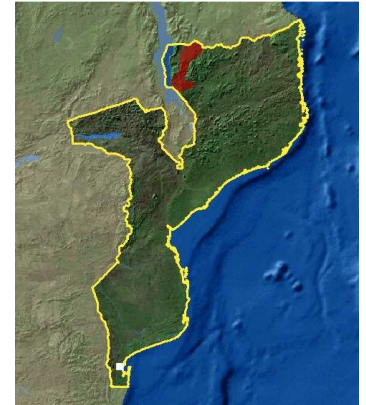


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Mozambique: Niassa Agricultural Development Project

Following the 1992 peace settlement that ended 16 years of civil war in Mozambique, IFAD aligned its support with government efforts to develop the family-farm sector as a means of reintegrating returning refugees and displaced persons into the economy, and ensuring food security for them. IFAD decided to intervene in Niassa Province in the northwest of the country, an area characterized by very limited human and physical capacity, and poverty levels far exceeding the national average. Given the predominance of agriculture and poor state of economic and social infrastructure in the province, the Niassa Agricultural Development Project (NADP) aimed at supporting agricultural development and the construction/rehabilitation of roads and community infrastructures such as schools, health posts and water points.

Key recommendations

- More frequent supervision and implementation support missions should be fielded when interventions are implemented in conditions of extreme uncertainty (such as post-conflict and post-emergency situations) in order to assess the validity of design assumptions and introduce requisite modifications early in implementation.
- Projects in remote areas should be managed and coordinated at the local level. The feasibility of, and problems encountered in, such action will need to be assessed carefully at the design stage.
- In remote areas with limited human and institutional capital, training/refreshers courses should be provided for new staff.
- Every effort should be made to identify an effective in-country approach to raising agricultural productivity, production and incomes in sparsely populated remote areas.

Targeting

Many persons left the area during the war and it was not known how many would return. Current data that would have provided an indication of the size of the population were not available at the design stage, and thus the population of the project area was overestimated by 100 per cent. The appraisal report estimated that about 45,000 households would be farm-dependent and poor, thereby constituting the initial target group, and would increase to 52,600 by the end of the project period. This was a serious discrepancy: when IFAD revisited the project design late in the implementation period, the target group had been reduced to 30,000 households. This not only had an impact on the targets set for components/sub-components but also on the economic rate of return, which at appraisal was optimistically estimated at 16 per cent.



Health Center in Sanga district rehabilitated with NADP support.

PROJECT DATA

Project cost: US\$20.1 million
 IFAD loan: US\$12.4 million
 OPEC Fund: US\$4.1 million
 Government contribution: US\$3.6 million
 Cooperating institution: UNOPS
 Loan effectiveness: October 1994
 Completion date: December 2005

MAIN RESULTS

- The NADP project was the first major operation in Niassa. As such, it played an important pioneering role, achieving an impact on human assets and public infrastructure primarily through its support for water points, roads, health facilities and primary schools.
- Against a target of 100 water points, 172 were created and/or rehabilitated under the project, representing about 69 per cent of all water points in Sanga and Lichinga Districts. Some 43 000 people benefited in terms of easier access to better quality/safe drinking water, reduced workloads for women and children, and improved health.
- Some 261 km of secondary and feeder roads were rehabilitated against an initial target of 173 km, later raised to 200 km.
- This markedly improved trade and made it possible to establish permanent villages along the roadside, thus creating a basis for future investments in social and economic infrastructure.

Closer is better

Although centralized management/coordination was not foreseen in the original project design, for practical reasons these functions were transferred from Maputo to Lichinga only in 2001. Thus, for a considerable period of time, project management and coordination were directed from the capital, far from the project area. This had a negative impact on implementation performance.

Training is important

Despite an adequate training budget under NADP, this was not sufficiently utilized and little was done at the outset to define implementation rules and procedures or to provide training. In post-conflict and post-emergency situations, there is a natural urge to deliver on-the-ground as quickly as possible and therefore jump into implementation without first establishing a solid foundation. Investments in staff training may be considered as 'delivery costs': for a multi-sector project in a remote area, working with numerous institutions with limited capacity, these costs are considerable but necessary for achieving impact.



Farmer's field in Lichinga

Technology improvements may be difficult to introduce

The evaluation analysed the sequencing and balancing of different sub-components with regard to support to agriculture under the project. Input and produce markets hardly existed before the project; therefore, it may have been more relevant to concentrate on developing markets rather than research and extension when there were no markets to supply the recommended inputs and absorb incremental produce. This raises a general strategic issue: in areas with limited market development, should major investments in agricultural extension be postponed until such time as the market

can supply the produce that it is recommended the farmers use? Therefore, it is not a question of the relevance of research and extension *per se* but of the most relevant sequence when prioritizing investments. Project design anticipated that input markets would develop with the assistance of NADP, among others. However, while markets for agricultural produce have been developed to some extent, in the rural areas of Niassa there is still a lack of improved seed, fertilizer, and agricultural tools and equipment. As such, given the Government's limited resources for research and extension, it may have been more relevant (and cost-effective) to accord priority to commercial farming areas where there was a demand and where inputs and technologies were available for improving agricultural productivity and income.

Another explanation may be that there was no market failure but rather a negligible demand for inputs and new technologies. Even with perfect markets, it was far from certain that farmers would move towards more intensive land use and apply more advanced technologies. It may well be that, given the abundance of land in Niassa, the farmers believed they were making the best choice: an external project coupled with research/extension could do little to influence such choices.

- Under the NADP, 11 new schools were built and 27 rehabilitated compared with the target of rehabilitating/constructing 24 primary schools with two classrooms,
- The project made an important contribution to strengthening the capacity of extension services. Activities during the project period included establishment of on-farm demonstrations and trials of improved varieties and agronomic practices, poultry vaccinations, support for goat-raising, forestation and assistance to producer associations. Strong links were established between extension and research, as evidenced by joint planning, implementation and evaluation of activities.
- The number of farmers covered by the extension services fell far short of project targets. It is estimated that only about 7 500 farmers were assisted by extension during the project period (25 per cent of the target), mainly due to over-optimistic calculation of the extension worker/farmer group ratio.
- The agricultural services component did not meet appraisal targets. According to data provided by the Provincial Agricultural Services, maize yields were lower in 2003 than in 1997 and 1998, although there was a jump forward in 1999 and 2000, and there is no evidence to suggest any increasing trend in yields. This is disappointing, considering the targeted increase of 235 kg/ha assumed at appraisal.

Further information:

Republic of Mozambique, Niassa Agricultural Development Project, Completion Evaluation Report #1834-MZ, June 2007, Office of Evaluation, IFAD, Via del Serafico 107, Rome 00124, Italy. The full report and profile are available online at www.ifad.org/evaluation; email: evaluation@ifad.org.

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