

## TECHNICAL ASSISTANCE COMPLETION REPORT

Division: MnRM

TA 3606-MON: Capacity Building in Agriculture			Amount Approved: \$695,000	
			Revised Amount:	
Executing Agency: Ministry of Food and Agriculture (MoFA)	Source of Funding: Japan Special Fund (JSF)	Amount Undisbursed: \$37,242.17	Amount Utilized: \$657,757.83	
TA Approval Date: 21 Dec 2000	TA Signing Date: 02 Feb 2001	Fielding of First Consultants: 01 Feb 2002	TA Completion Date Original: 30 Apr 2007 Account Closing Date Original: 30 Apr 2007	Actual: 31 Jul 2007  Actual: 30 Sept 2007
<p><b>Description:</b> The TA is piggybacked to L1822-MON: Agriculture Sector Development Project (ASDP). The TA had two components: cooperative training and pasture management. The objectives of the TA component on cooperative training were to (i) train trainers to provide advice to cooperatives; and (ii) improve the institutional set up for providing advice. The objectives of the component on sustainable pasture management were to (i) help to identify current winter and summer pasture uses; (ii) provide information on operative and inoperative wells; (iii) identify and train herder groups that use particular pasture areas and wells; and (iv) pilot test alternative approaches for improving grazing patterns based on pasture comanagement arrangements between government and herder groups. TA activities were focused on four western provinces of Zavhan, Govi-Altay, Hovd, and Uvs.</p> <p><b>Expected Impact, Outcome and Outputs:</b> The sector goals (impact) were to develop a more market-oriented, efficient, and sustainable agriculture sector, and reduce poverty by providing increased income opportunities. The TA was expected to contribute to these goals by providing capacity building in the areas of cooperative training and sustainable pasture management. Expected outcomes were (i) strengthened capacity in providing advisory services to cooperatives; (ii) enhanced institutional capacity by establishing cooperative training centers in four aimags; and (iii) enhanced capacity in land management and pasture use plans. Expected outputs were (i) training materials and manuals; (ii) trained trainers and business consultants, auditors and accountants; (iii) improved facilities at cooperative training centers; and (iv) land management plans and improved capacity in pasture use.</p> <p><b>Delivery of Inputs and Conduct of Activities:</b> Agrarwirtschaftliche Beratung Goettingen GmbH, Germany (ABG), was contracted to provide consulting services on 28 November 2001 and the consultants were mobilized on 01 February 2002. The contract with ABG was for 5 years and involved 15.26 person/months of international and 119.43 person/months of local consultancy services. In accordance with the terms of reference (TOR), ABG developed training programs and trained about 80 trainers and consultants on cooperative development, business plan preparation, and accounting and auditing under cooperative component. It also collected a comprehensive set of data on pasture and wells use in 12 pilot soums, helped to identify 27 wells for rehabilitation, established and trained 80 herders groups in pasture and well management; assisted herder groups in concluding long term agreements with local government on use of land, and improved facilities of the Mongolian Cooperative Training and Information Center and four Regional Cooperative Training Centers (RCTC) in the TA <i>aimags</i>. The Project Completion Report was received from ABG on 27 February 2007. Considerable difficulties were experienced in coordination of the TA with ASDP. The TA TORs were not adequate to respond to issues encountered by ASDP implementation and there was little interest from the Executing Agency (EA) to coordinate the two projects because different agencies within the EA were assigned primary responsibility for the projects and there was little interest from the two agencies to coordinate inputs. The appreciation of the Euro against the dollar caused the cost of the Euro-denominated contract to exceed resources available. ADB responded by cutting essential costs such as local transport and office management. This caused major implementation problems and necessitated numerous exchanges between ABG and ADB slowing implementation. A total of 7 contract variations were executed. The consultant's project manager changed once and the ADB project manager changed three times during</p>				

implementation further disrupting implementation and interrupting communications between ADB and the consultant. The TA administration was transferred to Mongolia Resident Mission (MnRM) in August 2006 to facilitate implementation. But MnRM had no substantial inputs into TA implementation because the TA was due for completion and all substantial inputs had already been provided. The performance of the consultants is considered satisfactory. Performance of the EA and ADB is considered unsatisfactory.

**Evaluation of Outputs and Achievement of Outcome:** Some valuable contributions were made in the area of community facilitation and group cohesion and the development of pasture management plans. Seasonal pasture maps developed under the TA demonstrated the value of mapping herder group movements and pasture access rights. Unfortunately, there were insufficient resources to allow the scaling up of these activities. Although considerable efforts were made on cooperative development, few cooperatives are willing to pay for the services provided by the centers. Most trainers trained under the TA sought out other occupations since training income was not sufficient to sustain them. The experience of the TA provides a lesson in the pitfalls of a supply driven approach to the provision of agriculture support services and the use of purely Government agencies to provide agriculture support services. The consultants delivered their reports to the EA annually. The EA was partly satisfied with performance of the consultants and quality of reports delivered.

**Overall Assessment and Rating:** The TA is rated as partly successful mostly on the basis of the outputs produced even though impacts and outcomes are considered less than satisfactory. The TA was able to build up capacity for cooperative development and produced training programs, manuals and materials, but there are few users of these outputs. The TA also introduced community-based approaches to pasture management and well use that concentrated around herders groups.

**Major Lessons:** Supply-driven advisory technical assistance that is not coordinated with project implementation is unlikely to provide satisfactory outcomes or impacts. Close supervision of consultants is essential to ensure that technical assistance is responsive and flexible enough. MoFA tends to view technical assistance projects as stand-alone exercises even if they are piggy-backed to loan projects. The institutional structure in MoFA does not encourage outcome-driven approaches to delivery of support services. ADB needs to improve its supervision of technical assistance particularly when it is provided over long implementation periods.

**Recommendations and Follow-Up Actions:** Any further projects involving MoFA should pay attention to the institutional arrangements (e.g. extension centers) for the delivery of services. Projects in the agriculture sector in Mongolia need to involve a wider range of stakeholders than only MoFA. Demand for services should be gauged from private sector agents before technical assistance is provided. Pilot testing of service delivery arrangements should be essential features of technical assistance. If ADB is going to follow-up on the technical assistance, then it should ensure that it has the resources to properly supervise it. KPS could be developed as a follow-up action to capture the lessons learned from the TA achievements. Future TA should be an integral part of projects with the same EA and the same Project Implementation Unit. Cooperative development should not be supported unless it is also supported by private sector enterprises or buyers that also commit resources. Contract farming arrangements should be explored.

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