

**TANZANIA : AGRICULTURAL MARKETING SYSTEMS  
DEVELOPMENT PROGRAMME**

**COMPLETION REPORT \***

**\* Questions on this document should be referred to:**

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# PROJECT COMPLETION REPORT (PCR)

## A. PROJECT DATA AND KEY DATES

### I. BASIC INFORMATION

Project Number: P-TZ-AA0-018	Project Name: Agricultural Marketing Systems Development Programme (AMSDP)	Country: Tanzania	Month and Year of 98% Disb. Rate: Loan: 12/08 Grant: 5/09	Date PCR sent to PCR@afdb.org
Lending Instrument: ADF Loan & Grant		Sector: Agriculture	Environmental Classification: Category II	
Original Commitment: Loan UA 15.9 m Grant: UA 1.0M Amount Cancelled: 0		Amount Disbursed: UA 15.6M	Percent Disbursed: Loan 98.59 %; Grant: 99.05%	
Borrower: Ministry of Finance and Economic Affairs, United Republic of Tanzania				
Executing Agency(ies) [List the main Ministries, Project Implementation Units, Agencies and civil society organizations responsible for implementing project activities.] Prime Minister's Office (PMO); Prime Minister's Office-Regional Administration and Local Government (PMO-RALG); Project Management Unit (PCU) District Councils; Road Fund; and Consulting Engineers.				
Co-financers and other External Partners [List all other sources and amounts of financing, technical assistance or other resources used in this project] IFAD (UA 12.89 million); Irish Aid (UA 0.86 million); Government/Districts and Communities (UA 5.08 million).				

### II. KEY DATES

Project Concept Note Approved by Ops. Com.: 2001	Appraisal Report Approved by Ops. Com.: March 2001	Board Approval: 18.09.2002	
Restructuring(s): 1. Before project implementation started, the design of the market buildings were changed by the Government so as to meet the required standards and objectives of the programme. Thus the number of markets to be constructed was reduced from 140 stipulated in the Appraisal Report to 20; and 9 produce storage warehouses were included. 2. Use of local individually recruited consultants and local engineers for design of rural roads instead of international consulting firms for cost effectiveness.			
	Original Date	Actual Date	Difference in months [Actual-Original]
EFFECTIVENESS	18/3/2003	15/12/2003	9
MID-TERM REVIEW	Jun-06	30th July 2007	13
CLOSING	31st December 2008	31st December 2009	12

CRITERIA	SUB-CRITERIA	RATING
PROJECT OUTCOME	Achievement of Outputs	4
	Achievement of Outcomes	4
	Timeliness	3
	<b>OVERALL PROJECT OUTCOME</b>	<b>4</b>
BANK PERFORMANCE	Design and Readiness	3
	Supervision	4
	<b>OVERALL BANK PERFORMANCE</b>	<b>4</b>
BORROWER PERFORMANCE	Design and Readiness	3
	Implementation	3
	<b>OVERALL BORROWER PERFORMANCE</b>	<b>3</b>

### IV. RESPONSIBLE BANK STAFF

POSITIONS	AT APPROVAL	AT COMPLETION
Regional Director	N/A	Ms. D. Gaye, OREB
Sector Director	Mr. B. Sidibe, ONAR	Mr. Aly Abou Sabaa, OSAN
Task Manager	Mr. J. Coopson	Mr. Ibrahim A. Amadou, OSAN.1
PCR Team Leader		Mr. Ibrahim A. Amadou, Principal Agricultural Economist, OSAN.1
PCR Team Members		Mr. Loulseged Makonnen, Senior Water Engineer OSAN.1 and Mr. Godfrey Kajjage, Financial Management Specialist, TZFO

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## B. PROJECT CONTEXT

**Summarize the rationale for Bank assistance. State:**

- what development challenge the project concerns,
- the borrower's overall strategy for addressing it,
- Bank activities in this country (ies) and sector over the past year and how they performed, and
- ongoing Bank and other externally financed activities that complement, overlap with or relate to this project.

Please cite relevant sources. Comment on the strength and coherence of the rationale.

**[250 words maximum. Any additional narrative about the project's origins and history, if needed, must be place in Annex 5: Project Narrative]**

A number of constraints exist for efficient functioning of the marketing system which include: (i) restrictive national policies e.g. taxation, licensing and regulating of product movement; (ii) lack of support for the actualisation of the existing liberalised policies especially at the grass-roots level; (iii) lack of access to investment and operational capital by traders; and (iv) limited level of entrepreneurship capacity of the participating and potential traders. The Programme addresses the key challenges through reduction of post-harvest losses due to inadequate marketing infrastructure coupled with high transfer costs. Smallholder producers do not have the organisational skills and information especially on prices to participate effectively in the agricultural markets.

The Government of Tanzania has formulated a comprehensive agricultural marketing policy and the ongoing Agricultural Sector Development Programme (ASDP - financed by the Bank and other donors including World Bank, IFAD & EU) is aimed at achieving the overall agricultural sector vision of commercialising smallholder agriculture, which hinges on among others, an efficient and responsive marketing system for inputs and outputs. Apart from the ASDP, the ongoing Bank-financed District Agricultural Investment Project (DASIP) is intervening in the similar agricultural infrastructure in other regions of the country. The GOT has also indicated its intention to upgrade the Rujewa-Madibira gravel road constructed under this project to a tarmac road.

## C. PROJECT OBJECTIVES AND LOGICAL FRAMEWORK

**1. State the Project Development Objective(s) (as set out in the appraisal report)**

The Programme objective is to improve the structure, conduct and performance of agricultural marketing systems in the country.

**2. Describe the major project components and indicate how each will contribute to achieving the Project Development Objectives.**

The AMSDP comprises 5 components one of which is financed by the Bank, with the other 4 financed by IFAD. The components are: 1. Agricultural Marketing Policy Development: It supports the policy formulation and implementation process, which will facilitate the dissemination of marketing policies, which will lead to an improved regulatory and legislative environment pertaining to the marketing of agricultural crops at both national and local government levels. 2. Producer Empowerment and Market Linkages: It is designed to increase the benefits smallholder farmers, traders and processors gain in interacting with the market in an organised and sustainable manner. 3. Financial Market Support Services: It supports the Government's effort to increase the level of commercial operations in rural areas through sustainable access to credit for small and medium-size rural traders/processors and farmers.

4. Agricultural Marketing Infrastructure Development: This is the AfDB-financed component and it is designed to help reduce the high marketing transaction costs associated with inadequate road infrastructure and market facilities in rural areas. 5. Programme Coordination and Organisation: component oversees overall coordination and supervision of program activities.

**3. Provide a brief assessment (up to two sentences) of the project objectives along the following 3 dimensions. Insert a working score, using the scoring scale provided in Appendix 1.**

PROJECT OBJECTIVES DIMENSIONS		ASSESSMENT	WORKING SCORE
RELEVANT	a) Relevant to the country's development priorities	The project objectives were consistent with the Tanzania Development Vision (TDV) 2025, the PRSP, Rural Development Strategy (RDS) and the Agricultural Sector Development Programme (ASDP). The ASDP, which is also being financed by the Bank, is a five-year programme being implemented within the Government's three-year rolling Medium-Term Expenditure Framework (MTEF)	4
ACHIEVABLE	b) Objectives could in principle be achieved with the project inputs and in the expected timeframe	The objectives of the programme have been achieved. The inputs allocated were sufficient; however, the timeframe of five years was slightly insufficient.	4
CONSISTENT	c) Consistent with the Bank's country or regional strategy	The project objective is consistent with the Bank's medium-term lending strategy, which focuses on poverty reduction and infrastructure development to improve incomes of the target beneficiaries.	4
	d) Consistent with the Bank's corporate priorities	The objectives of the project are consistent with the Bank's corporate priorities which emphasized infrastructure, agriculture and rural development.	4

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4. Lay out the log. frame. If a log. frame does not exist, complete the table below, indicating the overall project development objective, the major components (minimum of two) of the project, the major activities (minimum of two) of each component and their expected outputs, outcomes, and indicators for measuring the achievement of outcomes. Please add additional rows for components, activities, outputs or outcomes if needed.

COMPONENTS	ACTIVITIES	OUTPUTS	EXPECTED OUTCOMES	INDICATORS TO BE MEASURED
<b>Component 4: Agricultural Marketing Infrastructure Development To improve access of smallholder farmers, processors and traders to agricultural markets</b>	<b>Activity 1:</b> Rehabilitation of rural feeder roads improvement by the district	<b>Output 1:</b> 1050 km of feeder roads surveyed, designed and rehabilitated to gravel level in 35 districts by the year 2008.	<b>Outcome 1:</b> Increase in number of smallholder producers, traders and transport operators using the roads and accessing rural areas by 2008  <b>Outcome 2:</b> Contribute to reduction in transport cost as a percent of producer prices from 60% to 20% by year 2008	Kilometers of road rehabilitated and the traffic volume it handles  Cost per km reduced by 50%
		<b>Output 2:</b> 575 culverts and 115 bridges built/rehabilitated in 35 districts by the year 2008.		
		<b>Output 3:</b> District annual road maintenance plans produced and incorporated in the overall annual work plans and budgets of the 35 districts by the year 2008.		
	<b>Activity 2:</b> Upgrading of rural market places	<b>**Output 1:</b> 20 rural market places and 9 farm produce storage facilities, with basic facilities rehabilitated and constructed in 35 districts by year 2008.	<b>Outcome 3:</b> Improved access to agricultural marketing infrastructure	Number of rural market places and farm storage facilities upgraded and people's satisfaction in facilitation in marketing.
<b>Activity 3:</b> Designing and supervising the infrastructure works.	<b>Output 1:</b> The quality of work conforms to the technical specifications.			Number of roads, rural market places and farm produce storage facilities designed and supervised.
<b>Activity 4:</b> Facilitating capacity building for the technical staff in regions, districts and communities through training & provision of equipment	<b>Output 1:</b> 70 district engineers, 7 regional engineers, 105 district councilors, 175 district staff, 11 MCM staff, and at least 30 village communities trained from year 2004 to year 2008. Engineers and technicians trained in AutoCAD Civil 3D and Prokan.	<b>Outcome 4:</b> Districts' capacity to prepare & manage implementation; as well as sustainably maintain roads & market infrastructure enhanced		Number and type of equipments supplied, & number of infrastructure maintained by districts

\*\* Originally, at appraisal each district was supposed to have at least four small markets i.e. 35 districts times four markets gives 140. However, before project launch, the Government revised (with Bank agreement) the standard design and called for larger buildings with the capacity of 35 metric tons a day, with storage, hygiene and sanitation facilities.

5. For each dimension of the log. frame, provide a brief assessment (up to two sentences) of the extent to which the log. frame achieved the following. Insert a working score, using the scoring scale provided in Appendix 1. If no log. frame exists, score this section as a 1 (one).

LOG. FRAME DIMENSIONS		ASSESSMENT	WORKING SCORE
<b>LOGICAL</b>	a) Presents a logical causal chain for achieving the project development objectives	The project log frame presented a sequential framework for achieving the project objectives with some assumptions but not the risks involved in project implementation.	3
<b>MEASURABLE</b>	b) Expresses objectives and outcomes in a way that is measurable and quantifiable	The project matrix included the objectives which were defined with quantifiable and verifiable indicators, but failed to adequately define the outcomes. However, the infrastructure nature of the Bank-financed component of the Programme makes measurement of results easy.	2
<b>THOROUGH</b>	c) States the risks and key assumptions	Risks were not explicitly identified in the matrix; although the treatment of assumptions was more thorough as it included need for approval of a favourable agricultural marketing policy framework; Government commitment to support the Programme and beneficiaries participation and contributions towards infrastructural development.	3

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## D. OUTPUTS AND OUTCOMES

### I. ACHIEVEMENT OF OUTPUTS

In the table below, assess the achievement of expected vs. actual outputs for each major activity. Import the expected outputs from the log. frame in Section C. Score the extent to which the expected outputs were achieved. Weight the scores by the activities' approximate share of project costs. The overall output score will be auto-calculated as the sum of the weighted scores. Override the auto-calculated score, if desired, and provide justification.

MAJOR ACTIVITIES		Working Score	Share of Project Costs (as stated in Appraisal Report)	Weighted Score
Expected Outputs	Actual Outputs			
1. 1050 km of feeder rural roads rehabilitated, 1,750 culverts, 115 bridges constructed in 35 districts	957.3 km of rural roads constructed in 30 based districts; 71 km of Rujewa - Madibira road rehabilitated; 1549 culverts & 575 bridges constructed	4.00	78.30	3.13
2. 20 market places improved, with basic facilities, in 35 districts by year 2008.	24 market places were upgraded and 9 farm produce storage facilities were rehabilitated/constructed.	4.00	15.80	0.63
3. 70 district engineers and technicians and 7 regional engineers, 105 district councilors, 175 other district staff, 11 MCM staff, and at least 30 village communities trained from year 2004 to year 2008.	80 district engineers and technicians and 8 regional engineers, 70 councilors and 575 villagers were trained. So far 80 % of the rehabilitated rural roads have been allocated funds from Road Fund annually for their maintenance.	4.00	5.90	0.24
				0.00
<b>OVERALL OUTPUT SCORE</b> [Score is calculated as the sum of weighted scores]				4.00

  Check here to override the calculated score

Provide justification for over-riding the auto-calculated score

Insert the new score or re-enter the autocalculated score	4.00

### II. ACHIEVEMENT OF OUTCOMES

1. Using available monitoring data, assess the achievement of expected outcomes. Import the expected outcomes from the log. frame in Section C. Score the extent to which the expected outcomes were achieved. The overall outcome score will be auto-calculated as an average of the working scores. Override the auto-calculated score, if desired, and provide justification.

OUTCOMES		Working Score
Expected	Actual	
<b>Outcome 1:</b> Increase in number of smallholder producers, traders and transport operators using the roads and accessing rural areas by 2008	Smallholder producers, traders and transport operators using the roads has increased significantly. The number of households located more than 10 kilometres from passable roads decreased from 20% to 5%; the volume of goods moved within the local areas has increased by 50%; the reduction in transport cost is huge as is the traffic count doubling in many project areas.	4
<b>Outcome 2:</b> Availability of secure and organized environment for stallholder producers, processors and trades to interact in the process of agricultural produce disposal	Increase in the volume and value of agricultural produce and customer service satisfaction; Producer's share of domestic market or export prices, net profits increased by 25 %; price differentials between seasons and areas for different crops reduced to an average of 20%; and the number of commercial entities providing services to the agricultural sector (buyers, traders, banks, etc.) has increased by 25%.	4
<b>Outcome 3:</b> Transport cost as a percent of producer prices reduced from 60% to 20% by year 2008	Transport cost as a % of producer prices reduced to about 15%	4
<b>Outcome 3:</b> Districts' capacity to prepare, manage and maintain roads & market infrastructure enhanced enhanced.	Impact-oriented programme implementation mechanism established and functioning; 80% of the rural marketing facilities were planned, supervised and rehabilitated; customer service satisfaction is high; and commodity transaction increased.	4

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<b>Outcome 4:</b> Staff of district councils, regional authorities, MCM and village communities trained.	Capacity to maintain road infrastructure has been enhanced through through training & appropriate budgeting, thus enhancing institutional capacity for maintaining infrastructure at all levels.	4
<b>OVERALL OUTCOME SCORE</b> [Score is calculated as an average of the working scores]		4

  Check here to override the calculated score

Provide justification for over-riding the auto-calculated score	
Insert the new score or re-enter the autocalculated score	4

<b>2. Additional outcomes.</b> Comment on the project's additional outcomes not captured in the log. frame, including cross-cutting issues (e.g., gender).
Gender was mainstreamed in all programme activities and women constitute 70% to 80% of food crop traders using the market centres.
<b>3. Risks to sustained achievement of outcomes.</b> State the factors that affect, or could affect, the long-run or sustained achievement of project outcomes. Indicate if any new activity or institutional change is recommended to help sustain outcomes. The analysis should draw upon the sensitivity analysis in Annex 3
The main risk identified was the capacity of district councils to maintain infrastructure in a sustainable manner. Roads constructed under the Programme should be integrated into the District Roads Maintenance Systems funded by the Road Fund for their maintenance and sustainability through operation and maintenance. The market centres are being managed by the established market boards comprising of key stakeholders' representatives who had received training under the capacity building component.

### E. PROJECT DESIGN AND READINESS FOR IMPLEMENTATION

1. State the extent to which the Bank and the Borrower ensured the project was commensurate with the borrower's capacity to implement by designing the project appropriately and by putting in place the necessary implementation arrangements. Consider both design aspects (inputs) and actual outcomes. Design aspects include: extent to which project design took account lessons learned from previous PCRs in the sector or the country (please cite key PCRs); whether the project was informed by robust analytical work (please cite key documents); how well Bank and Borrower assessed the capacity of the implementing agencies and Project Implementation Unit; and provisions made for technical assistance. Project outcomes include the extent to which the project was completed on time and activities were implemented as designed.

[200 words maximum. Any additional narrative about implementation should be included at Annex 5: Project Narrative]

The implementation arrangement was sound comprising a steering committee and a Project Coordination Unit (PCU) with implementation through existing government structures (the district councils). Because of capacity weaknesses, the operation included a capacity building program which trained district councilors, Engineers and village communities to plan, design and supervise construction of rural access roads, markets and grain storage facilities. This program was one of the first in Tanzania where rural infrastructure interventions were designed in a demand driven manner, to be implemented in a decentralised way by local District.

The operation being a pilot, many minor restructuring took place even before project launch: (a) A consultancy firm was engaged only for the more complex Rujewa-Madibira Regional road, while all the other many small rural infrastructure were designed and supervised by district engineers and 2 Engineers recruited at the level of the PCU (b) Number of markets was reduced from 140 to 20 because of change in GOT's design standards calling for larger buildings with storage and sanitation facilities. The project was informed by feasibility studies commissioned by IFAD on the basis of which the project was appraised. The program deadline was extended by 12 months due to initial delays in effectiveness.

2. For each dimension of project design and readiness for implementation, provide a brief assessment (up to two sentences). Insert a working score, using the scoring scale provided in Appendix 1.

PROJECT DESIGN AND READINESS FOR IMPLEMENTATION DIMENSIONS		ASSESSMENT	WORKING SCORE
<b>REALISM</b>	a) Project complexity is matched with country capacity and political commitment.	There was a strong political commitment to the project. Weakness in country capacity was supplemented by appropriate training.	4
<b>RISK ASSESSMENT AND MITIGATION</b>	b) Project design includes adequate risk analysis.	Although the log frame did not mention risks, this was discussed in the appraisal report. The identified risk was inability of districts to adequately maintain the rehabilitated infrastructure which was mitigated through training and adequate budgeting. Most of the completed works are in satisfactory operational condition.	3
<b>USE OF COUNTRY SYSTEMS</b>	c) Project procurement, financial management, monitoring and/or other systems are based on those already in use by government and/or other partners.	Both the Bank and IFAD used their own procurement rules although they were very much in line with the GOT's own procurement guidelines. The M&E unit financed by IFAD was effective. The decentralised local government systems were used in the procurement & supervision of contractors.	3

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For the following dimensions, provide separate working scores for Bank performance and Borrower performance:			WORKING SCORE	
			Bank	Borrower
<b>CLARITY</b>	d) Responsibilities for project implementation are clearly defined.	Responsibilities of project implementation were clearly identified at appraisal	4	4
<b>PROCUREMENT READINESS</b>	e) Necessary implementation documents (e.g. specifications, design, procurement documents) are	Standard bidding documents were made available. Designs could not be done up-front because the project activities were demand-driven, based on district and community priorities.	4	4
<b>MONITORING READINESS</b>	f) Monitoring indicators and monitoring plan are agreed upon.	Although there was no M&E plan before program launch, this was rectified during implementation through systematic planning & data collection. funding of the M&E activities	3	2
<b>BASELINE DATA</b>	h) Baseline data are available or are being collected.	Baseline data was available during project design. Data were continually collected throughout implementation phase by the M&E unit although the staff strength was inadequate to cover the vast program area and the many activities of the programme.	3	3

## F. IMPLEMENTATION

**1. State the major characteristics of project implementation with reference to: adherence to schedules, quality of construction or other work, performance of consultants, effectiveness of Bank supervision, and effectiveness of Borrower oversight. Assess how well the Bank and the Borrower ensured compliance with safeguards. Briefly list what was accomplished at the time of project closing.**

**[200 words maximum. [Any additional narrative about implementation should be included at Annex 5: Project Narrative.]**

The ADF-financed component of the programme was to be implemented in 5 years time but due to initial delays in effectiveness, the disbursement deadline was extended by 12 months from 31st December 2008 to 31st December 2009 although all works should be completed by August 2009. The implementation progress has been satisfactory, and the quality of the rural roads and market/storage facilities are good. With a few exceptions, the contractors performed well and the quality of supervision by the PCU and District Engineers was good. Project supervision by the Bank was satisfactory with the required skills-mix. The mid-term review undertaken by the Bank helped strengthen the environmental safeguards and revised LOGS to cater for supervision operating costs.

The PCU ensured compliance with safeguards (environmental, financial management) and submitted regular progress and audit reports. Out of the planned 1050 km rural road, 905.7 km have been completed, and the remaining tendered works (51.6 km) will be finished by August 2009, bringing total length of road constructed to 957.3 km. Out of the revised target of 20 markets, 24 were tendered and 20 have so far been completed. Also 8 out of target 9 tendered farm produce storage facilities have been completed. The remaining market and storage facilities will be completed by August 2009.

**2. Comment on the role of other partners (e.g. donors, NGOs, contractors, etc.). Assess the effectiveness of co-financing arrangements and of donor coordination, if applicable.**

The AfDB-financed agricultural marketing infrastructure development component; while IFAD supported (i) policy development (ii) producer empowerment and market linkages (iii) financial market support services and (iv) program organization and coordination; Ireland Aid also provided support to financial market support services component. Donor coordination to avoid duplication or complement other ongoing components was effectively managed through the PCU and through the Agriculture Working Group which TZFO participates in regularly. The Bank carried out a number of joint supervision missions with IFAD.

**3. For each dimension of project implementation, assess the extent to which the project achieved the following. Provide a brief assessment (up to two sentences) and insert a working score, using the scoring scale provided in Appendix 1.**

PROJECT IMPLEMENTATION DIMENSIONS	ASSESSMENT		WORKING SCORE
<b>TIMELINESS</b>	a) Project was completed on time. Draw directly from Section A on Project Data and Key Data. Calculate the ratio of planned time from approval to closing. Score "4" if the ratio is 1.0, score "1" if the ratio is 2.0, score "0" if ratio is greater than 2.0 (i.e. project completion took more than twice as long as planned)].	Difference in months between original closing date and actual closing date or date of 98% disb. rate.	3
		8	
<b>BANK PERFORMANCE</b>	b) Bank complied with:		
	Environmental Safeguards	Bank complied with the environmental safeguards as specified in appraisal with regards to road rehabilitation and market place construction.	4
	Fiduciary Requirements	Annual financial audits were carried out in timely manner.	4
	Project Covenants	The project covenants were highlighted in project appraisal and loan agreement.	4
	c) Bank provided quality supervision in the form of skills mix provided and practicality of solutions	There were annual supervision missions where the skill mix was addressed through hire of consultants as per the requirements of the project.	4
d) Bank provided quality management oversight	The Bank was responsive to the needs of the project.	4	

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<b>BORROWER PERFORMANCE</b>	e) Borrower complied with:		
	Environmental Safeguards	The borrower complied with the environmental safeguards specified in the appraisal.	3
	Fiduciary Requirements	PCU submitted timely financial audit reports for each year of the project life and for 2009 audit report is expected to be submitted by the end of the year at the time when the project is closed.	4
		All loan conditions were complied with.	4
	f) Borrower was responsive to Bank supervision findings and recommendations	The borrower was responsive to the implementation of various recommendations emanating from the supervision missions.	4
	g) Borrower collected and used monitoring information for decision making	Despite lack of detailed monitoring plan before program launch, the program has performed well	2

### G. COMPLETION

**Briefly describe the PCR Process. Describe the Borrower's and co-financers' involvement in producing the document. Highlight any discrepancies concerning the assessments made in this PCR. Describe the team composition and confirm whether an in-sight visit was undertaken. Mention any major collaboration from other development partners. State the extent of field office involvement in producing the report. Indicate whether comments from Peer Reviewers were received on time (provide names and positions of Peer Reviewers).**

**[100 words maximum]**

Consultations were held with the PCU, line ministries including PMO-RALG, district councils and beneficiaries. The team visited Mwangi, Moshi Rural, Mbarali and Mufindi districts. Documentation reviewed included quarterly progress reports for 2009 prepared by the PCU and the overall rating of the program is in line with the progress reports. The PCR team was composed of an Agricultural Economist, Water Resources Engineer from OSAN.1, and Financial Management Officer from TZFO. IFAD, the program co-financier's involvement was limited consultation by the mission because they are due to carry out their own PCR after the program closes in December 2009. Peer Reviewers: Messrs. A. Yaser, Financial Analyst; R. Marouki, Agric. Economist and E. Mpyisi, Agric. Economist.

### H. LESSONS LEARNED

**Summarize key lessons for the Bank and the Borrower suggested by the project's outcomes**

**[250 words maximum. Any additional narrative about lessons learned, if needed, must be placed in Annex 5: Project Narrative]**

(a) The need for more attention in the design of rural infrastructure (especially roads) even if the demand-driven nature of the intervention does not lend itself to prior knowledge of the activities' location at the project planning stage. Construction of stretches of rural roads must be preceded by detailed surveys and including expertise of not just the civil engineers, but also other experts like geologists to avoid some of the design problems experienced during construction of some of the roads under the program. (b) In projects of this nature with several small contractors and small works spread over a vast area, Bank disbursement mainly through the use of the special accounts (as opposed to direct payment) operated by experienced PCU accountants has proved efficient, and should be replicated in future projects under similar conditions.

(c) Although the program had an M&E unit, it was judged not to have been well designed from the outset. There is therefore the need for putting in place from the outset a well designed and robust M&E system, and to have good baseline data, outcome indicators and means of verification against which project outcomes and impacts could be measured. (d) Due to widespread problems in getting many of the district councils to make the required 5% cash contribution towards construction works in their districts, in the future, where communities must make contributions to ensure their sense of ownership of the intervention, it may be more practical for it to be in-kind rather than in-cash. So far only about 50.4 per cent of the required cash contributions has been made by the districts as many of them are cash-strapped.

### I. PROJECT RATINGS SUMMARY

All working scores are auto-generated by the computer from the relevant section in the PCR.

CRITERIA	SUB-CRITERIA	WORKING SCORE
<b>PROJECT OUTCOME</b>	Achievement of outputs	4
	Achievement of outcomes	4
	Timeliness	3
	<b>OVERALL PROJECT OUTCOME SCORE</b>	

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<b>BANK PERFORMANCE</b>	<b>Design and Readiness</b>	
	Project Objectives are relevant to country development priorities.	4
	Project Objectives could in principle be achieved with the project inputs and in the expected time frame.	4
	Project Objectives are consistent with the Bank's country or regional strategy	4
	Project Objectives are consistent with the Bank's corporate priorities	4
	The log frame presents a logical causal chain for achieving the project development objectives.	3
	The log frame expresses objectives and outcomes in a way that is measurable and quantifiable.	2
	The log frame states the risks and key assumptions.	3
	Project complexity is matched with country capacity and political commitment.	4
	Project design includes adequate risk analysis.	3
	Project procurement, financial management, monitoring and/or other systems are based on those already in use by government and/or other partners.	3
	Responsibilities for project implementation are clearly defined.	4
	Necessary implementation documents (e.g. specifications, design, procurement documents) are ready at appraisal.	4
	Monitoring indicators and monitoring plan are agreed upon.	3
	Baseline data are available or are being collected.	3
	<b>PROJECT DESIGN AND READINESS SUB-SCORE</b>	
	<b>3</b>	
	<b>Supervision:</b>	
	Bank complied with:	
	Environmental Safeguards	4
Fiduciary Requirements	4	
Project Covenants	4	
Bank provided quality supervision in the form of skills mix provided and practicality of solutions.	4	
Bank provided quality management oversight.	4	
<b>SUPERVISION SUB-SCORE</b>		
<b>4</b>		
<b>OVERALL BANK PERFORMANCE SCORE</b>		
<b>4</b>		
<b>BORROWER PERFORMANCE</b>	<b>Design and Readiness</b>	
	Responsibilities for project implementation are clearly defined.	4
	Necessary implementation documents (e.g. specifications, design, procurement documents) are ready at appraisal.	4
	Monitoring indicators and monitoring plan are agreed upon and baseline data are available or are being collected	2
	<b>PROJECT DESIGN AND READINESS SCORE</b>	
	<b>3</b>	
	<b>Implementation</b>	
	Borrower complied with:	
	Environmental Safeguards	3
	Fiduciary Requirements	4
Project Covenants	4	
Borrower was responsive to Bank supervision findings and recommendations.	4	
Borrower collected and used of monitoring information for decision-making.	2	
<b>IMPLEMENTATION SUB-SCORE</b>		
<b>3</b>		
<b>OVERALL BORROWER PERFORMANCE SCORE</b>		
<b>3</b>		

### J. PROCESSING

STEP	SIGNATURE AND COMMENTS	DATE
Sector Manager Clearance		3-Jul
Regional Director Clearance		24-Jul
Sector Director Approval		18-Aug