## **Kingdom of Cambodia**

## Rural Poverty Reduction Project in Prey Veng and Svay Rieng Project Performance Assessment

## **Executive Summary**

- 1. The objective of the project performance assessment (PPA) of the Rural Poverty Reduction Project in Prey Veng and Svay Rieng (RPRP) in Cambodia was to assess the overall results of the project and generate findings and recommendations for the implementation of ongoing operations in the country and the design of future operations. This assessment builds on the previous project completion report validation and adds findings from a mission to Cambodia that took place in November 2012.
- 2. The project started in 2004 and ended in 2011. The RPRP aimed at reducing poverty through a broad range of activities. It supported agricultural development to achieve a quick positive impact on productivity and household food and income security. Focus was on market oriented production, diversification, increased livestock production, and increased food production from homestead gardens. Capacity-building and empowerment of local organizations and individuals and infrastructure funding constituted other areas of focus. Off farm employment opportunities were developed through vocational training and gender was mainstreamed across all activities. Lastly, decentralization was supported through the operationalization of systems and procedures of decentralized planning, financing and implementation of agricultural interventions. The total cost was US\$19.7 million, with the IFAD loan amounting to US\$15.5 million.
- 3. The RPRP is considered to have been relevant to the poor and well aligned with national policies and IFAD strategies but the multi-component approach spread resources thinly and consequently not all objectives were met.
- 4. Nevertheless, in striving to achieve the overall goal of reduced poverty, RPRP scored a number of important successes. As a result of, in particular, support to livelihood income groups and provision of agricultural and non-agricultural inputs and farmer training, productivity of wet and dry season rice rose over the project life span and was equal to or better than the national average. Good results were also achieved with livestock which underwent measurable improvements (e.g. chicken numbers increased by more than a 100 per cent). Food security improved with particularly good results for Livelihood Income Groups who lacked sufficient food for three months a year. Moreover, there were positive achievements with activities focused on local development. The PPA found that RPRP contributed to empowerment of communes through the piloting and implementation of participatory methods.
- 5. The communes and villages participation in the Commune Infrastructure Development Fund activities involved beneficiaries in the planning and implementation of projects which local communities determined were priority for their local development. The process was not flawless and will likely take some time to become effectively carried out by the commune councillors, but it does constitute an important innovation which has been scaled up by the Government. Other achievements included increased collaboration between the Ministry of Women 's Affairs and the Ministry of Agriculture, Forestry and Fisheries on efforts to integrate gender into agricultural activities.

- 6. On the less positive side, the PPA identified some technical and institutional problems with both the design of roads and irrigation. Despite these design issues, the roads have contributed to reduced transport costs and improved access to markets and social infrastructure. By contrast, irrigation has mainly benefitted farmers with access to a pump and therefore not reached all the intended beneficiaries. Furthermore, there are some concerns regarding the sustainability of the infrastructure schemes.
- 7. A considerable effort went into enhancing social and human capital by strengthening various groups. This PPA found that RPRP attempts to build and strengthen local organizations have initiated a process of local self-development, but that more time and effort are needed to ensure they are fully viable and sustainable. The village animal health workers (VAHWs) did not work as intended, as some villagers proved unwilling to pay for vaccinations although the costs were "reasonable". The PPA team found that there was an inherent weakness in the work of the VAHWs which related to a too narrow focus on disease prevention and cure, with no assistance provided to farmers for other practices needed to boost livestock productivity.
- 8. The following broad recommendations should be taken into consideration when developing future IFAD operations in Cambodia.

**Recommendation 1**. Further upgrading of post-harvest handling and linkages to markets. A number of opportunities lie in improving commercial linkages between smallholder farmers and buyers. The ongoing Project for Agricultural Development and Economic Empowerment (PADEE) is designed to address this need by expanding the roles of village extension workers and community extension workers through additional training as business development advisors and will engage private service providers (e.g. Netherlands Development Organisation and International Development Enterprises) to ensure this. The PADEE addresses in general terms the need to improve farmer-to-market linkages. The project should address the more specific needs of building farmer bridges to markets.

**Recommendation 2**. Further support to development of new irrigations systems. While support to infrastructure has proven to be challenging in Cambodia, irrigation remains the critical input for boosting agricultural productivity, reducing climatic risk, and providing food and income security. The PPA endorses the narrower approach taken in the PADEE but recommends that IFAD should, in the future, partner with other organizations that have a comparative advantage in irrigation. Rather than rehabilitate poorly designed and dysfunctional Khmer schemes, irrigation development should focus on new systems, which can be sited to benefit from better hydrological layouts and agricultural potential. Given the low technical capacity of local institutions to construct and manage irrigation systems, projects should partner with professional service providers to assist communes and farmers with irrigation design and training of local community-based organizations. More focus should also be placed on smaller-scale irrigation schemes linked with private sector-led water user groups.

**Recommendation 3**. Broaden the role of village animal health workers. The RPRP approach to the livestock sub-sector has focused on disease prophylaxis and curative treatment for ruminants, swine and poultry. There is a need to broaden the scope of livestock extension services to embrace other areas such as: (i) genetic improvement; (ii) feeding and nutrition; (iii) animal management using pens and sanitation facilities; (iv) continuation and improvement of the disease prevention and treatment activities and (v) animal marketing.