

Success Rates

Successful Projects in the Agriculture
and Natural Resources Sector
2002–2004

Second Agriculture Program

Rationale:

Nepal's agriculture sector growth had been constrained by various public interventions, which had stifled private initiatives and generated market distortions. The government had recognized the need to abandon interventionist policies and was implementing fundamental changes to promote market-oriented growth in agricultural production.

Expected Outcomes:

The program aimed to

- implement a medium-term strategy for the agriculture sector,
- deregulate the fertilizer sector,
- institute reforms in the Agriculture Inputs Corporation,
- increase utilization efficiency of water resources,
- promote competitive agricultural produce markets,
- develop rural infrastructure,
- strengthen institutional and legal sector frameworks, and
- institute safe disposal of obsolete pesticides.

Accomplishments:

The program, in conjunction with prior and current government initiatives to liberalize the economy, demonstrated the benefits of liberalization of the input sector—with gains in fertilizer use, choice, and availability becoming widely recognized as a success story. Upon program completion, annual savings of \$5.3 million had been achieved from phasing out fertilizer and shallow tubewell subsidies. Decontrol of the fertilizer sector led to increased availability—doubling fertilizer nutrient consumption and leading to real GDP growth of over 3.2% per annum over the Ninth Five-Year Plan.

Details:

www.adb.org/Documents/PPARs/NEP/ppa-nep-25361.pdf

Number:

Loan 1604-NEP

Approval:

22 January 1998

Effectivity:

9 March 1998

Closure:

31 December 2000

Disbursements:

\$48,881,000

Evaluated:

2004

Performance:

Successful

Agriculture Sector Program

Rationale:

To reorient Cambodia's economy, the government was endeavoring to harness a more dynamic, market-based source of growth for the agriculture sector.

Expected Outcomes:

The program aimed to

- stimulate overall economic growth;
- improve individual incomes;
- increase employment opportunities;
- improve overall food sufficiency and nutrition;
- reduce rural to urban migration;
- conserve sensitive environmental areas by enhancing production in cultivated areas;
- enhance the country's foreign exchange earning capacity; and
- provide an economic base to increase government's revenues for development expenditures in the health, education, and social sectors.

Accomplishments:

The program had significant institutional impacts—the passage of the 2001 Land Law provided legal protection for land tenure, reduced land disputes, and facilitated land management; farmers' access to market information improved; and government staff in task forces increased their capacity to implement policy.

Details:

www.adb.org/Documents/PPARs/CAM/ppar-cam-27154.pdf

Number:

Loan 1445-CAM

Approval:

10 June 1996

Effectivity:

28 October 1996

Closure:

5 September 2000

Disbursements:

\$28,419,000

Evaluated:

2003

Performance:

Successful

Participatory Forestry Project

Rationale:

Apart from its important environmental function, Sri Lanka's forestry sector was contributing about 4.2% to GDP and was employing about 170,000 people. While forestry remained the major source of the country's energy, increasing demand had dangerously diminished fuelwood resources.

Expected Outcomes:

The program aimed to

- increase tree planting by farmers, thus creating employment opportunities, raising incomes, and rehabilitating environmentally degraded areas; and
- strengthen the institutional capability of the Forest Department to expand its programs for nonforest tree planting, adaptive or on-farm research, extension delivery systems, and privately operated village nurseries.

Accomplishments:

The project increased tree planting and created employment opportunities for rural households—developing 17,000 hectares of tree cover and generating 14,000 person-years of employment through planting activities. It also played a pivotal role in the transformation of the Forest Department from a solely administrative forestry agency to an agency that facilitates the production of woodlots through community involvement.

Details:

www.adb.org/Documents/PPARs/SRI/ppar_sri_19151.pdf

Number:

Loan 1183-SRI

Approval:

5 November 1992

Effectivity:

11 August 1993

Closure:

31 August 2000

Disbursements:

\$7,922,000

Evaluated:

2003

Performance:

Successful

Second Aquaculture Development

Rationale:

The fisheries sector of Bangladesh was providing livelihood to more than a million people and 10 million part-time fisherfolk. In the mid-1980s, floodplain fish harvest were reported to decline because of heavy fishing that surpassed natural replenishment, plus reduction of inland water bodies due to flood control and irrigation schemes. Given the decline, opportunities to earn foreign exchange from shrimp exports, and the need to meet domestic demand for fish, the government was showing increased interest in aquaculture development.

Expected Outcomes:

The program aimed to

- promote growth of shrimp production from pond culture to generate foreign exchange earnings,
- increase the availability of fish for domestic consumption, and
- expand employment and increase incomes in the rural areas.

Accomplishments:

The project emphasized information dissemination to promote and improve aquaculture technology through demonstration farms that adopted improved aquaculture practices. These demonstration farms gained and sustained impressive yield increases and acted as extension agents in their respective locations. The project also promoted aquaculture practices that yielded high financial returns to farms adopting such practices. There is strong evidence that an increasing number of farms improved their productivity through better pond management and rational use of feed and inputs. The project was also instrumental in strengthening the Department of Fisheries' capacity in human resources development and raised the department's awareness of the critical importance of institutional, organizational, and management arrangements for sustaining extension services and floodplain fisheries. Aquaculture products, particularly shrimp and prawn, contributed significantly to fisheries exports and rural employment, and frozen shrimp and prawn exports more than doubled between FY1986 and FY2000.

Details:

www.adb.org/documents/ppars/ban/ppa_ban_18045.pdf

Number:

Loan 0821-BAN

Approval:

16 December 1986

Effectivity:

8 March 1988

Closure:

15 March 1997

Disbursements:

\$30,667,000

Evaluated:

2002

Performance:

Successful

Agriculture Sector Program

Rationale:

The transition of agriculture to a market-based system was at the forefront of the Kyrgyz Government's agenda, and initial reforms had begun to dismantle the system of state ownership and interventions, thereby establishing the institutional and legal framework for private agriculture. However, liquidity squeeze, incomplete farm restructuring, and inadequate support services were constraining the sector's recovery. Incomplete farm restructuring, and inadequate support services were constraining the sector's recovery.

Expected Outcomes:

The program aimed to

- encourage the development of market institutions,
- increase the competitiveness of markets,
- improve social and environmental protection, and
- enhance public sector support.

Accomplishments:

The program strengthened the requisites for land reform and farm restructuring, catalyzed the development of procedures for resolving land disputes, led to recognition of rights to immovable property, advanced the legal framework governing irrigation water users' rights, and clarified the requirements for establishing water user associations. The direction of reform was maintained thereafter, and associated development initiatives strengthened and deepened the enabling environment for creating market institutions, increasing the competitiveness of markets, improving social and environmental protection, and rationalizing public sector support for agriculture.

Details:

www.adb.org/Documents/PERs/PE585.pdf

Number:

Loan 1407-KGZ

Approval:

23 November 1995

Effectivity:

9 April 1996

Closure:

30 June 1998

Disbursements:

\$37,915,000

Evaluated:

2002

Performance:

Successful

Agriculture Sector Program

Rationale:

In the late 1980s, Viet Nam embarked on a fundamental change in economic policy, recognizing the household as the main unit of agricultural production and granting extended land use rights to households. The program was designed to support these reforms.

Expected Outcomes:

The program aimed to

- sustain agriculture sector growth,
- improve efficiency in production and agroprocessing, and
- strengthen rural equity.

Accomplishments:

Rice exports grew from 2.1 million tons in 1995 to 3.5 million tons in 2000, despite a 2.4% reduction in the area under rice—as farmers shifted to other crops in lower-yield areas. Export turnover value increased by 15% per annum (1995–1999) and exports grew through improvements in product quality. Strong growth in agricultural production and exports improved living standards in rural areas. Real per capita expenditure by rural household increased by 30% between 1993 and 1998 and the incidence of poverty fell in every region, both in rural and urban areas. In rural areas, poverty fell from 66% in 1993 to 45% in 1998.

Details:

www.adb.org/Documents/PPERs/VIE/ppa-vie25325.asp

Number:

Loan 1340-VIE

Approval:

8 December 1994

Effectivity:

17 April 1995

Closure:

30 June 1998

Disbursements:

\$78,780,000

Evaluated:

2002

Performance:

Successful

About the Asian Development Bank

ADB aims to improve the welfare of the people in the Asia and Pacific region, particularly the nearly 1.9 billion who live on less than \$2 a day. Despite many success stories, the region remains home to two thirds of the world's poor. ADB is a multilateral development finance institution owned by 67 members, 48 from the region and 19 from other parts of the globe. ADB's vision is a region free of poverty. Its mission is to help its developing member countries reduce poverty and improve their quality of life.

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ADB's headquarters is in Manila. It has 26 offices around the world and more than 2,000 employees from over 50 countries.

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Success Rates provide condensed information. Readers should verify with the Operations Evaluation Department information that they may wish to use.