

Republic of Maldives

Post-Tsunami Agricultural and Fisheries Rehabilitation Programme Programme Performance Evaluation

Executive summary

1. **Background.** The Independent Office of Evaluation of IFAD (IOE) undertook a project performance evaluation (PPE) of the Post-Tsunami Agricultural and Fisheries Rehabilitation Programme (PT-AFReP) in the Republic of Maldives with the objectives of: (i) assessing the results of the programme; and (ii) generating findings and recommendations for the design and implementation of ongoing and future operations in the Maldives. This assessment is based on a review of various project-related documents and a mission to the Maldives in September 2016, which visited the project areas and held interviews and discussions with various key stakeholders, including beneficiaries.
2. **The programme context.** The programme was designed as a response to the 2004 Indian Ocean tsunami, which directly affected nearly a third of the population in the Maldives. Regarding the fishing sector, the tsunami damaged 12 per cent of the total fleet; however, the fisheries' post-harvest sector was more seriously affected – particularly small-scale fish processors and fish landing sites. The agricultural sector was also badly damaged, crops destroyed and the land salinized. Given the urgency of the situation, IFAD's usual three-phase "Inception, Formulation, and Appraisal Mission" design was not completed. Instead a single design mission visited the country in February 2005 and the IFAD Executive Board approved the programme in April 2005.
3. The programme's overall goals were to contribute to restoring agricultural gross domestic product to pre-tsunami levels, returning the economy to a stable, long-term growth trend and reducing the fishery sector's vulnerability to natural disasters. Specifically, it aimed to help re-establish the country's fishing operations and augment the household income of fishers by restoring their livelihoods. With regard to agriculture, the programme aimed to encourage crop production in the atolls so as to rebuild the islanders' livelihoods and improve their diets, increase household incomes, reduce poverty and ensure food security.
4. The four programme components were: (i) recovery and sustainable development of the fisheries sector; (ii) recovery and sustainable development of the agriculture sector; (iii) policy support to the Ministry of Fisheries and Agriculture (MoFA); and (iv) programme coordination. The programme was financed by an initial IFAD loan (US\$2,100,000) and a grant (US\$210,000), approved on 19 April 2005. A second loan (US\$2,175,000) was approved in September 2005 under the 2006 budget cycle to fill the financial gap. The actual programme costs were US\$4.473 million, against US\$4.988 million at appraisal, which was financed by IFAD loans (90.7 per cent), IFAD grant (4.5 per cent) and the government (4.8 per cent).
5. **Effectiveness gap.** The programme became effective in April 2006, 12 months after the board's approval. United Nations Office for Project Services (UNOPS) supervised the programme implementation from 2006 until the mid-term review (MTR) in 2008, during which no supervision missions were conducted. There were no disbursements during the first three years. With the change of government in 2008, the programme was significantly revitalized by the MTR, and IFAD took over direct supervision. The programme was completed on 31 December 2013, two years after the originally planned completion date.

6. **Target and programme area.** The original fishing component focused on four islands affected by the tsunami and the inhabitants who would benefit from improved fish handling facilities. In addition, the original plan envisaged support for the construction of ten fishing boats, which would benefit an estimated 150 fishers. The agricultural component aimed to cover 50 tsunami-affected islands, among which 26 "most eligible" islands were identified by MoFA as the primary target area. The selection criteria included: (i) agricultural importance; (ii) incidence of poverty and vulnerability; and (iii) levels of food insecurity. After programme revitalization introduced by the MTR, the programme target area shrank from 50 agricultural islands to 30,¹ while two of the fishery focus islands were also changed. By completion, the programme had reached 6,086 households.
7. **Programme revitalization.** The initial design focused more on physical inputs – new boats, new markets, new ice plants – and less on capacity-building or training. By 2008-2009 it was clear that the original programme was unsuitable for the changing context, and that little progress had been made. This was the result of political changes in the Maldives, the activities of other donors, agencies that made some of the planned activities of IFAD redundant, and a realization that some of the original planned activities were misconceived. Consequently, the programme went through a revitalization process in the MTR. This shifted the programme's focus from direct support to the fishery and agriculture sectors to policy support to MoFA (the share of costs of component 3 rose from 8.6 per cent to 32.8 per cent of the total).
8. **Relevance.** The programme objectives included both recovery and developmental aspects. It was generally in line with the government's Post-Tsunami Recovery and Reconstruction Plan and IFAD's policies. However, the formulation of the programme objectives stressed gross domestic product (GDP) restoration rather than rural livelihoods, rural poverty and the empowerment of rural people, which were much more within IFAD's mandate. Additionally, with such a small loan amount, the objective of contributing to agricultural GDP was too ambitious.
9. By the time the programme implementation started, it was no longer concerned with "restoration" but rather with improving the livelihoods of people who had in some way been affected by the tsunami. However, in the revitalization process, there was no systemic consideration of the overall objectives and purposes of the programme. The result was a series of discrete activities only loosely related to each other without a clear logic or theory of change linking them together. The design issues and continuous changes in implementation affected planning and severely limited the effectiveness of the programme.
10. **Relevance of targeting.** The targeting strategy was neither clear nor coherent in both agricultural and fishery components. According to the President's report, "the agriculture islands were selected on the basis of both the level of damage caused by the tsunami and vulnerability of the rural population". During implementation, the programme failed to specify the criteria for selecting sites in terms of levels of damage, and the programme adopted a geographical targeting approach, rather than an approach related to poverty or food security criteria.
11. **Main findings.** The implementation of the fishery component had mixed success. The fish "markets" did not have a major impact on the fishery sector as they were either underused or poorly located (e.g. Vilufushi). Although programme documents refer to them as "markets", they were intended to function as fish receiving stations for fish cutting and cleaning rather than for fish trading.
12. The credit supplied to construct ice plants helped fishery exporters exploit the market for high-quality fish, and the vessels with icing facilities enjoyed higher

¹ On the same page of the 2013 supervision report a target of 25 islands was also given. supervision report, p.73, 2013.

profit margins than those without. However, only relatively large or state-owned companies received the credit rather than the intended beneficiaries – small- and medium-sized enterprises (SMEs).

13. Both the agriculture and fishery components supported the establishment of community-based producer organizations (CBPOs). However, the design and implementation of CBPOs were weak. No fishery CBPOs were established and only 10 agricultural CBPOs were formed, against the target of 150. This happened because the purpose, role and composition of CBPOs was not defined adequately, a competent cadre of facilitators was not established and this type of organization was not rooted in local traditions in the Maldives.
14. The programme did have a positive effect on agriculture in that it encouraged the introduction of new crops and new techniques using irrigation, fertilizers and pesticides. However, the programme would have benefitted from greater attention being paid to marketing and transport and the need to tailor production to the demands of the market, especially in the resort islands. These matters have been addressed by a subsequent IFAD project – the Fisheries and Agricultural Diversification Programme (FADiP).
15. At national policy level the programme was most effective with regard to sustainable fishing. There were some major successes concerning sustainable fishing – for instance, supporting membership in the Indian Ocean Tuna Commission (IOTC) and gaining Marine Stewardship Council certification for pole- and line- caught fish. The initiation of a vessel monitoring system (VMS) enabled MoFA to improve its management of oceanic resources to ensure environmental sustainability. However, in terms of IFAD’s responsibility to address poverty issues in rural communities, it is not clear that these components of the programme had any direct effect.
16. **Efficiency.** Programme efficiency was impaired by the prolonged procurement process, low management efficiency, slow disbursement and the increased cost per direct beneficiary. A similar amount of budget was disbursed without the realization of some key programme outputs (e.g. no fish-landing facilities in Hulhumale, poor record of training, reduction in the number of programme islands).
17. **Rural poverty impact.** Quantitative data relating to the possible impact of the programme on rural poverty are limited. This makes the assessment of the programme’s poverty impact particularly difficult. During the lifetime of the programme, the price of fish almost doubled and the income of fishers almost tripled as a national average. But there are too many confounding factors to allow these changes to be attributed to this programme.
18. The impact domain most visibly affected by the programme consists of "institutions and policies", due to the support it gave to both central policy formulation and grass-roots rural institutions.
19. **Gender equity.** Other than collecting gender-disaggregated data, the programme made almost no attempt to mainstream gender concerns. None of the three areas defined in IFAD's Gender Plan of Action (2003) (i.e. access to resources/assets, women’s workload distribution and women’s influence in decision-making) was reflected in the programme design and implementation. Although the absence of gender considerations was lamented many times in various supervision reports, no measures were taken to directly address gender issues.
20. **Recommendations:**

Recommendation 1. In post-disaster situations, IFAD should not focus on immediate disaster relief, but rather on “initiatives that help bridge the gap between emergency relief and the restoration of the development process”. IFAD's internal structure and financial instrument is not geared towards rapid response

and/or post-disaster operations. A stress on speed of reaction can lead to poorly designed projects or programmes; thus the *ex-ante* quality assurance procedures within IFAD should not be waived. Additionally, the loan format is probably not suited to quick responses in emergency situations but rather to later phases in the recovery process. Countries in a post-disaster context tend to have lower absorptive capacities for finances from various international players, and a later engagement could also ensure the counterparts have better absorptive capacities.

Recommendation 2. The design should address long-term goals rather than short-term needs, even in a post-disaster programme. The design should be based on rigorous technical assessment and an effective theory of change that underline the constraints and issues leading to long-term agricultural/fishery development in the country. What has to be avoided is an approach that is dependent on the preconceived ideas of both donors and recipients without proper consideration of local needs and community context.

Recommendation 3. Targeting should be based on sound technical justifications. This requires both a clear theory of change and solid baseline information in order to identify the intended beneficiary groups/geographic areas in the programme design stage. A poverty index and a specific need index could be combined for such a targeting strategy to ensure that programme investment is utilized wisely. Additionally, any construction work should also take into account its catchment area and utilization rate for the intended beneficiaries.

Recommendation 4. Sufficient resource and guidance on building monitoring and evaluation (M&E) systems and conducting impact studies should be provided. M&E systems should pay more attention to outcome and impact level indicators as well as to input and output levels. There should be sufficient financial and human resources to support essential studies and surveys as needed. The impact assessment should be rigorously conducted in order to gain more meaningful information, specifically by considering the counterfactual and applying proper statistic methods and sampling strategy.

Recommendation 5. Gender equality and women's empowerment should be supported with a more systematic approach in the fishery sector. In fishery programmes, men tend to be the primary beneficiaries while women's roles are limited to fish processing. In order to mainstream women's participation, the design needs to include support for fish processing and other activities in which women also participate. Training should also be customized to the special needs of women with regard to location, timing and manner of delivery.