirements. Soil analyses were carried out on demonstration sites and areas under contract farming, to detect soil-nutrient deficiencies and nematodes. Most participating financial institutions in the project's rural finance component committed to comply with international standards for environmental protection, and ADP loan officers were trained to assess investments' impacts on the environment.
90. As the project was designed prior to 2014, a social, environmental and climate assessment procedures note was not part of the design, and climate change resilience was not an explicit PRIME objective. Yet, **the project contributed in a few ways to better adaptation and resilience of its beneficiaries to climate change.** Among others, PRIME introduced new heat-tolerant hybrid crop and horticulture varieties, and encouraged farmers to time their production in line with expected heat periods. For livestock, farmers' attention was drawn to protecting cattle and small ruminants from heat stress. Diversification in income sources through the project's rural finance component may also have contributed to better beneficiary adaptation capacities and more resilience, since it tends to reduce reliance on climate-sensitive agriculture. There was, however, no available evidence for this in the project M&E or the IAS. Despite the accomplishments, there was scope for better integration of climate-smart practices in the project, given the emerging

importance of this issue since 2011. This was also observed by the 2016 Egypt CSPE for other projects in the country.

**(iii) Scaling up**

91. The PCR saw potential for scaling up the concept of FMAs, such as through the earlier mentioned GIZ agricultural innovation project, and of replicating the marketing outlets that, however, already faced sustainability problems. It noted the limitations of scaling up PRIME rural finance for target groups, due to the missing agreements on revolving funds. For the PPE, the question of scaling up PRIME was not very relevant at project completion, since **the project failed to sufficiently demonstrate the innovativeness and effectiveness of its supported instruments and institutions**. PRIME generated some farmer-market linkages to buyers through contract facilitation, utilized innovative communication tools and created new institutions and partnerships. Still, the project did not show that these activities indeed led to better organized and sustainable FMAs and marketing committees for scaling up. The finance activities supported under PRIME did not affect the lending, products and capacities of these institutions. Target group beneficiaries continued to have low access to finance.
92. In many ways, the project's principal achievement was to scale up well-established activities such as horticultural production technologies, and some market mechanisms introduced by earlier projects (such as the FMA concept), and the scaling of credit in rural finance, without adding much innovative content. Many instruments applied by PRIME require further testing, revisions and fine-tuning before they can be scaled up. The environment for further developing PRIME project approaches and mechanisms is good. IFAD and the Government of Egypt are about to start a new project with similar objectives as PRIME – the Sustainable Transformation for Agricultural Resilience in Upper Egypt programme. This programme also aims to develop rural institutions, capacity development and access to finance; it has already applied lessons learned from PRIME experiences. The Government also adopted several policy reforms, unrelated to PRIME, which enable FMAs and cooperatives to enter into direct agreements with the private sector.
93. **Summary – scaling up.** There is not much evidence of scaling up PRIME project interventions, except for enhanced new communication technologies. PRIME did not add much innovative content that showed results to be scaled up. There is, however, continuity of services that were already scaled up under PRIME. This is the case for both agriculture (including production and marketing support) and rural finance (and its regular lending activities). On balance, the PPE evaluation assesses scaling up as **moderately unsatisfactory (3)**.
94. On balance, the evaluation rates overall sustainability of benefits as **moderately satisfactory (4)**. Environment and natural resources management and climate change adaptation are rated as **moderately satisfactory (4)**.

**Gender equality and women's empowerment**

95. **The project did not conduct any gender or social inclusion analysis. A gender-targeting strategy and action plan were only developed in 2020** following the appointment of a gender focal person in 2019, in response to the programme failing to meet its gender targets. The five-page gender-targeting strategy and action plan included various assessments and proposed activities, simply reflecting what could be done and achieved within the remaining period of the project. Several of these activities were conducted as planned and helped with gender-disaggregated reporting; but the action plan did not follow a well-thought-through strategy to enhance gender equality, empowerment and inclusion.
96. **There were no deliberate efforts to target women through innovative, gender-relevant approaches in value chains and rural finance.** Women were formally involved in many activities of the marketing support component, including FMAs and capacity development, and most quantitative targets of female

participation were reached. Out of the 59,186 people targeted by the project, 35,000 were male and 24,186 were female (41 per cent), well above the 30 per cent female participation targeted by the project (IFAD, PRIME PCR, 2022). However, women were not specifically targeted for being part of market contracts, and the position and role of women within specific value chains and value chain nodes did not figure prominently in their analysis.<sup>62</sup> When women benefited, it was often more coincidental, since they were for instance the heads of female-headed households. Some women reported that awareness raising and presence in governance bodies made them feel seen and heard; yet there was no evidence of changed behaviour, power relations or household decision making.

97. Although women were directly targeted in rural finance, most prominently through MSMEDA micro and small-scale loans (see effectiveness of targeting and outreach section), credit literacy among women remained low, as training on this subject was rudimentary. There was also no innovation in designing financial products and systematic access support that would have attracted more women, such as less documentation/ID, and no physical visits or facilitation of savings. Women kept taking loans for their husbands and other male family members when applying for credit, particularly where they were targeted with such loans. Although this was a common practice in Egypt in the past, and frequently reported by PFIs/MFIs, women have become more cautious since the problem of indebted women surfaced through the media in Egypt in recent years.
98. **Interventions targeting women and thematic priorities reaffirmed women's traditional roles instead of contributing to changes in power relations.** Such activities included awareness raising about food nutrition and hygiene, female genital mutilation, gender-based violence, positive parenting and setting up or increasing the productivity of existing home-based enterprises. Most of these activities were carried out in collaboration with the NCW, and included the project's seven gender officers in the governorates. PRIME project contributions on IFAD's gender objectives were minimal given the late start of the MoU with NCW. If the MoU with the NCW had been established earlier, the project could have made more of an impact; this would have been in line with IFAD's gender objectives of increasing the voice of women in rural associations, economically empowering women and decreasing workloads at household level.
99. **Summary – gender equality and women's empowerment:** The project's attention to gender equality and women's empowerment came late, through the development of a gender action plan, deploying specialized gender staff and collaborating with NCW. However, it did not sufficiently consider changing the gender dynamics in the absence of a comprehensive gender strategy. Although women participated in many project activities and economic benefits, women were neither specifically targeted with innovative products nor did they benefit from a thorough analysis of gender roles in value chains. The impact of increased women's access to credit and work opportunities on women's overall workload was never assessed. The project also did not address root causes, power relations or sociocultural norms that drive gender inequality. This was due to the lack of a specific strategy for women's empowerment and the absence of technical gender capacities during much of project implementation. On balance, gender and women's empowerment is rated as **moderately unsatisfactory (3)**.

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<sup>62</sup> Observations during the PPE field mission.

### Key points

- The project was aligned with policies and relevant for target groups, but had weaknesses in budgeting, coordination, implementation arrangements and capacity assessments, which resulted in incoherent implementation and outcomes.
- All PRIME funds for credit were disbursed, mainly for livestock and SME businesses, but with limited success due to weak implementation arrangements and modest results in rural finance.
- PRIME project's targeting methods (geographic and self-targeting) had some success, with microcredit proving effective for poorer groups and women. However, fewer funds went towards microloans than intended, and the effects of loans for larger farmers and SMEs on IFAD target groups are unclear.
- Project-management efficiency was initially low but improved over time. Disbursements for rural finance improved, while marketing support disbursements remained slow. The project had positive financial returns, but lower than expected due to changes in strategies and schedules.
- The project improved household incomes and reduced poverty, mainly through livestock and business loans, and increased smallholder production in horticulture and livestock. Dietary diversity and household nutrition improved, but there were limited lasting effects on human and social capital and rural finance delivery for target groups.
- Project attention to gender equality and women's empowerment, however, came late in the project and insufficiently addressed root causes, gender dynamics and sociocultural norms that drive gender inequality.
- Project activities in rural finance and marketing support are likely to be carried on beyond completion, due to continued institutional beneficiary support through PFIs, MFIs and the Ministry of Agriculture and Land Reclamation.

## B. Performance of partners

### IFAD

100. **Project design.** IFAD did not effectively address the project's apparent design problems early on, failing to show commitment to maintain PRIME's original development objectives. IFAD did not support the Government to develop a realistic, integrated strategy and implementation plan for maintaining the project's farmer market demand-driven, credit-supported approach, apart from reallocating some funds for capacity development in 2016 from the rural finance credit facility. Early mission interest focused on implementation rates and disbursements of the credit facility. There was no evidence that IFAD followed up on the subsidiary agreements by MoIC with ADP and MSMEDA, which were not well aligned with the project's approach laid out in the PDR and contributed to its disconnected implementation. It was not clear whether IFAD was even informed about them. Some later attempts by IFAD to remedy the lack of integration came either too late or were not well followed up (such as a proposal for rural finance in the MTR, see above under Effectiveness).
101. IFAD's Quality Enhancement and Quality Assurance pre-approval reviews already brought many of the later problems to Management attention, with some being covered through recommendations for post-approval implementation and others being more vaguely addressed prior to approval.
102. **Supervision.** IFAD's supervision and implementation support for PRIME started weakly but improved over the years. Two IFAD missions in 2015/2016 changed PRIME's early classification as a problem project. PRIME was regularly supervised by IFAD, with at least one supervision per year (or MTR in 2017) with multidisciplinary teams. Supervision reports and MTR were of good quality and were candid about

implementation problems, with recommendations that were to a large extent followed up, at least in the later parts of the project.<sup>63</sup>

103. **Country presence.** IFAD's performance during the early project stage was affected by the absence of a country director and CPO in Cairo and the management of the project by the regional economist from Rome during 2016–2018, at a time of deteriorating quality of PRIME project management (rated moderately unsatisfactory in 2018 and 2019). A new IFAD country director and CPO in 2018/19 coincided with a new NPCU manager and led to new momentum, additional implementation support missions throughout 2019/2021, and a project improvement plan in February 2020. This relatively late intensive support was unable to do much for better integrating the project components (as rural finance had largely been completed) or significantly change its strategic guidance for marketing and capacity development. But the support significantly helped with the project's quality of financial management, its dealing with COVID-19, focusing and targeting remaining activities and M&E. IFAD did not make any major efforts at upstream policy dialogue or collaboration with other development partners.
104. In sum, for a long time IFAD showed limited commitment to help the Government of Egypt address and mitigate significant project design weaknesses early on. IFAD's performance on supervision and implementation support improved considerably from 2019 and ended up with effective project support in its last two to three years. On balance, **IFAD's performance is considered moderately unsatisfactory (3).**

#### **Government performance**

105. **Loan covenants.** Weak initial government compliance with loan covenants, oversight and implementation arrangements considerably affected project start-up and overall effectiveness. Weak compliance included untimely flow of counterpart funds and annual work plan and budget submissions, and inadequate MIS/M&E reporting systems, with only slow improvements over the years.<sup>64</sup> Insufficient government cash contributions caused delays in operationalizing the NPCU and GPCUs. The separate subsidiary agreements of MoIC with ADP and MSMEDA, which included insufficient references to specific planned project arrangements and synergies for credit delivery, led to independent operations and only a small role of NPCU in their coordination and oversight. The commitment of the financing agreement and its annex for the NPCU, to prepare a (draft) project implementation manual to be submitted for approval to the lead agency, was only fulfilled in 2019 (financing agreement, schedule 1, para. 9).
106. **Project steering committee oversight.** All this led to significant governance, implementation and coordination problems in a complex, multipronged and multilayered project that required effective project management and oversight from the beginning, to bring the different implementing agencies together at national and governorate levels (chapter III.A Relevance, III.B Effectiveness and Efficiency; annex VII, figure A.1). Project management was weak until 2019 (chapter III.A Relevance). The project steering committee, headed by MoALR and including representatives of MoIC, the seven project governorates, ADP, MSMEDA and the private sector, was unable to prevent, mitigate or resolve the project's considerable start-up, management and coordination problems during critical periods of PRIME implementation.
107. **Government commitment and ownership.** Political and economic instability affected government performance after the 2011 revolution, and overall government commitment to the project and its strategic objectives was low. The 2011 events led to government austerity and budget cuts that minimized domestic contributions to

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<sup>63</sup> The percentage of uncompleted actions whether agreed, proposed or in progress was 12 per cent for project management and 31 per cent for financial management in October 2021 (Operational Results Management System).

<sup>64</sup> Supervision Report November 2015.

PRIME. In the end, the Government fulfilled 83 per cent of its counterpart obligations to a total of US\$7,551, as per the financial agreement. However, more than 90 per cent of this amount was in-kind. Although PRIME was well integrated into mainstream government services, of which ADP and MSMEDA were a part, project support by government entities beyond MoALR was low, including that of provincial governments (governorates). The Ministry of Planning did not respond favourably to several NPCU requests to include PRIME in regular budgets, including for post-completion continuation of services.<sup>65</sup> The Government was not strongly committed to the PRIME strategic objective of improved integration of marketing support and rural finance for the target groups.

108. **Participative design and government partnerships.** Several extended stakeholder meetings, including with potential beneficiaries, were held in Cairo and selected governorates during project design, to gain an in-depth understanding of constraints and potentials.<sup>66</sup> Weak outcomes from the design process were already mentioned above (Relevance chapter). The design team also consulted with international development partners involved in rural finance, agricultural value chains and SMEs, to ensure synergies and complementarities. Some partnership agreements were signed at governorate level, but their execution is uncertain.
109. Through PRIME, the Government entered into a number of public and private partnerships, including with the private sector. It started working with agricultural processing, marketing and exporting companies early on, to secure markets for FMAs. By the end of the project, PRIME had signed 11 protocols of cooperation with private sector entities and 52 protocols with different NGOs, other government agencies, donor projects etc. There is some anecdotal evidence on benefits from some of these partnerships, and sales contracts were already discussed earlier. Some partnerships were meant for post-completion and sustainability, such as the one with the GIZ agricultural innovation project. Benefits were only reported by PRIME for some of these partnerships, and for others they are still to emerge.
110. **Project M&E.** NPCU M&E and management and information systems, and staffing remained weak until early 2020, when improvements in systems and performance were noted.<sup>67</sup> Basic activity and output tracking and reporting worked relatively well throughout implementation. This resulted in detailed, annual PRIME progress reports, particularly on production, marketing and training, and loan distributions by size, sector and governorate. Outcome M&E was not covered well. Two outcome measurement surveys in 2019 and 2020 failed methodologically, as PRIME beneficiaries and activities were not clearly identified. The socio-economic characteristics of beneficiaries for both components were never tracked, which impeded poverty-outcome assessments and better project targeting of poor beneficiaries. Field validation and triangulation of data collected by GPCUs was limited. For much of the project, the NPCU played a very limited role for M&E of ADP and MSMEDA credit delivery – which was considered the responsibility of these implementing agencies. After 2019, the NPCU M&E also started analysing administrative loan statistics produced by ADP and MSMEDA. Overall, M&E had little to no impact on decision-making and resource allocation in the project.
111. **NPCU procurement** had numerous shortcomings that affected the implementation of the project on the ground, especially in 2019/2020. Procurement was often non-compliant with IFAD requirements, lacking sufficiently competitive procedures, good bidding documents, contract management and dedicated procurement staff. Procurement plans were frequently incorrect and delayed. Field implementation was

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<sup>65</sup> Supervision Report November 2019.

<sup>66</sup> PDR para. 64.

<sup>67</sup> Implementation Support Report April 2020.

affected by low procurement limits and lengthy procedures, such as for organizing training and other activities.<sup>68</sup> Improvements were observed after a procurement performance evaluation in September 2020, which was combined with technical assistance and capacity development for procurement. Procurement planning also became an integral part of the newly introduced project implementation manual.

112. **Summary – government performance.** Weak financial and NPCU staffing commitments affected government performance in the project, in its early years and far into implementation. Project steering committee oversight could not prevent major implementation problems, including insufficient subsidiary agreements with ADP and MSMEDA and a missing project implementation manual. Procurement and M&E remained weak until 2020, when some improvements were apparent. Stakeholder engagement at design could not prevent major finance gaps and misperceptions about institutional capacities. The project paid attention to partnerships, especially for implementation on the ground, but their results are not well documented. On balance, government performance is rated **moderately unsatisfactory (3)**.

#### Key points

- IFAD paid close attention to the project in its last three years. Until early 2019, IFAD commitment was low, with weak support to the Government in aligning the project more strongly with fundamental project objectives and for mitigating major design weaknesses. Low early commitment was partly related to weak IFAD country presence at the time.
- Government compliance with loan covenants, oversight and implementation arrangements was low for many years, but improved with the project's new management in 2019. The project steering committee was largely not able to address the significant start-up, implementation and coordination problems in a timely and adequate manner.
- At project completion, the Government had fulfilled 83 per cent of its counterpart funding obligations, more than 90 per cent of it in-kind. PRIME activities were well integrated into various mainstream government services, but they lacked interactions among them and commitment to integrated project objectives.
- PRIME signed 11 partnership protocols with private sector entities, and 52 agreements with NGOs, government partners and donors. However, results from most of them were not well documented, except for private sector sales contracts.
- The PRIME M&E function was weak until early 2020, when M&E was strengthened by the new project management. M&E covered basic activities and output reporting well, with extensive regular annual project reports. Project outcomes were poorly covered and so was the credit component. The socio-economic characteristics of beneficiaries of the various project interventions were not tracked, except for gender (and youth in rural finance).

### C. Assessment of the quality of the project completion report

113. **Scope:** The PCR was comprehensive and followed the IFAD PCR guidelines. The project was assessed against all relevant evaluation criteria of relevance, effectiveness, efficiency, sustainability and rural poverty impact. Other criteria were also reviewed and assessed, including gender equality and women's empowerment, innovation, scaling up, natural resource management and climate change adaptation, targeting, and access to markets. In addition, there was an assessment of the performance of the Government and IFAD. The scope of the PCR is rated **satisfactory (5)**.
114. **Quality:** This evaluation considers the PCR to be of good quality, notwithstanding some quantitative and qualitative gaps, limitations and inconsistencies due to weak

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<sup>68</sup> According to the NPCU Coordinator these limits and procedures were recommended by IFAD.



project M&E. These concern marketing and credit outcomes, outreach and, for different reasons, disbursements. Outreach numbers were reported by the PCR but not critically commented on. The PCR described and analysed results and constraints of the marketing support component well, especially those related to capacity development of FMAs and beneficiaries.

115. The PCR was relatively weak in its background and results analysis of the rural finance component, unsurprisingly in view of the many financial intermediaries involved and their limited information on PRIME project activities. The PCR included, however, several lessons on rural finance. While targeting outcomes were described, the utilization of a large part of funds in rural finance for non-target groups and potential effects of focusing marketing support on the most mature FMAs were not mentioned. The PCR tried to make the best out of an impact assessment study that was difficult to conduct, had critical data gaps and did not have ideal coverage. This was a worthwhile endeavour even if the PPE suggested caution about some impact findings from the IAS. On balance, PCR quality is rated **moderately satisfactory (4)**.
116. **Lessons:** The PCR provided good lessons (and recommendations) on several aspects of project implementation, which were in line with findings and conclusions of the evaluation mission. These included lessons on linkages between the project components, rural finance, gender equality and women's empowerment, staffing and knowledge management. A lesson on M&E would have been welcome, beyond the mentioned need for an M&E officer from the very start. The PPE rates this criterion as **satisfactory (5)**.
117. **Candour:** The PCR openly described evident project shortcomings, especially in marketing, capacity development and revolving funds, in a clear and candid manner. Overall, the evaluation gives a candour rating of **satisfactory (5)**.

## IV. Conclusions and recommendations

### A. Conclusions

118. **Significant project design and early delivery problems in the project were not adequately addressed in a timely manner, neither by IFAD nor by the Government.** The project delivered rural finance, livestock and horticulture marketing support in seven governorates, but the project never managed to overcome fundamental design and early implementation problems and delays. Weak subsidiary agreements contributed to the project being carried out as separately managed work streams: those of rural finance through ADP and MSMEDA, and of marketing support through MoALR (NPCU and GPCU), mostly as business-as-usual. The challenges that IFAD and government faced to steer funding, implementation capacities and intra-project cooperation effectively, created a missed opportunity to introduce an innovative and integrated finance, capacity development and marketing model, which could be easily scaled up in a second phase as originally planned.
119. Project management capacities and resources were not adequately mobilized, and early supervisions focused on rural finance, disbursements and administrative matters, and not marketing. The planned sequencing of components was turned on its top and prevented synergies. The salvaging of the project in 2019 came simply too late, as the rural finance component was already largely completed, certain strategic weaknesses in management continued, such as capacity development, and COVID-19 complicated implementation.
120. **Incoherent implementation led to lower-than-expected results, especially for the planned expanded horticulture production and marketing opportunities.** Improved credit access, additionality and planned marketing support by the rural finance component for the project's main target groups and commodities could in the end not be demonstrated. Revolving credit funds were not established as planned. Market support had limited success in developing well-capacitated, sustainable FMAs with clearly defined roles to achieve better marketing opportunities, linkages and prices for their members. Capacity development, especially for marketing, was never strategically approached and there were no capacity assessments and qualitative capacity results measurements.
121. **This complex and innovative project would have required a clearer implementation strategy, early clarification of roles and responsibilities among different implementing partners, and qualified technical personnel.** The absence of an early project implementation plan was indicative of weak project governance. A project implementation plan could have operationalized project design and given much-needed strategic direction and guidance early on for integrating and sequencing marketing and credit activities, for targeting and transformative gender approaches. Such a plan had been agreed in the financing agreement, for approval by IFAD, but was only presented in 2019.
122. **The project's revealed targeting and gender ambitions were low, apart from self-targeting and fulfilling quantitative gender quotas.** Few activities were directly oriented towards the different target groups. Many project resources ended up with better-off farmers, enterprises and already well-capacitated farmer associations. The way in which ultimate target groups of small farmers, youth, unemployed and women could benefit from such broader support, such as for enterprises/SMEs, was never well established, nor measured. Without an adequate gender strategy, women's benefits were limited to formal participation and access, without touching fundamental gender roles, power relationships and sociocultural norms.
123. **Despite its multiple shortcomings, the project achieved some positive results and impact, including for target groups, albeit considerably less so than planned.** These included improvements in access to microcredit for women,

finance for small livestock farmers, and better production techniques and marketing for some smallholder horticulture producers. All designated credit funds were disbursed to farmers, although not necessarily for the intended purposes and target groups. Without effective, and only rudimentary, M&E of intermediate results – such as utilization of credit, marketing outcomes and capacity development – project results often remained simply unknown, including much of the project’s impact on target groups.

124. IFAD and the Government were very much aware of limited and diverted project effects and other PRIME shortcomings. The 2016 Egypt CSPE had already made several recommendations on issues that this PPE identified as critical for PRIME project performance. This included better geographic focus, the need for refined targeting and capacity-development strategies, financial sector analysis, partnering for agricultural marketing and SME support, and revised national project and programme coordination and technical support structures. Lessons from the project and recommendations by the CSPE have already been applied in other IFAD projects in Egypt, especially the Sustainable Transformation for Agricultural Resilience in Upper Egypt programme that started implementation in 2022. This PPE draws attention to three recommendations.

## **B. Recommendations**

125. **Recommendation 1: Future projects with similar objectives of finance/credit-supported market development should ensure the right sequencing of capacity development, marketing support and finance components**, starting with the first two interventions. In addition, the use of lines of credit as the principal finance instrument should be reconsidered in view of alternative and complementary mechanisms, including loan insurance, guarantee schemes, and instruments for lowering transaction costs, to address the main constraints of rural finance in Egypt, which are credit risks and transaction costs.
126. **Recommendation 2: IFAD should support the expansion of national and subnational (governorate) technical capacities and strategic partnerships of the MoALR.** For market-oriented production and business orientation in future related projects, this includes, above all, its capacities to support well-governed and managed farmer and community associations as conduits for better market and credit access and, if necessary, its capacities to generate the right enabling regulatory and policy environment for such associations. Contract farming should extend beyond sales contracts and include other forms of support for farmers and relevant SMEs. In terms of project management, and in line with the IOE CSPE 2017 recommendation, this requires the establishment of a well-mandated, resourced project-management unit for IFAD-funded projects to effectively coordinate and provide technical and administrative guidance. This should go a long way to addressing the long-term and systemic problems with programme management, coordination and implementation of IFAD’s Egypt portfolio.
127. **Recommendation 3: IFAD and the Government need to address and adaptively manage evident design weaknesses and erroneous project assumptions, as early as they arise during implementation and consistently with project design objectives.**<sup>69</sup> Major agreements by the Government of Egypt with implementing agencies should be submitted for IFAD approval. IFAD should also insist on and support detailed project implementation plans in complex and innovative projects, early on, and improve oversight of their implementation. This requires agile M&E systems to be in place and resourced from start-up, to monitor early progress. M&E would have to better cover critical intermediate outcomes as

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<sup>69</sup> In the project, early actions were needed, but only partly taken, to ensure project coherence across components, realistic finance of sub-components and clear roles of institutional management and oversight.

they arise, with special attention to achieving the full range of gender and target-group objectives.

## Basic project data

Table A.1

			Approval (US\$ m)		Actual (US\$ m)	
Region	Near East, North Africa and Europe Division	Total project costs		108 220		91 146
Country	Egypt	IFAD loan and percentage of total	70 000	64.7%	60 806	66.7%
Loan number		IFAD Grant	1 000	0.9%	630	0.7%
Type of project (subsector)	Credit and financial services	Borrower	7 600	7.0%	6 260	6.9%
Financing type	Loan and grant	ADP	10 900	10.1%	150	0.2%
Lending terms*	concessional	MSMEDA	1 100	1.0%	100	0.1%
Date of approval	13/12/2011	Beneficiaries	17 700	16.4%	23 200	25.4%
Date of loan signature	10/04/2012			100%		100%
Date of effectiveness	10/04/2012	Number of beneficiaries (if appropriate, specify if direct or indirect)	134 780 (FMA members, with direct benefits)			
Loan amendments	n.a.					
Loan closure extensions	18 months (2 extensions)	Loan closing date	31/12/2021		30/06/2022	
IFAD country director/programme managers	Abdelhamid Abdouli (2005-2013) Abdelhaq Hanafi (2013-2017) Abdelkarim Sma Dina Saleh Mohamed Abdelgadir	Midterm review	23/11/2017			
Regional director(s)	Nadim Khouri (2008-2012) Khalida Bouzar (2018-2021) Dina Saleh (current)	IFAD loan disbursement at project completion (%)	87%			
Lead evaluator for project performance evaluation	Raymond Mubayiwa	Date of project completion report	29/08/2022			
Project performance evaluation quality control panel	Fabrizio Felloni Johanna Pennarz Mikal Khan Massiel Jimenez					

Source: PCR and IFAD Operational Results Management System.

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

Criteria	Definition *	Mandatory	To be rated
Relevance	<p>The extent to which (i) the objectives of a development intervention/strategy are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies; (ii) the design of the interventions/ strategy** and the targeting strategies adopted are consistent with the objectives; and (iii) the intervention/strategy has been (re-)adapted to address changes in the context.</p> <p>** Evaluations will analyse the strategy pursued, whether explicit (written) or implicit</p>	X	Yes
Effectiveness	<p>The extent to which the intervention achieved, or is expected to achieve, its objectives and results at the time of the evaluation, including any differential results across groups. A specific subdomain of effectiveness relates to:</p> <p><b>Innovation:</b> the extent to which interventions yielded a solution (practice, approach/method, process, product or rule) that is novel with respect to the specific context, timeframe and stakeholders (intended users of the solution), with the purpose of improving performance and/or addressing challenge(s) related to rural poverty reduction.</p>	X	Yes
		X	Yes
Efficiency	<p>The extent to which the intervention or strategy delivers, or is likely to deliver, results in an economic and timely manner.</p> <p>"Economic" is the conversion of inputs (e.g. funds, expertise, natural resources, time) into outputs, outcomes and impacts as cost-effectively as possible, compared to feasible alternatives in the context. "Timely" delivery is within the intended timeframe, or a timeframe reasonably adjusted to the demands of the evolving context. This may include assessing operational efficiency (how well the intervention was managed).</p>	X	Yes
Impact	<p>The extent to which an intervention has generated, or is expected to generate, significant positive or negative intended or unintended, higher-level effects.</p> <p>The criterion includes the following domains:</p> <ul style="list-style-type: none"> <li>• Changes in income assets and productive capacity</li> <li>• Changes in social/human capital</li> <li>• Changes in household food security and nutrition</li> <li>• Changes in institutions and policies</li> </ul>	X	Yes
Sustainability	<p>The extent to which the net benefits of the intervention or strategy continue and are scaled up (or are likely to continue and be scaled up) by government authorities, donor organizations, the private sector and other agencies.</p> <p>Note: This entails an examination of the financial, economic, social, environmental and institutional capacity of the systems needed to sustain net benefits over time. It involves analyses of resilience, risks and potential trade-offs.</p> <p>Specific domains of sustainability:</p>	X	Yes
	<p><b>Environment and natural resource management and climate change adaptation.</b> The extent to which the development interventions/strategy contribute to the enhancement of environmental sustainability and resilience to climate change in small-scale agriculture.</p>	X	Yes
	<p><b>Scaling up*</b> takes place when: (i) bi- and multilateral partners, the private sector and communities adopt and disseminate the solution tested by IFAD; (ii) other stakeholders invest resources to bring the solution at scale; and (iii) the Government applies a policy framework to generalize the solution tested by IFAD (from practice to policy).</p>	X	Yes

<i>Criteria</i>	<i>Definition *</i>	<i>Mandatory</i>	<i>To be rated</i>
*Note that scaling up does not relate to innovations only.			
Gender equality and women's empowerment	<p>The extent to which IFAD interventions have contributed to greater 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; workload balance and impact on women's income, nutrition and livelihoods; and in promoting sustainable, inclusive and far-reaching changes in the social norms, attitudes, behaviours and beliefs underpinning gender inequality.</p> <p>Evaluations will assess the extent to which interventions and strategies have been gender-transformational, relative to the context, by: (i) addressing root causes of gender inequality and discrimination; (ii) acting upon gender roles, norms and power relations; and (iii) promoting broader processes of social change (beyond the immediate intervention).</p> <p>Evaluators will consider differential impacts by gender and the way they interact with other forms of discrimination (such as age, race, ethnicity, social status and disability), also known as gender intersectionality.</p>	X	Yes
Partner performance			
• IFAD	The extent to which IFAD supported design, implementation and the achievement of results, a conducive policy environment and impact and the sustainability of the intervention.	X	Yes
• Government	<p>The extent to which the Government (including central and local authorities and executing agencies) supported design, implementation and the achievement of results, a conducive policy environment and impact and the sustainability of the intervention.</p> <p>The adequacy of the borrower's assumption of ownership and responsibility during all phases, including government and implementing agency, for ensuring quality preparation and implementation, compliance with covenants and agreements, support for a conducive policy environment, and for laying the foundation for sustainability and fostering participation by the project's stakeholders.</p>	X	Yes

\*These are the definitions, evaluation and ratings criteria from the 2022 IFAD Evaluation Manual Part I, table 1 and figure 11.

## Rating comparison<sup>a</sup>

<i>Criteria</i>	<i>Programme Management Department (PMD) rating</i>	<i>Project Performance Evaluation rating</i>	<i>Rating disconnect</i>
<b>Rural poverty impact</b>	4	4	0
<b>Project performance</b>			
Relevance	4	3	-1
Effectiveness	4	4	0
<i>Innovation</i>	3	3	0
Efficiency	4	3	-1
Sustainability of benefits	4	4	0
<b>Other performance criteria</b>			
Gender equality and women's empowerment	4	3	-1
Scaling up	4	3	-1
Environment and natural resource management & adaptation to climate change	4	4	0
<b>Overall project achievement</b>	<b>3.89</b>	<b>3.33</b>	<b>-0.56</b>
<b>Performance of partners</b>			
IFAD	4	3	-1
Government	3	3	0
<b>Average net disconnect<sup>b</sup></b>			<b>-0.55</b>

<sup>a</sup> Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory; n.p. = not provided; n.a. = not applicable.

<sup>b</sup> The algebraic sum of disconnect, divided by the number of criteria and sub criteria, excluding 'overall project achievement'; the disconnect is rounded at the first two decimals.

### Ratings of the project completion report quality

	<i>IOE rating</i>
Scope	5
Quality (methods, data, participatory process)	4
Lessons	5
Candour	5
<b>Overall rating of the Project Completion Report</b>	<b>4.75</b>

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



## Key issues for the PPE

The evaluation identified five key issues for consideration in this evaluation and related evaluation questions based on the initial analysis of documentation and interviews with the project manager and IFAD CPO. These issue-specific lines of inquiry and questions will complement the standard focal areas and adapted questions of the evaluation matrix (annex II). They are mapped against the main evaluation criteria of the evaluation matrix.

**Issue 1 – Value chains and market linkages.** Project documentation and data obtained during PPE preparation on established market contracts indicate, first, a low disbursement rate for marketing support for high-value horticulture and livestock production (24 per cent), total amounts far below those budgeted during design (US\$1.3 million actual versus US\$10 million planned, later revised to US\$5.4 million; and compared with US\$83 million actual costs of the finance component). Secondly, established market linkages through contracts show gaps in reaching many targeted FMAs on a continuous basis. This contrasts with the range of activities reported in latest project progress reports under this component. To what extent limited PRIME project funds – which were also spread across seven governorates – actually produced results and added value needs to be demonstrated for this component. Reasons should be identified for low disbursements and reduced fund allocations.

### Evaluation questions and lines of inquiry:

- (i) To what extent were sufficient linkages established between FMAs and other value chain actors? What were the benefits and challenges? (*effectiveness, income/assets, social and institutional impact*)
- (ii) How effectively was contract farming implemented? What role did marketing committees play in this? What were its overall benefits and challenges? (*effectiveness*)
- (iii) How much did access to market intelligence improve (on market channels and prices, e-marketing online platforms and market networking)? (*effectiveness, innovation, efficiency*)

**Issue 2 – Institutional set-up and delivery of the credit facility.** The complexity of delivery of credit, its many channels and multiplicity of intermediaries in the project (at least 35 instead of 10 initially planned), as well as problems in coherent reporting of use of credit funds and targeted beneficiaries deserve attention. The use of intermediaries increased the disbursement time and cost of financing for PFIs.<sup>1</sup> To what extent PRIME funds increased overall lending, delivery efficiency and enhanced access to finance by the project target groups is far from clear from the initial data obtained so far. There is limited reporting on the planned piloting of new loan products, institutional PFI capacity development, establishment and replenishment of revolving funds, and key credit indicators such as interest and repayment rates.

### Evaluation questions and lines of inquiry:

- (i) To what extent did the project increase available funds, capacities and incentives in PFIs to finance SME/farmer market-oriented agriculture and targeting? (*relevance [quality at entry], innovation, scaling up, effectiveness, institutional and policy impact*)
- (ii) Were the financial products offered by PFIs/CDAs relevant to the needs and economic activities of the target groups? Did loan conditions ensure financial inclusion, especially of women? (*relevance of targeting, effectiveness of targeting, innovation, gender*)

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<sup>1</sup> PRIME Supervision Report March 2021.

- (iii) Did PRIME finance channels and models promote innovative and replicable models, also compared with alternative ones utilized in rural Egypt? (*innovation, scaling up, institutional impact*)
- (iv) Did PFIs and CDAs efficiently deliver financial services to PRIME target groups and enhance their financial literacy? To what extent was there a participatory approach to develop targeted loan products? (*relevance, effectiveness of targeting, innovation, institutional impact, gender*)

### **Issue 3 – Role of community institutions and their capacity development.**

Organizing and capacitating community-based FMAs and CDAs was supposed to play an important role in PRIME implementation for marketing and finance access. However, project funds for capacity development were only made available midway through implementation, by reallocating funds from the rural finance component, and it is unclear how much was spent for this activity. Programme documents highlight continued weak capacities and implementation difficulties of supported institutions. This raises questions about their role in supporting targeted smallholder farmers and other PRIME beneficiaries, and facilitating their finance and market access as planned.

#### **Evaluation questions and lines of inquiry:**

- (i) How effectively has the project developed the capacities of farmers through community institutions, especially CDAs and FMAs? Has support been relevant for their needs? (*relevance, effectiveness, social capital and institutional impact, sustainability*)
- (ii) How well have farmers and community institutions contributed to market and finance access for their members? (*relevance, effectiveness, social capital and institutional impact*)
- (iii) To what extent have these community institutions been inclusive of PRIME target groups, particularly women, youth and marginalized farmers? (*relevance and effectiveness of targeting, gender*)

**Issue 4 – Synergies between the two components.** PRIME was supposed to take an integrated approach so that beneficiaries of marketing support (component 1) would also benefit from enhanced access to rural finance (component 2), and the other way around. However, the project documents speak of a clear disconnect between the two principal components, although the latest reports mention some modest improvements. The reasons and consequences of this disconnect, apparent lack of coherence, and adequate sequencing of components and activities in the project require attention by the PPE.

#### **Evaluation questions and lines of inquiry:**

- (i) What were the planned and actual interlinkages between the two components? How did implementing agencies link up at different levels (national, governorate, field) (*relevance [coherence], effectiveness*)
- (ii) To what extent has the PRIME credit component successfully supported market access in targeted value chains? What differences are observed where the two components were well aligned and coordinated through PRIME? (*effectiveness, income and assets impact, institutional impact*)
- (iii) To what extent were members of farmers associations and SMEs able to access appropriate/adapted financial products developed by financial partners? What were the success factors and obstacles? (*effectiveness*)

**Issue 5 – Targeting.** Project documentation indicates that the engagement of the lower socio-economic segments of society and most vulnerable groups, as planned at PRIME design, has not been systematically pursued. Secondly, the extent to which the distribution of credit to non-farmer market and value chain actors, including SMEs, market aggregators and processors, had an eventual leverage effect on targeted smallholder producers and other PRIME beneficiaries needs to be clarified. Women's participation and empowerment

still apparently face barriers in terms of knowledge and access to capital and other resources.

**Evaluation questions and lines of inquiry:**

- (i) What diagnoses were conducted to select local farmer and community organizations, and to create new ones? Was there a project targeting strategy and how was it applied? (*targeting relevance and effectiveness*)
- (ii) Were specific criteria or minimum targets used to include women and most vulnerable groups (farmers with < than 1 feddan, landless, youth)? How much did they eventually benefit from the project, also compared with other beneficiaries? (*targeting relevance and effectiveness, gender*)
- (iii) To what extent, and how, did loans for SMEs, market aggregators and processors reach and leverage small farmers, their organizations, women and the vulnerable? Were jobs, income and other benefits generated through linkage and trickle-down effects? (*relevance, effectiveness, innovation, household income and assets impact*)
- (iv) To what extent were root causes of gender inequality and discrimination, such as access to land and capital, raised and addressed? (*gender*)

## Theory of change

The ToC lays out the major activities/outputs, objectives and impact pathways of the project, including initial barriers and some critical assumptions for reaching the project objectives. The ToC was recreated based on the PDR logframe and its modifications during the midterm review.

**Outcome objectives.** The main objectives of the two components are outcomes related to increased access to sustainable financial services for SMEs and farmers (rural finance component) and increased agricultural and livestock production and profitability (marketing support component). These two outcomes are ideally interlinked for synergies, with financial services made available for PRIME beneficiaries of marketing activities and PRIME marketing activities helping farmers to gain stronger capacities and incentives in accessing and managing the project's financial services.<sup>1</sup>

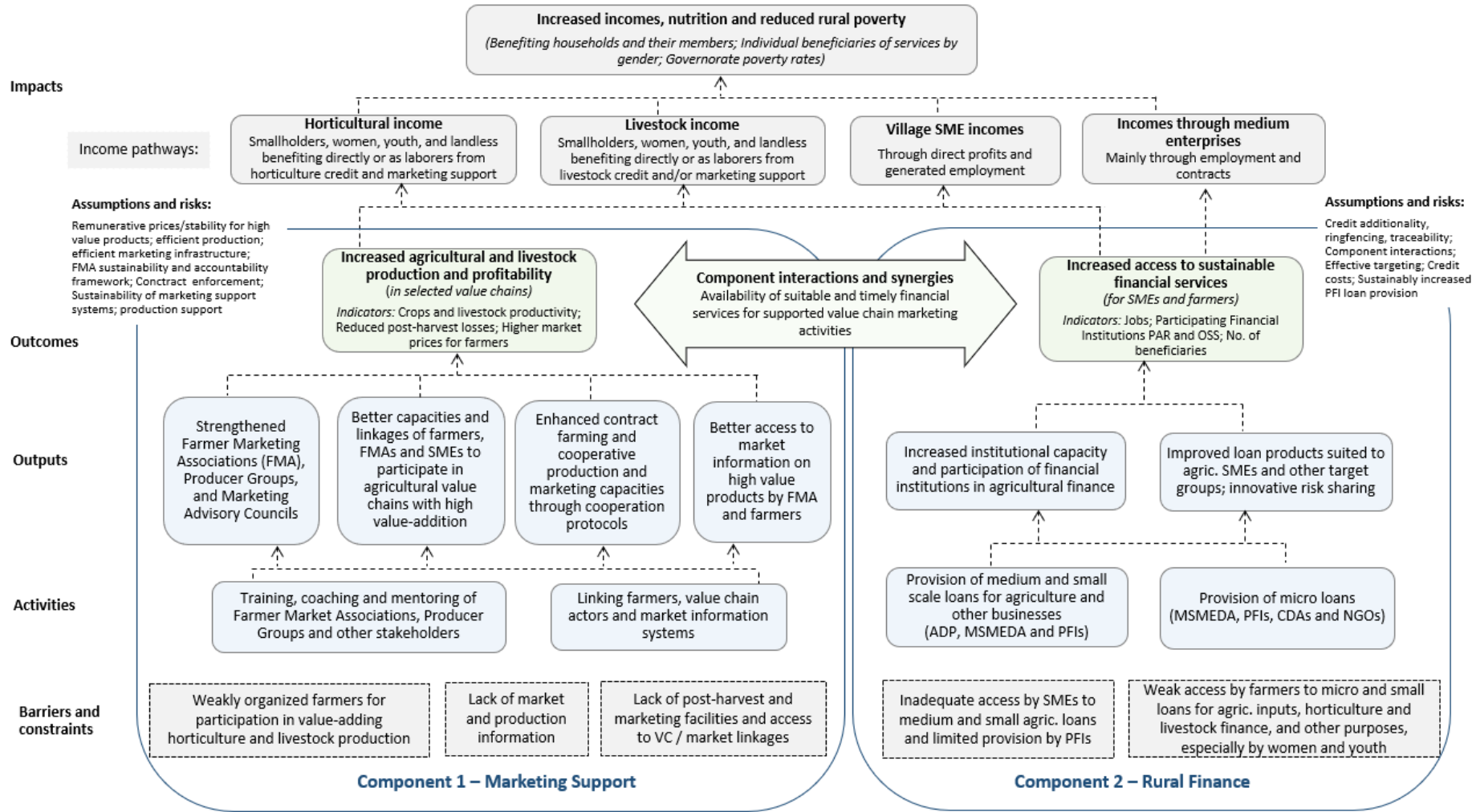
**Income pathways.** There are four main pathways to generating higher incomes and better nutrition for targeted beneficiaries, and to reduce rural poverty in the seven targeted governorates, i.e. the main goal of the project. First, direct and indirect effects of medium and small-scale loans to SMEs (market aggregators, agro-processing, post-harvest facilities) and their indirect effects through generated employment, jobs and incomes in supported value chains; second, through loans and marketing support for village-level SME entrepreneurs for all types of businesses that could generate income and employment, directly and indirectly; third, through benefits from higher horticultural production and profitability, through direct and indirect project support, improved market access and income effects by smallholder farmers, women, youth and landless. This could be through small and microfinance credit and/or marketing support, including through FMAs and other institutional mechanisms, and through employment linkage effects of increased production of high-value products; and fourth, benefits from higher livestock production, mostly, but not exclusively, through small-scale project loans for livestock purchases and production.

**Activities and outputs** of the *rural finance component* are focused on the provision of medium, small and microloans through various channels and intermediary PFIs and CDAs, as well as support for increased capacity and interest among PFIs to deliver agricultural credit to the target groups of SMEs and farmers. Improved loan products and innovative risk-sharing mechanisms were another output under this component. Activities and outputs in the *marketing support component* include training, mentoring and overall capacity development of FMAs, extension staff, farmers and other institutions to make use of market opportunities; different forms of extension work; better linkages of farmers in value chains, particularly through contract farming and cooperative production; and better farmer access to critical and up-to-date market information, including through social media and e-market platforms.

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<sup>1</sup> The project documentation indicates that such interlinkages are not common, but some progress was made recently.

Figure A.1  
Theory of change: Egypt PRIME project



Source: PPE.

## Evaluation framework

### PPE evaluation criteria, focus of PPE analysis, data sources, methods and gaps

<i>Criteria</i>	<i>Focus for the PPE</i>	<i>Data sources and methods of data collection</i>
<b>Relevance</b>		
Alignment with national policies, IFAD policies and COSOP	The PPE will assess to what extent the project has been relevant to the Government of Egypt strategies for agriculture, market and enterprise development. This will include the PPE alignment with, and contributions to, the 2019 Presidential Initiative 'Decent Life' ( <i>Hayat Karima</i> ). The PPE will also examine the project's alignment with IFAD's country focus as articulated in COSOP 2011–2015.	National and sector policies IFAD COSOP IOE CPE Documents from other development partners
Quality of design	<p>The PPE will review the relevance of the PRIME rural finance approach in the Egyptian context, and sufficiency for applying such an approach.</p> <p>It will further examine the:</p> <p>Overall rationale, choice of instruments and coherent approach (including links between the two components)</p> <p>Theory of change/logical framework</p> <p>Relevance of implementation arrangements</p> <p>Relevance of targeting strategy; coherence with beneficiary requirements</p> <p>Adaptation of intervention strategy during implementation, to address evolving needs, M&amp;E feedback and emerging lessons</p>	<p>Document review (including internal IFAD comments during project design)</p> <p>Interviews with other development partners (non-PRIME)</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p>
<b>Effectiveness</b>		
Achievement of objectives	<p>The PPE will review the existing evidence base, especially the data collected by the PRIME NPCU M&amp;E unit, supervision reports and the PCR (as it will be made available), to establish the results achieved in terms of targets. The PPE will in particular:</p> <p>Attempt to analyse to what extent reported results are actually related to PRIME interventions (i.e. establish project boundaries and traceability).</p> <p>Conduct further analysis on which project delivery channels and interventions have been more effective than others, for the credit and marketing component, and how and why project activities have achieved the intended results.</p> <p>Address questions on how the project assured and measured its interventions in capacity development, including prior capacity assessments, and in reducing horticulture cultivation and livestock production costs.</p> <p>Examine the extent to which COVID-19 affected the delivery of project services and results. What impact did the pandemic have on market prices, farm incomes and capacity for loan repayment?</p>	<p>Project M&amp;E data</p> <p>Project supervision reports and MTR</p> <p>PCR</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p> <p>Focus group discussions</p> <p>Annual outcome surveys 2019 and 2020</p> <p>Impact assessment survey 2022 and baseline survey 2015</p>

<i>Criteria</i>	<i>Focus for the PPE</i>	<i>Data sources and methods of data collection</i>
	The PPE will also try to benchmark PRIME interventions in the field with non-PRIME ones executed by implementing agencies and other development partners.	
Innovation*	<p>The PPE will assess to what extent the project contributed to piloting and learning from innovative ways of implementing rural finance and marketing support. The PPE will define innovations in line with the IOE evaluation matrix 2022 (p.32, footnote 51) as “newness to the context, to the intended users, and the intended purpose of improving performance”.</p> <p>The PPE will review project activities and experiences with innovative institutional and marketing and financial models for Egypt, and benchmark them with other innovative approaches taken by the Government and other projects and initiatives.</p>	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p> <p>Focus group discussions</p>
Targeting	The PPE will examine to what extent targeting of beneficiaries was pursued by the project as planned, and interventions were adequate for targeted beneficiaries, including an analysis of factors regarding why targeting worked or did not work.	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p> <p>Focus group discussions</p>
Outreach	The PPE will examine to what extent intended beneficiaries of the project were reached, including by beneficiary subcategories and components. It will pay attention to the appropriateness and quality of counting project beneficiaries (treatment type, household members and avoidance of double counting).	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Triangulation with NPCU, GPCU staff and other key implementing agencies</p>
Efficiency	<p>The PPE will examine how economically resources and inputs (such as funds, expertise and time) were converted into results. The following aspects will be assessed:</p> <p>Timeliness of delivery</p> <p>Disbursement performance (planned and actual); disbursement profile</p> <p>Programme management: sufficiency of staff and resources at national and governorate level to carry out all project-related activities</p> <p>Cost per unit and beneficiary: for instance, through assessing the cost-effectiveness of approaches for marketing and credit delivery/value chain production technologies used, compared to alternative ones</p> <p>Economic and financial impact (cost-benefit analysis)</p>	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Audit reports</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p>
Rural poverty impact	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	Annual outcome surveys 2019 and 2020

Criteria	Focus for the PPE	Data sources and methods of data collection
	<p>development interventions. The PPE will also examine to what extent changes under the four impact domains below have been transformational.</p> <p>As far as institutional impact is concerned, the PPE will specifically examine and look for any evidence on the quality of capacity-development activities for community institutions, particularly for FMAs. Was a capacity assessment conducted prior to the implementation of the activities and was an assessment of capacity-building activities conducted?</p> <p>A related institutional impact question is why the project did not incorporate any intent to influence changes in policies and enabling environment, and what effect may this have had on project results?</p> <p>The PPE will critically examine the methodologies used in the 2022 impact assessment study, the baseline survey and the validity of results; additional evidence will be collected from the field in order to validate these results, where possible.</p> <p>Four impact domains:</p> <p>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.</p> <p>Human and social capital and empowerment: Human and social capital and empowerment includes 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.</p> <p>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.</p> <p>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.</p>	<p>2015 baseline and 2022 end-line impact assessment study for PRIME project</p> <p>Project supervision reports and MTR</p> <p>PCR</p> <p>Observations and interviews during field visits</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p>
<b>Sustainability</b>		
Technical and institutional sustainability	<p>Under technical and institutional sustainability, the PPE will focus on the empowerment of FMAs and CDAs at the field level, and that of intermediary PFIs. The latter will include an assessment of the profitability, self-sufficiency and sustainability of PFIs and CDA performance and management; portfolio quality; establishment, management, and use of revolving funds.</p> <p>For the marketing component, the PPE will examine in particular the quality of relationships established by FMAs with market actors and other systems support for marketing.</p> <p>Special attention will be paid to the exit strategy proposed by the project (in PCR and prior supervision documents) and concrete steps taken towards implementing the exit strategy.</p>	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p>

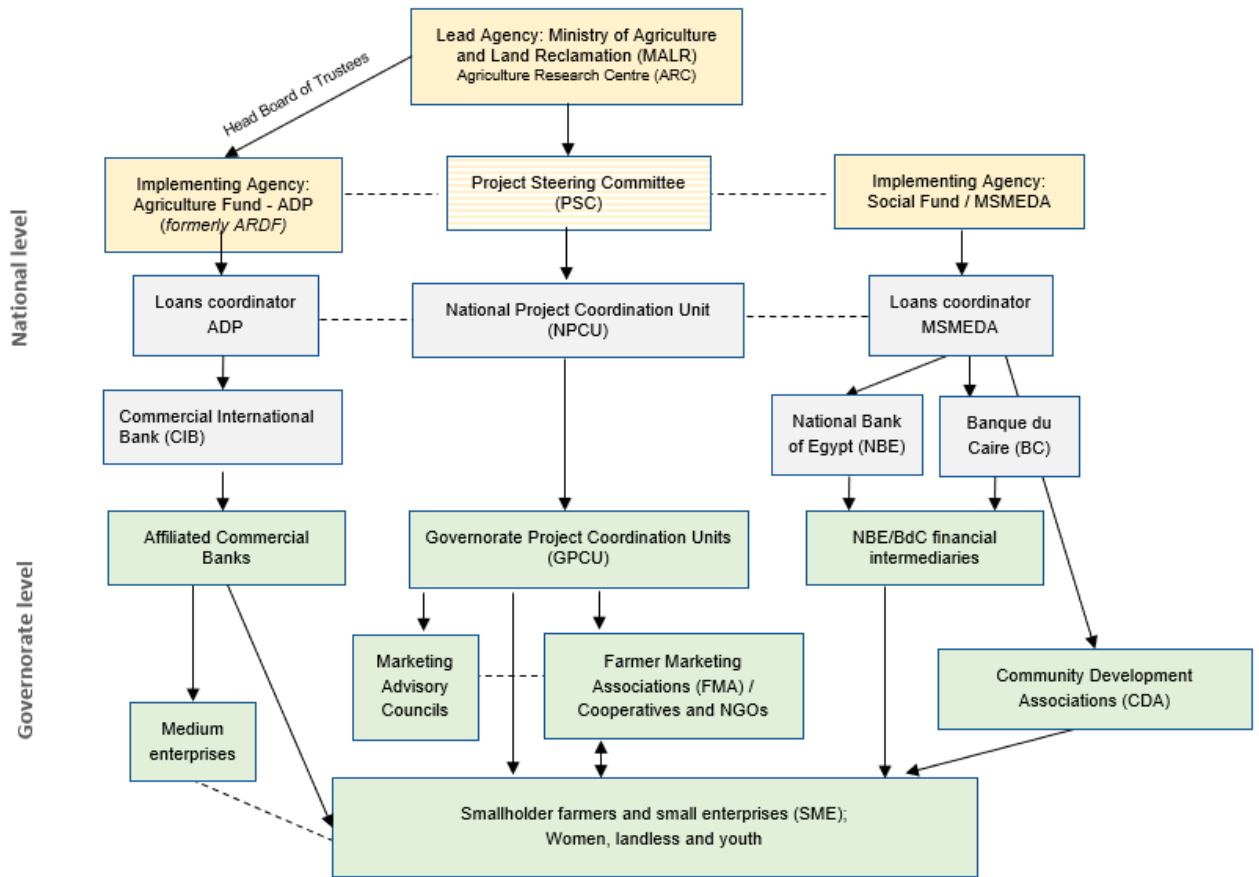


Criteria	Focus for the PPE	Data sources and methods of data collection
Natural resource management and climate change adaptation*	Details to be determined during the evaluation field visits.	TBD
Scaling up*	The PPE will carry out key informant interviews to assess the extent to which successful interventions under PRIME have leveraged policy changes, additional resources and learning to bring results to scale, such as through government authorities, donor organizations, the private sector and other agencies; or are likely to do so in future. This will include a review of activities in similar projects in Egypt.	<p>PCR</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>Interviews with external development partners, outside of PRIME project</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p> <p>Document review of other development partners</p>
Gender equality and women's empowerment	<p>The PPE will examine to what extent the project's interventions have contributed to better gender equality and women's empowerment. It will assess to what extent interventions were gender appropriate, gender friendly and gender transformative. The PPE will pay particular attention to:</p> <p>Women's access to PRIME resources, services and associations (both components)</p> <p>Women's participation in decision-making, including in associations</p> <p>Gender workload balance (how does project affect this?)</p> <p>Impact on incomes and nutrition; impact on women's ownership of assets</p> <p>Transformative effects of root causes of gender inequality, discrimination and power relations</p> <p>Interactions with other forms of discrimination (such as age, social status, disability)</p> <p>Factors of gender performance</p>	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Annual outcome surveys 2019 and 2020</p> <p>2015 baseline and 2022 end-line impact survey for PRIME project</p> <p>In-depth interviews in the field (with beneficiaries and staff from implementing agencies)</p> <p>Observations during interviews in the field</p>
<b>Performance of partners</b>		
IFAD	<p>The PPE will assess IFAD's performance in terms of, inter alia:</p> <p>Supervision and disbursement responsibilities</p> <p>IFAD support to design quality</p> <p>Proactive identification and mitigation of risks and threats to project achievements</p> <p>IFAD support to project management, financial management and project M&amp;E systems</p> <p>IFAD positioning towards other development partners</p> <p>Factors of IFAD performance</p>	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p> <p>Interview with IFAD country team members</p>

<i>Criteria</i>	<i>Focus for the PPE</i>	<i>Data sources and methods of data collection</i>
Government	<p>The PPE will examine the role of the Government in undertaking the responsibilities towards project management and implementation. It will assess the Government's performance in terms of, inter alia:</p> <p>Government commitment and ownership of the project</p> <p>Relevance and effectiveness of implementation and oversight arrangements, including project steering committee and project coordination unit</p> <p>Timely identification and resolution of implementation issues</p> <p>Adequate stakeholder participation at design</p> <p>Effectiveness of project and project coordination unit start-up procedures, implementation arrangements, and staff appointments</p> <p>Project MIS and M&amp;E system; appropriate utilization of MIS and M&amp;E information. Specific questions are as follows: How relevant and effective was the PRIME M&amp;E system to capture the full range of project objectives? To what extent did M&amp;E findings lead to adjustments in project implementation? How did the project manage the problem of potential double counting and inflationary counting of beneficiaries (the latter being defined as everybody being counted even when only participating in selected project activities)?</p> <p>Factors of government performance</p>	<p>Project supervision reports and MTR</p> <p>PCR</p> <p>Project steering committee members</p> <p>Stakeholder interviews at national and meso-level (implementing agencies and oversight entities)</p>

## Supplementary information

Figure A.2  
The main implementing agencies and their role



Source: IOE team based on PDR.

Table A.2  
**Actual project costs by component and financier (US\$ '000) as of 31 December 2020**

<i>Component</i>	<i>IFAD loan</i>	<i>IFAD grant</i>	<i>Government</i>	<i>ADP</i>	<i>MSM EDA</i>	<i>Beneficiaries</i>	<i>Total actual</i>	<i>Percentage of disbursement</i>
<b>A. Marketing support</b>	<b>1 455</b>	<b>904</b>	<b>1 800</b>	<b>125</b>	<b>30</b>	<b>0</b>	<b>4 314</b>	<b>80%</b>
1.Organizing and strengthening farmer groups/associations	0*	305*	600	26	0	0	1 898*	171%*
2.Market intelligence	0*	110*	750	32	0	0	892*	89%*
3.Value chain linkage		125*	50	4	30	0	209*	58%*
4.Marketing-oriented production	0*	90*	400	38	0	0	528*	84%*
<b>B. Rural finance</b>	<b>59 628</b>	<b>0</b>	<b>0</b>	<b>18</b>	<b>30</b>	<b>23 200</b>	<b>82 876</b>	<b>97%</b>
1. Marketing-based credit research and development	0	0	0	8	22	0	30	37%
2. Credit facilities	59 628	0	0	0	0	23 200	82 828	97%
3. Strengthening financial institutions	0	0	0	10	8	0	18	176%
<b>Programme management &amp; coordination</b>	<b>0</b>	<b>0</b>	<b>4 460</b>	<b>7</b>	<b>40</b>	<b>0</b>	<b>4 718</b>	<b>85%</b>
1. National project coordination	0	0	0	1	12	0	212	17%
2. GPCUs	0	0	0	6	28	0	46	1%
<b>Total</b>	<b>61 083</b>	<b>904</b>	<b>6260</b>	<b>150</b>	<b>100</b>	<b>23 200</b>	<b>91 697</b>	<b>94%</b>

Source: PRIME Draft PCR (29 Aug. 2022): appendix 3, table 1B Actual project costs.

\* These marked budget figures from PCR appendix 3, table 1B on the use of IFAD loan, IFAD grant and total actual for specific subcomponents under marketing support do not add up to those of aggregate marketing support, which they should. They could not be validated with the project. For this reason, they are indicative only.

Table A.3  
**Total loans and average loan amounts by finance channel**

<i>Channels and loan size</i>	<i>Financial intermediaries</i>	<i>Funds transferred to ADP and MSMEDA</i>	<i>Number of loans</i>	<i>Total funds made available to PFI</i>	<i>Total loans disbursed (incl. co-finance and beneficiary contributions)</i>	<i>Average loan amount</i>
		<i>US\$ million</i>	<i>number</i>	<i>EGP million</i>	<i>EGP million</i>	<i>EGP (US\$)</i>
<b>ADP</b>	ADP Board of Trustees Commercial International Bank	<b>28.5<sup>1</sup></b>		<b>575</b>		
Medium and small loans	Channelled through 8-10 participating commercial banks (EDBE: 49%; BOA: 22%; others <sup>2</sup> : 29%)		598 <sup>3</sup>	575	576	EGP 963 000 (US\$50 000)
<b>MSMEDA</b>	Ministry of Social Solidarity (formerly Social Fund, EDA)	<b>31.1<sup>4</sup></b>		<b>421</b>	<b>770</b>	
Small loans	National Bank of Egypt	21 <sup>5</sup>	2 711 <sup>6</sup>	245	245	EGP 90 000 (US\$5 000)
Microloans	Banque du Caire		22 894	150	435	EGP 19 000 (US\$1 000)
	22 NGOs/CDAs		8 776	26	90	EGP 10 000 (US\$540)
	Microloans total	14 <sup>31</sup>	31 670	176	525	
<b>Total</b>		<b>59.6</b>				

Source: PRIME 2020/21 Progress report, pp.106–110.

Microloans: 8,000 EGP; Small loans (SME): 75,000 EGP; Medium loans (MME): 500,000 EGP.  
 Exchange rate of EGP and US\$: 6.5 EGP/US\$ (2013). 18.5 EGP/US\$ (2021).

<sup>1</sup> US\$32.7 million were allocated (after the deduction of US\$2.3 million for capacity building from the ADP budget), but only US\$28.5m were received (the latest tranche from IFAD was received in March 2020).

<sup>2</sup> Others include: UNB, QNB, ABE, Commercial International Bank, Agent Bank, NBE, SAIB, EDBE (page 106); there is a slightly different list of banks in table 4.5 on page 110.

<sup>3</sup> This is the number of loans reported as shown in the PRIME 2020/21 Progress Report, page 105. In contrast, the same report's executive summary states that only 524 loans were ultimately utilized.

<sup>4</sup> US\$35m were allocated, but only US\$31.1 million were received (latest tranche from IFAD received by MSMEDA in February 2018).

<sup>5</sup> Source: PRIME 2020/21 Progress Report, page 97.

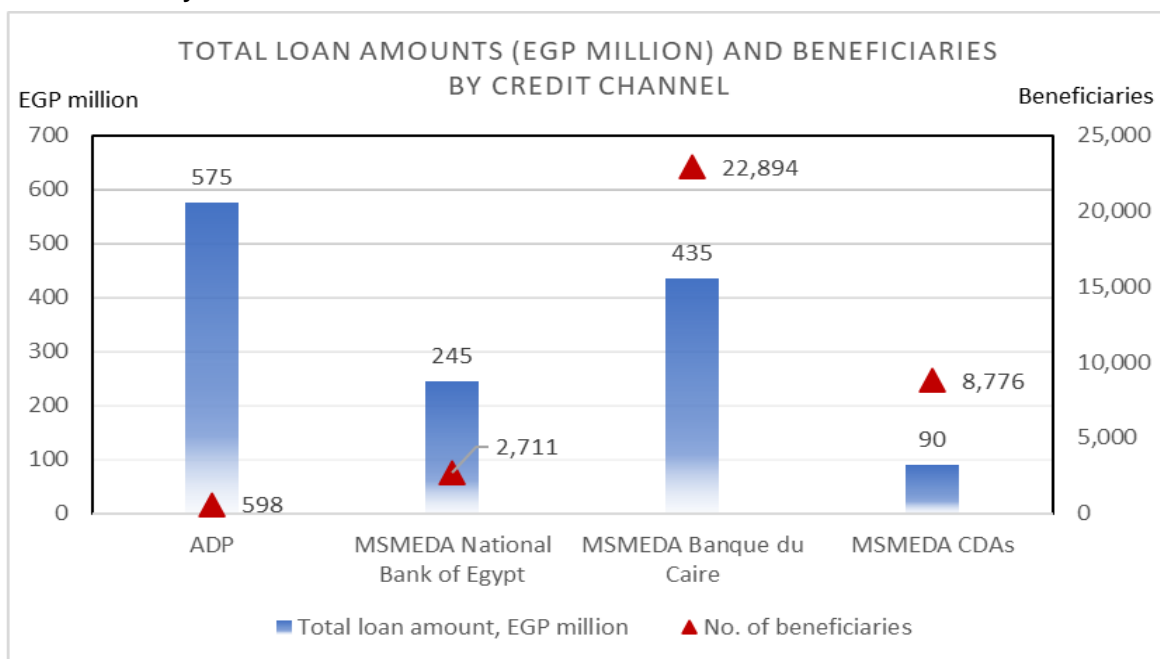
<sup>6</sup> Provided in two tranches.

Table A.4  
**Loan shares for different finance channels: by governorate, year, sector and gender (fund volume)**

<i>Financier</i>	<i>ADP</i> <i>(per cent of column total)</i>	<i>MSMEDA NBE</i> <i>(per cent of column total)</i>	<i>MSMEDA BdC/CDA</i> <i>(per cent of column total)</i>
<b>Governorate</b>			
Assiut	12	35	4
Beni Suef	1	8	33
Beheira (Upper Egypt)	68	4	6
Kafr el Sheikh (Upper E)	13	14	7
Menia	4	18	38
Qena	1	16	7
Sohag	1	5	6
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Year</b>			
2015	-	19	-
2016	6	24	0
2017	25	41	38
2018	30	16	29
2019	21	0	22
2020	17	-	7
2021	-	-	3
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Sector</b>			
Agriculture crops and fish	4	-	-
Inputs and marketing	25	-	-
Horticulture	36	-	-
Livestock	34	77	18
Commercial	-	15	33
Informal business	-	1	44
Industry	-	6	3
Services	-	1	2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Gender</b>			
Loan number	6	39	43
Loan volume		33	

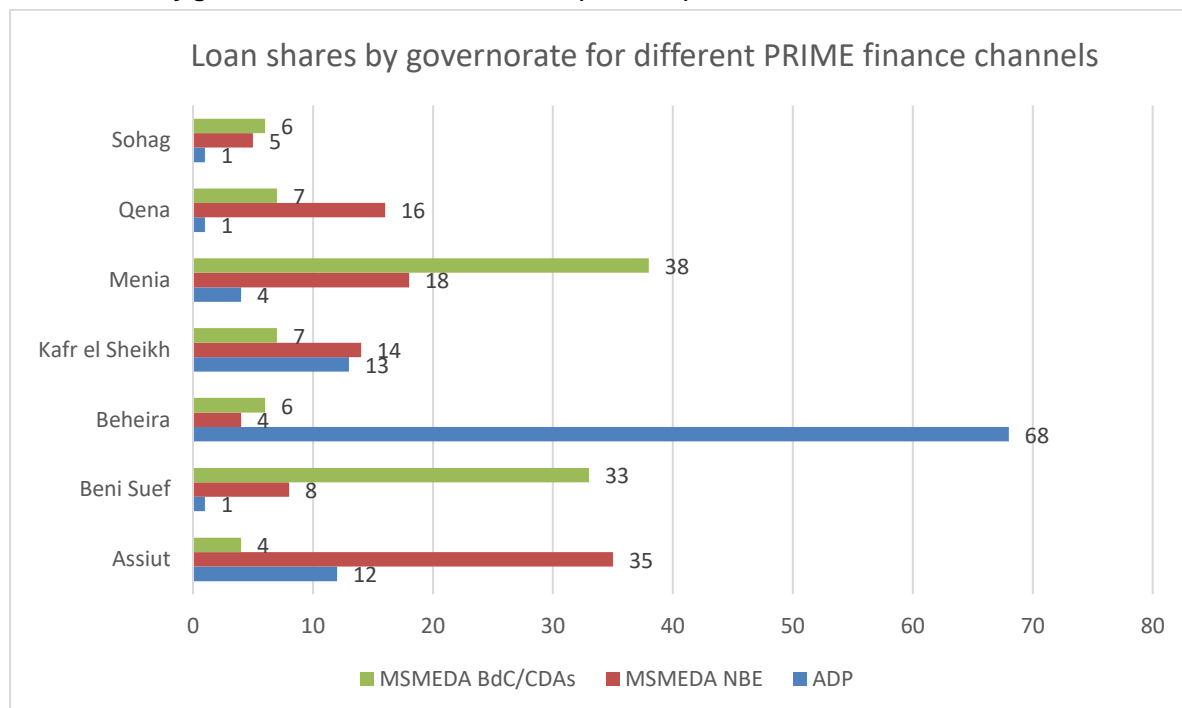
Source: PRIME project M&E data.

Figure A.3  
**Loan amounts by finance channel**



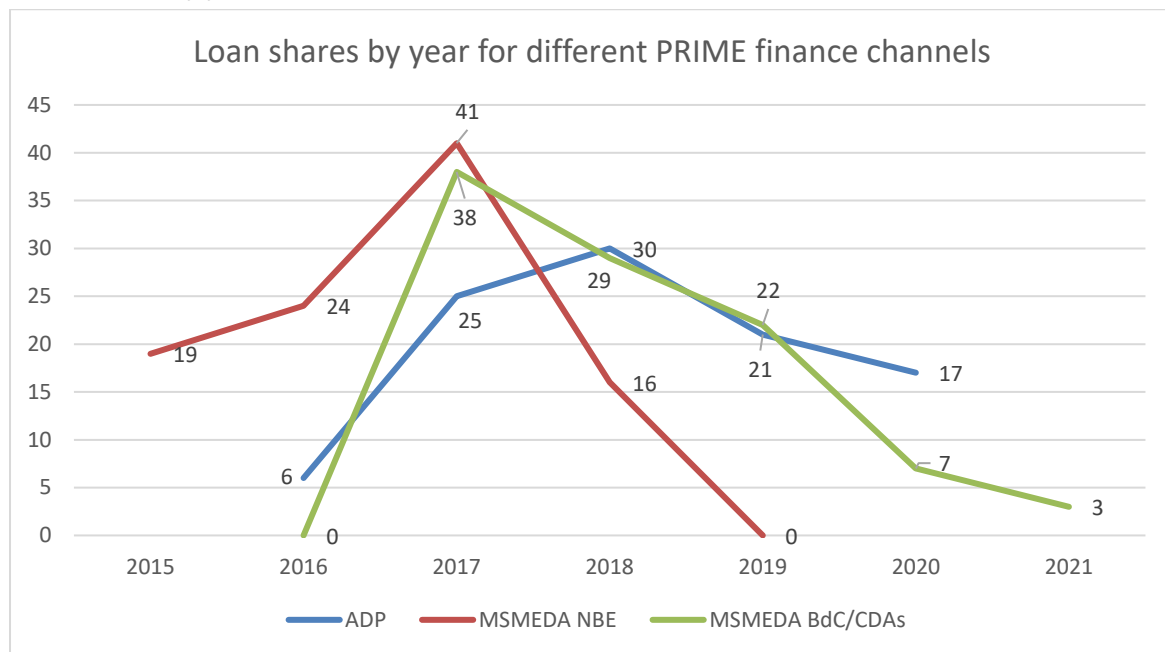
Source: PPE analysis of PRIME project data.

Figure A.4  
**Loan shares by governorate and finance channel (amounts)**



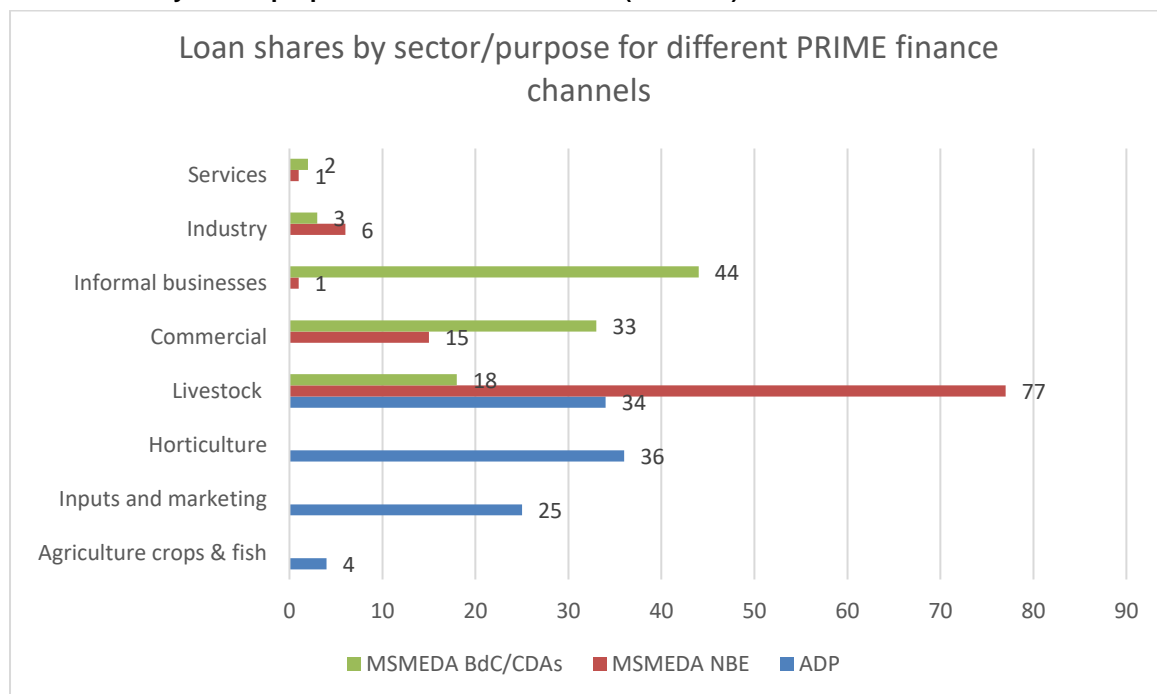
Source: PPE analysis of PRIME project data.

Figure A.5  
**Loans shares by year for finance channels (loan shares add up to 100 for each channel)**



Source: PPE analysis of PRIME project data.

Figure A.6  
**Loan shares by sector/purpose and finance channels (amounts)**



Source: PPE analysis of PRIME project data.



Table A.5  
**Comparison of different PRIME loan channels: types of loans, PFIs/MFIs and results**

	ADP	MSMEDA – National Bank of Egypt (NBE)	MSMEDA – Banque du Caire (BdC)	MSMEDA – Community Development Associations (CDA)
Types of loans	medium and small	small	micro	micro
No. of PFIs / NGOs	8-10 PFIs	NBE branches	BdC branches	22 NGOs/CDAs
Increased resources (Additionality – 2017 IFAD project evaluation MTR)	At organizations level, it is not possible to judge on additionality without complete set of audited financial statements for organizations, this information wasn't available for the evaluation. During interviews, we heard anecdotal remarks about project contributions, mostly in terms of reasonable interest rate			Considering CDAs' limited size, the PRIME project helped targeted CDAs to expand their outreach (but absorption capacity is a hindrance in some cases especially considering the limited PRIME investments in capacity building)
Increased Capacity ("strengthened financial service providers in project target areas") through PRIME (Output 2.1)	Project worked with capable organizations / already existing capacity and systems. Available information suggests no evidence of project investment in building capacity of financial service providers			
Innovation (new products) (Output 2.2)	No			
Ag production targeting	Yes (Livestock, medium sized agriculture and market enterprises)	Yes (predominantly livestock/small animals 77%, some IGAs)	Moderate, indirectly (and IGAs)	Moderate, indirectly (IGAs)
Serving Project Target Groups	Indirectly for small holders farmers, women etc.), if at all, we can't judge considering the limitation of the project M&E; Yes for medium sized SMEs	Directly and indirectly – likely through self-targeting (through product, such as loan term for agric. cycle, grace period etc.)	Directly – through rural outreach	Directly – through rural outreach
Gender Targeting (loan products are not designed to self-target women, women present in the project as surrogates)	Data was collected (6 per cent [#] women)	39% (#), 33% (EGP)	Predominantly male (IAS) (but without percentage); 30+ percent women	Primarily women (IAS) 69% for CDAs
Differential cost of borrowing – below market (Credit conditions)	Yes, below market (8 per cent), but in line with ADP usual rates	Not known	Yes	Yes (28 per cent)
Revolving use of loan fund for project purposes	No (MTR)	Nothing reported	Yes, EGP 435m disbursed vs. EGP 150m made available by project	Yes, EGP 90m disbursed vs. EGP 26m made available by project
Easy access	Not clear – complex application and multi-layer approval process, PFI (field and HQ) and ADP Board (sophisticated system)	Moderate	Moderate	High
Overall success	Medium Ag loans directed to large business opportunities (various value chain, marketing and production purposes); Small Ag loans directed to livestock owners	Capacity to scale up, access to banking resources, systems, competent staff, accountability, existing infrastructure; ability to provide more targeted agricultural products (e.g. livestock)	Good connection with rural communities, ability to provide more targeted agricultural products (e.g. livestock), well-organized industry, sustainable operations	Deep connection with rural communities, relatively well-organized industry, sustainable operations
Questions and issues	Fund utilization, process complexity, highly centralized, limited/no link with other project components e.g. marketing components	Cost of running small loans programme in banking environment, possible negative bank image, limited/no link with marketing component	Cost of running small loans programme in banking environment, possible negative bank image, limited/no link with marketing component	Limited/no link with marketing component, limited geographical coverage

Source: PPE analysis of PRIME project M&E data.

Table A.6  
**Project supervision ratings by criteria and year**

<i>Supervision mission</i>	<i>Effectiveness</i>	<i>Targeting outreach</i>	<i>Gender</i>	<i>Partnership building</i>	<i>Quality of project management</i>	<i>Coherence annual workplan and budget &amp; implementation</i>	<i>Disbursement</i>	<i>Exit strategy</i>
Feb. 2021	5	4	4	4	4	5	4	4
Oct. 2020	4	4	4	4	4	4	4	4
Nov. 2019	4	3	4	3	4	3	5	3
Nov. 2018	4	4	4	3	3	3	4	4
Oct. 2017 (MTR)	4	4	4	4	4	-	4	4
Nov. 2016	4	4	4	4	4	-	4	4
Nov. 2015	3	4	4	3	3	-	2	4
2014							1	

Source: PRIME project supervision mission reports.

## Fieldwork itinerary

<i>Date</i>	<i>Location</i>	<i>Activity</i>
Sunday 15 May 2022	Beni Suef, GPCU office	
Sunday 15 May 2022	Beni Suef, Halabeya village	Agricultural Cooperative Association
Monday 16 May 2022	Beni Suef, Beni Ady village	Beni Ady Community Development Association
Monday 16 May 2022	Beni Suef, Zayton village	El Tayseer Production Cooperative Association El-Nile company for marketing agricultural crops
Tuesday 17 May 2022	Beni Suef, Sherif Pasha village	Sherif Pasha Agricultural Association
Wednesday 18 May 2022	Beni Suef, Nuweira village	Al-Nahda for integrated development Association
Monday 23 May 2022	Beheira, Hosh Eissa city	Agricultural Cooperative Association in Hosh Eissa
Tuesday 24 May 2022	Beheira, Melaat village	Agricultural Cooperative Association in Melaat
Tuesday 24 May 2022	Beheira, MOALR office in Etay El Baroud	
Tuesday 24 May 2022	Beheira, Maaneya village	Agricultural Cooperative Association in Maaneya
Tuesday 24 May 2022	Beheira	CDA meeting

## List of persons met

### IFAD

Dina Saleh, Regional Director, Near East, North Africa and Europe Division, Rome

Mohamed El Ghazaly, Country Programme Officer, Cairo

### Government and project staff

Mohamed Al-Kersh, PRIME Project Manager, Ministry of Agriculture and Land Reclamation, PRIME NCPU team, Cairo

Dr Abbas Zaki Osman, Agricultural Systems Unit, Ministry of Agriculture and Land Reclamation, PRIME NCPU team, Cairo

Samir Fahmy Badawi, Assistant Coordinator, Ministry of Agriculture and Land Reclamation, PRIME NCPU team, Cairo

Ghada Mohamed Tahoun, Assistant purchasing/translator, Ministry of Agriculture and Land Reclamation, PRIME NCPU team, Cairo

Amal Talaat, Accountant, Ministry of Agriculture and Land Reclamation, PRIME NCPU team, Cairo

Asraar Mohamed Abdel Baky, PRIME Gender Focal Point, Ministry of Agriculture and Land Reclamation, PRIME NCPU team, Cairo

Hossam Aly, PRIME Coordinator, GPCU, Beni Suef Governorate

Emad Mohamed Mahmoud, Ministry of Agriculture and Land Reclamation Deputy Minister, GPCU, Beni Suef Governorate

Mohamed Fahim, Agricultural Engineer, GPCU, Beni Suef Governorate

Khaled Megahed , Agricultural Engineer, GPCU, Beni Suef Governorate

Fatma el Zahraa Abdel Moneim Naguib, PRIME Gender and M&E, GPCU, Beni Suef Governorate

Samy Mohamed, PRIME Marketing Coordinator, GPCU, Beni Suef Governorate

Sherif Erian, PRIME GPCU Coordinator and M&E, Beheira Governorate

Badr Mohamed Badr, Ministry of Agriculture and Land Reclamation Deputy Minister, GPCU Beheira Governorate

Sahar Saad, Gender Officer, GPCU Beheira Governorate

Al-Said Al-Shahaat, Horticultural Expert GPCU Beheira Governorate

Helmy Abdel Ghafar, Marketing Officer, GPCU Beheira Governorate

Fathi Mgahed Abdel Ghafar, PRIME Marketing coordinator, GPCU Beheira Governorate

Hager Fathalla, community worker, GPCU Beheira Governorate

Dr. Amal Abdel Salam Abou el Kheir, NCW, GPCU Beheira Governorate

### Financial institutions

Sobhi El-Naggar, ADP Executive Director, Cairo

Mahmoud Abdel Halim, MSMEDA Deputy General Manager, Head of Int'l Agreements' M&E Sector, Cairo

Mahal Bishr, MSMEDA Head of Unit-Banks Monitoring Microfinance Central Sector, Cairo

Mohamed Sayed Ali, MSMEDA ME&L Specialist, Cairo

Maha Mohamed Osama, MSMEDA, Cairo  
Mai Sameer, Banque Du Caire, Manager Cairo main branch, Cairo  
Mohamed Fattouh, Banque Du Caire, Cairo  
Mai Samir, Banque Du Caire, Cairo  
Hamdy Al Kassas, National Bank of Egypt, Cairo  
Rasha Hamouda, National Bank of Egypt, Cairo  
Mai Hamed, Loans Specialist, Banque Du Caire, Damanhour branch, Beheira  
Amro Khalid, Loans Specialist, Banque Du Caire, Damanhour branch, Beheira  
Reham Ahmed, National Bank of Egypt, Beheira  
Ahmed Mostafa, Director, Agriculture Bank of Egypt, Damanhour, Beheira

### **Private sector**

Gehad Zakaria & Robert El Zardaki, Mekdar Company, Beni Suef  
Sayed Khalaf, Green Field Company, Beni Suef  
Mohamed Khaled, Advisor, Green Field Company, Beni Suef  
Aid Emam Qaid, El Nile Company Executive Manager, Beni Suef

### **Beneficiaries and partners**

Hesham Mohamed Ibrahim, Head of Al-Robee CDA in Menia Governorate  
Emad Monier, Agricultural Project Manager at IDAM CDA Menia Governorate  
Samy Daoud, IDAM CDA Project Officer  
Asraar Mohamed Abdel Baky, PRIME Gender Focal Point Beni Suef  
Nermine Mahmoud, NCW Beni Suef office  
Agricultural Cooperative Association, Beni Suef  
    Mahmoud Abdel Tawab, head of local unit  
    Mohamed Arafa Aly, head of the Association  
    Aly Salah Aly, Farmer, marketing committee member and board member  
    Mohamed Arafat Mohamed, farmer  
    Ahmed Gomaa, farmer  
    Ismail Mahmoud Ismail, farmer  
    Refaat Sayed, farmer  
    Mohamed Shabaan, farmer  
    Adel Hassan, farmer  
    Aly Mahmoud Mohamed, farmer  
    Omayma Mohamed Hassan, women's committee member  
    Nora Mohamed Mahmoud, women's committee member  
    Aya Mohamed Abdel Moneim, women's committee member  
    Esraa Mohamed Akoula, women's committee member

Beni Ady Community Development Association, Beni Suef

Hamed Kamel Mohamed, Chairperson  
Ahmed Ibrahim, Executive Manager  
Anwar Mahmoud Mohamed, board member  
Attia Mohamed Hamed, board member  
Zkria Ismail Zkria, board member  
Diab Mohamed, farmer/member  
Magdy Younan Fnous, farmer/member  
Ossama Moss, farmer/member

El Tayseer Production Cooperative Association, Beni Suef

Asmaa Imam, Secretary of the Association  
Sabah Imam, board member  
Sahar Nady, board member  
Noha Mahmoud, board member  
Mervat Nagy, board member  
Yasmeen Ibrahim, board member

El-Nile company for marketing agricultural crops

Warda Ibrahim Mohamed, owner of El Nil Company  
Hag Arafa, Association Accountant  
Ahmad Fathi, Marketing Committee member  
Arafa Mohamed Hassan, Marketing Committee member  
Ramadan Salem Abdel Azez, Marketing Committee member

Sherif Pasha Agricultural Association, Beni Suef

Soliman Ibrahim Tahaa Ismail, Executive Manager  
Ismail Ali Abdel Fatah, Board member, Marketing Committee member and farmer  
Shehata Badr, farmer and Marketing Committee member  
Mahrous Wahba Badelsied, farmer  
Emad Shehata Amain, farmer  
Marrai Said, farmer  
Ahmad Mohamed Abdel Gafar, farmer  
Hassan Said Awees, farmer  
Mohamed Kamal Al-dean Mohamed, farmer  
Mohamed Mostafa, farmer  
Abdel Azem Abdel Khalek, farmer  
Rabee Mohamad Saleh, farmer  
Nabila Kamel, Women's committee member  
Sherifa Kamel, Women's committee member  
Sara Mohamed, Women's committee member

Fatma Hamdy, women's committee member  
Samira Gaber, women's committee member  
Nadia Fathy, women's committee member  
Hoda Mohamed AbdelLatif, women's committee member  
Sahar Aly, women's committee member  
Neama Hussein, women's committee member  
Hoda Mohamed Amin, women's committee member

Al-Nahda Association for Integrated Development, Beni Suef

Sobhi El-Nagar, ADP Director  
Mostafa Mohamed, ADP team - monitoring  
Mohamed El-Saye, ADP team - monitoring  
Alaa Emam, loan client  
Gomaa Sayed Hashem, loan client  
Nesma Gamal Ahmed, loan client  
Gehan Moussa, loan client  
Aya Shehata, loan client  
Neama Kotb Saiid, loan client  
Asmaa Shabban Sayed, loan client  
Rania Gama, loan client  
Neama Atteya, loan client  
Maha Akram Mahrouss, loan client

Agricultural Cooperative Association in Hosh Eissa, Beheira

Hamdy Al-Samaak, Chairperson  
Mohamed Mahmoud, board member  
Mohamed Abdel Aziz, board member  
Mohamed Said Hafzi, farmer  
Sayed Mossa Mohamed, farmer  
Abdel Wannes Ibrahim, farmer  
Mossad Nagee, farmer  
Abdel Twab, farmer  
Ahmad Abdel Latef, Accountant  
Olfat Abdel Aziz Haraz, women's committee member  
Nassra Fawzy Abdel Shafie, women's committee member  
Amal Abdel Aziz Abdel Razek, women's committee member

Agricultural Cooperative Association in Melaat, Beheira

Ragab Ossman, board member, farmer  
Nageh Ahmad, farmer, member of marketing committee  
Abdel Rahman Ahmad, farmer

Mahmoud Hamouda, farmer

Rashed Mohamed, Extension Engineer

Attiyat Abdel Hamid, women's committee member, Etay El Baroud, Beheira

Warda Mossaad, women's committee member, Etay El Baroud, Beheira

Karima Abdel Mohsen, women's committee member, Etay El Baroud, Beheira

Amina Abou El Ela, women's committee member, Etay El Baroud, Beheira

Agricultural Cooperative Association in Maaneyya, Beheira

Mohamed Adel, Chairperson

Mohamed Abdel Rahman, Agricultural Engineer

Abdel Al Mageed Farmer, member of Marketing Committee

Hesham Ahmad, member of Marketing Committee

Abdelmged Ahmad, board member, farmer

Ragab Mohamed Mahgoub, farmer

Hossam Mohamed Abdel Aziz, farmer

Abdalla Lotfi Abdalla, farmer

Community Development Association, Beheira

Safwat Bayoumi, CDA Chair of the Board

Esraa Magdi Thabe, CDA Manager of Lending

Hadeer Gamal Omar, CDA Accountant

Asmaa Gabr Abdelhadi, CDA Accountant

Saimaa Mohamed Abd El-Meneem, CDA Credit Officer

Mahmoud Abd-El-Hameed Mohamed, CDA Executive Director

### **Other resource persons**

Dr Mohamed MohielDin, Eco-Conserv Impact Tracking Team, Cairo

Dr Zeinab Hafez, Eco-Conserv Impact Tracking Team, Cairo



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Independent Office of Evaluation  
 International Fund for Agricultural Development  
 Via Paolo di Dono, 44 - 00142 Rome, Italy  
 Tel: +39 06 54591 - Fax: +39 06 5043463  
 E-mail: [evaluation@ifad.org](mailto:evaluation@ifad.org)  
[www.ifad.org/evaluation](http://www.ifad.org/evaluation)  
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