

profile

Number 60, July 2009

Successful integrated rural development in Madagascar

The goal of the Upper Mandraré Basin Development Project, Phase 2 (2001-2008), was to contribute to reducing rural poverty through diversifying and increasing rural incomes, improving the food security of rural households, and contributing to the restoration and sustainable management of natural resources. Total project costs at appraisal were estimated at US\$23 million, including an IFAD loan of US\$12.6 million on highly concessional terms.

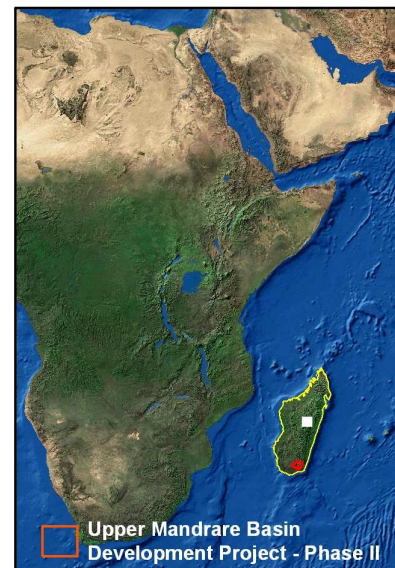
The project was structured around five components: local capacity-building (7.7% of base costs); support to local initiatives (46.6%); support to financial services (4.6%); rural roads and tracks (28.2%); and project coordination, management and monitoring and evaluation (12.9%). The project covered 11 rural communes, four of which were covered under the first phase (1996-2000), and targeted the entire population (17,400 households) of the intervention area.

The intervention strategy was based on strong beneficiary involvement in local development and on strengthening their technical and organizational capacity. At the same time, while promoting dialogue at all levels, the project provided support to commune-level institutions with regard to the planning and management of local development. Implementation was ensured by a light coordination unit supported by public operators (research and development, public works) and several NGOs, both national (animation and organization of beneficiaries, strengthening of technical capacity) and international (support to financial services). The major infrastructure works were entrusted to enterprises, but local initiatives were often implemented by beneficiary groups under the supervision of the project and its executing agency.

Main findings

The project's objectives were relevant both to the needs of the target population and to Government of Madagascar and IFAD strategies and policies. However, the design documents were somewhat lacking in terms of proposed approaches and implementation modalities, especially considering how the project's socio-economic, agro-ecological and institutional context has evolved since initial design. The highly capable project team took a number of initiatives and sometimes argued strongly in favour of adjusting the project's implementation modalities to improve project performance. These adjustments included mobilizing several partners that were not foreseen at project design; introducing the communal level as the core for local planning; implementing a value-chain approach; and directly managing several rural engineering works. The flexibility and support of IFAD and the Government with regard to such adjustments helped ensure satisfactory project implementation.

The project greatly improved the capacity of rural communities in terms of planning and managing local development initiatives, and helped meet the needs expressed by communities during participatory needs



PROJECT DATA

Total cost: US\$23 million

IFAD loan: US\$12.6 million

Cofinanciers:

- Government: US\$5.2 million
- Beneficiaries: US\$1.8 million
- IDA projects: US\$3.6 million

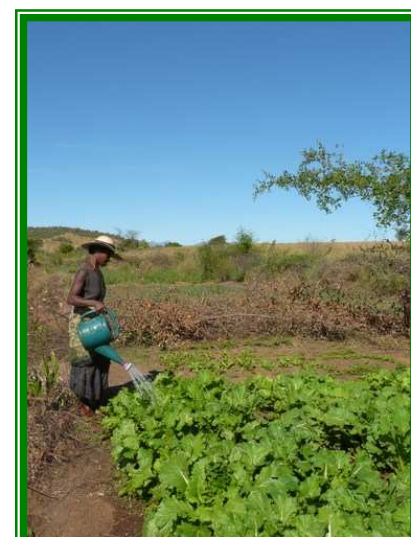
Executive Board

approval: December 2000

Loan agreement: January 2001

Project

completion: September 2008



Horticulture crops are grown
mainly by women at the side
of rivers and irrigation canals.

Source: Michael Carbon

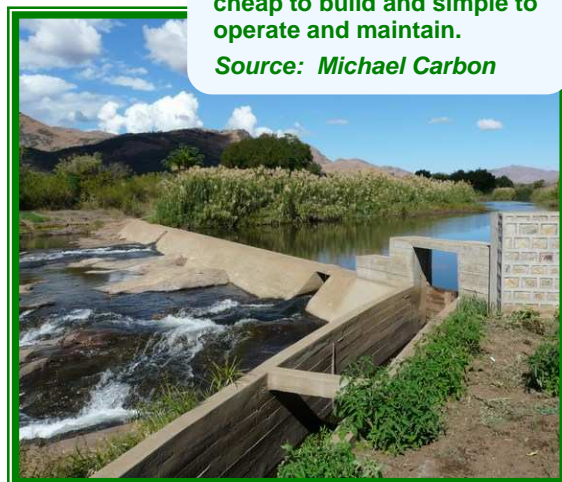
assessments. The good performance of the project can be attributed mainly to the implementation of a balanced participatory approach that boosted the rural inhabitants' individual and collective capacities through literacy training, improved communications, the organization of grass-roots groups and associations, and training. This was accompanied by consistent support to local initiatives through a local investment fund for implementing subprojects initiated by communities.

The project rapidly made a significant impact on incomes and food security through increased agricultural production, thanks *inter alia* to the application of a value-chain approach for three crops (rice, garlic and onions). Women were the main drivers of the development of garlic and onions. However, the extent of project impact is still somewhat limited because only about 50 per cent of households cultivate the crops promoted. The effectiveness and impact of project support to livestock and rainfed crops, which constitute the main livelihoods of more than half the inhabitants of the project area, were also rather limited. In addition, the sustainability of impact is a cause for concern because the above crops were seen as isolated production activities while in reality they are part of broader and sometimes rather complex production systems, and consequently few advances were noted regarding the management of productive assets at the household and community levels (inputs, water, soil and soil fertility, labour force, secondary crops, animals raised, etc.). Finally, there was little involvement of the youth in project interventions, despite their representing a considerable workforce and being potentially more open to the innovations needed to expand and sustain agricultural development.

Several factors contributed to the sustainability of project achievements: the consistently high

Off-take diversion dams are cheap to build and simple to operate and maintain.

Source: Michael Carbon



marketing potential of the crops promoted; simplicity of design and operation of irrigation systems; emergence among the population of a new awareness regarding the need to protect the natural resource base; and so on. However, there also exist a number of real risks to the sustainability of results, such as fragility of the rural track network in the project area; the weak capacity of public technical services and newly-created local institutions; delays in social development owing to inadequate health infrastructure and education; and a lack of a coherent strategy with regard to sustainable management of natural resources. These problems are mainly due to the absence of strong partnerships at project design, whether with sectoral programmes to provide financial resources or public technical services to ensure harmonization with regional programmes and continuation of service provision to farmer organizations. A new IFAD intervention that will also cover the project area should help overcome these problems.

Key recommendations

The completion evaluation makes four main recommendations, the first three of which relate to important strategic lessons for future rural development projects in Madagascar. The fourth recommendation pertains to the sustainability of project achievements.

- Promote the sustainable and balanced development of rural areas of Madagascar by harmonizing and integrating the activities of participatory integrated local development programmes with national, sectoral and regional development programmes on the basis of clear and firm partnership commitments.
- Encourage diversification, integration and competitiveness of agricultural activities by promoting a diversified and integrated value-chain approach, while placing women and youth at the centre of this development effort.
- Promote project flexibility with regard to design and implementation. This would allow for the refinement and adaptation of implementing modalities in response to design imperfections and changing contexts, for achieving and maintaining a good level of performance, and increasing the ownership of projects by their implementers.
- Rapidly consolidate the dynamics of social and economic development already undertaken by the project so as to sustain and make the most of project achievements.

Further information:

Madagascar, Upper Mandraré Basin Development Project, Phase 2, Completion Evaluation, Report #2062-MG, May 2009, Office of Evaluation, IFAD, Via Paolo di Dono 44, 00142 Rome, Italy. The full report and profile are available online at www.ifad.org/evaluation; email: evaluation@ifad.org.