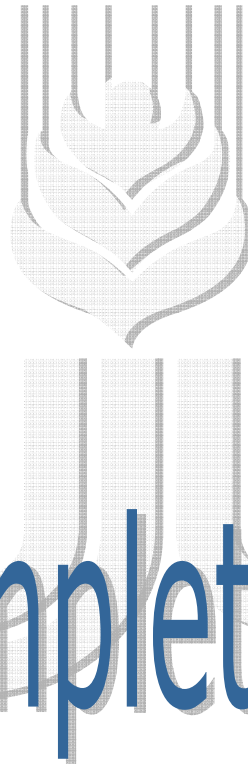


Guidelines for

Project Completion



June 2006
Programme Management Department



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A. BACKGROUND

1. While a well-established event (the start-up workshop) marks the opening of almost all IFAD projects, there is no formality to mark their end. The completion process receives less attention, even though this is of key importance for identifying the ways and means to enhance the sustainability of project supported initiatives. The closure of IFAD assistance does not in fact imply the end of useful life of the investments financed by the project but should be used to ensure that these investments generate benefits throughout additional years. On the basis of these considerations, IFAD has elaborated a more structured completion process to assist borrowers and implementing agencies in identifying responsibilities and actions for ensuring post-project sustainability. Furthermore, the completion process is expected to facilitate a thorough assessment of project achievements and the sharing of lessons learned and development experiences.

B. INTRODUCTION

2. Project completion is a process, undertaken by the Borrower in order to report on the implemented activities, describe the results achieved, promote accountability, elicit lessons learned and define an appropriate hand-over strategy^{1/}. The learning dimension of the completion process should be regarded as the foundation for improvements in future project design and implementation arrangements. Outputs from the completion process include: elaboration of lessons learned, definition of specific actions for ensuring sustainability, identification of the main success factors and shortcomings that affected project implementation, promotion of accountability among all stakeholders for successes and setbacks, and the development of exit strategies (by geographic area, type of intervention, etc.)

3. *These Guidelines* propose a framework for a standardized approach to the completion process. Completion needs to be planned from the outset of the project; appropriate human resources should be identified and allocated for this process. Completion also requires a careful assessment of the information required to support the process. The data generated by the project management information system (MIS) are expected to be extensively utilised in the completion process – the existing MIS should, at a minimum, provide the data needed for reviewing the project financial and physical progress. On a higher level, the Monitoring and Evaluation (M&E) system is expected to provide the information needed for assessing the outcomes, impact and sustainability of project-financed activities.^{2/} In order to assess the impact of the project, it is essential that baseline data or benchmarks are established at project start-up.

4. A Project Completion Report (PCR) should be elaborated at the end of the completion process that brings together the key findings of the completion phase and that can be considered as a guide for post-project sustainability.

C. RESPONSIBILITY AND TIMING FOR THE COMPLETION PROCESS

5. The implementation of the completion process and the preparation of the PCR are responsibilities of the Borrower. IFAD can provide capacity-building assistance, supported as appropriate by the project's Cooperating Institution (CI). When a project is nearing completion, supervision missions should facilitate the completion phase, by making the necessary recommendation to mobilize project teams and to provide backstopping support for the recruitment of resource persons, e.g., to supervise and carry out thematic studies and surveys. During the completion phase, backstopping missions should be organised to

^{1/} The term project used in this document should also be read to include programmes. These Guidelines are applicable to all projects initiated by IFAD.

^{2/} Refer to IFAD's *A Guide to Project M&E* in designing the project M&E system.



assess the status of the process and, eventually, identify any corrective actions required. Costs associated with completion and the preparation of the PCR is normally borne by the borrower.

6. The PCR should be submitted to IFAD and the CI by the date stipulated in the loan agreement, normally six months after the project completion date (Article IV of the Loan Agreement, *Implementation, Reporting and Information*). Section 8.04 of IFAD's *General Conditions for Agricultural Development Financing* stipulates:

“As promptly as possible after the Project Completion Date but in any event no later than the date specified in the Loan Documents, the Project Party so designated in the Loan Documents shall furnish to the Fund and the Cooperating Institution a report on the overall implementation of the Project, in such form and substance as may be specified in the Loan Documents or as the Fund or the Cooperating Institution shall reasonably request. At a minimum, such report shall address: (i) the costs and benefits of the Project; (ii) the achievement of its objective(s); (iii) the performance of the Loan Parties, the Project Parties, the Cooperating Institution and the Fund of their respective obligations under the Loan documents, and (iv) lessons learned from the foregoing”.

D. THE COMPLETION PROCESS

7. The approach to project completion suggested in these guidelines is based on three interrelated principles: planning, analysis and participation. Together with the impact assessments, analyses of the relevance, efficiency and effectiveness of project operations form the cornerstones of the completion process.

8. Planning. Careful planning is required at the outset of the process. A precise schedule should be defined by the project management; and milestones be fixed in order to guide the various activities scheduled during the period. The plan should specify the human resource requirements, and specific responsibilities; and include supplementary surveys and/or research to fill any gaps between the information needed for a meaningful assessment of the project and the data available in the M&E system^{3/}. The PCU and lead implementing agency should initiate the completion process early in the last year of project implementation. Adequate time should be allocated for meaningful consultations to solicit the views of the main project stakeholders – project staff, partners (government, other donors, service providers, civil society and the private sector), and direct and indirect beneficiaries. Feedback to stakeholders and time for clarification should also be programmed.

9. Analysis. The data generated through the M&E system should form the basis for analysis, supplemented as necessary by special studies or surveys.^{4/} The findings of the completion assessment should be compared to benchmark assessments (or baseline surveys) and/or mid-term assessments in order to gauge the impact of the project. Such assessments should address the measures of impact contained in the project logical framework and may also point towards unintended benefits^{5/}. Linkages between project sponsored activities, results/outputs and impact achieved should be explored.

10. Participation. In order to take into account the views of a range of project actors, a Stakeholder Workshop should be organized at the beginning of the completion process. The Workshop is expected to give a plurality of actors the opportunity to evaluate the performance of the project, to promote accountability, and to identify the main lessons learned. The organisation of additional *fora* is encouraged for reviewing thematic areas or

^{3/} For example, focused and in-depth research may be undertaken to assess the impact of activities or for evaluating the sustainability of operations.

^{4/} The indicators suggested in the RIMS framework can be used as the basis of assessment of first and second level results.

^{5/} Where applicable, the RIMS impact assessment methodology should be used.



for facilitating the participation of specific groups of beneficiaries (e.g. indigenous people) or stakeholders. In addition, a final meeting of the Project Steering Committee should be arranged for reaching an agreement on post-project responsibilities and to examine the draft PCR. The approach for communicating results and preliminary impact findings and lessons learned to a broader public should also be considered.

11. Annex I presents a detailed plan of action for the completion process, for which three key events are identified: (i) data gathering and analysis; (ii) the Stakeholder Workshop; and (iii) the final Project Steering Committee meeting.

Data gathering and analysis

12. The project M&E system should be considered as the main source of information for the completion. The project should take stock of available information at the beginning of the last year of implementation, and as necessary take measures to fill gaps and supplement data. Secondary sources and participatory evaluative methodologies should be used if baseline data are not available and to supplement or validate the findings of assessments/surveys sponsored by the project. This is likely to be necessary in order to gauge the efficiency and effectiveness of project activities. Focused research using qualitative methods should also be considered to generate a comprehensive assessment of the extent to which the project contributed to the stated goals and objective(s) and to appraise factors affecting the sustainability of project activities.

13. Surveys and data-gathering activities should be planned during the early stages of the completion process, and the objective(s) and expected results clarified from the outset. Special care should be given to ensure that the schedule and objective(s) of the commissioned survey(s) are in compliance with the plan and objective(s) of the completion process. A wide range of views from the beneficiary population should be sought, and therefore, the adoption of qualitative and participatory research methods is strongly encouraged.

Stakeholder workshop

14. A stakeholder workshop should be held early in the completion process to provide a broad spectrum of stakeholders with the opportunity to assess project performance in order to:

- review project implementation - activities carried out, results achieved;
- identify factors and responsibilities to increase the likelihood of sustainability;
- elicit lessons learned, and
- identify innovative features, key success factors and shortcomings.

Participants would highlight the achievements and identify areas where performance was less than satisfactory. The reasons for success and/or underperformance are also expected to be identified. Participants should be encouraged to take responsibility for over/under achievement.

15. The Workshop would provide an opportunity for sharing experiences and insights from a cross-section of project stakeholders. For this reason, participants should be drawn from national and local government, beneficiary groups, civil society (including NGOs/CBOs, private sector) and participating donors. On the basis of the characteristics of the project, supplementary workshops might be organised to facilitate the participation of particular segments of the beneficiary population or civil society (e.g. indigenous groups, ethnic minorities, service providers).

16. An analytical approach should be adopted to summarise the conclusions emerging from the stakeholder workshop and other participatory events organised during the completion process. The findings of the workshop(s) should be used to inform the rest of the process and cross-checked with the final PCR to ensure that they are adequately reflected. See Annex II for more detailed guidance on the Stakeholder Workshop.



Project steering committee/stakeholder meeting

17. The final Project Steering Committee meeting should reach agreement on post-project responsibilities, including the identification of responsible government entities or groups/organisations; the modalities associated with the hand-over should also be elaborated. This is especially relevant for determining an appropriate exit strategy and for guaranteeing the sustainability of project operations.

18. The final draft PCR will form the basis for the discussion. The project director/coordinator would present the main PCR findings at a meeting (or workshop) to be held close to the project completion date. All members of the committee would attend along with representatives from IFAD, the Cooperating Institution and participating donors. Representatives of the target group, if not already part of the steering committee, should be invited as well as any stakeholders responsible for post-project activities. Minutes of the discussion reflecting the agreements reached should be attached to the final PCR submitted to IFAD and government.

E. CONCEPTUAL FRAMEWORK

19. The main purpose of completion process is to promote accountability and learning by recording the major achievements of the project, critically reflecting on the implementation performance of all project partners, defining post-project responsibilities and extracting lessons learned. The Borrower should ensure that the completion process generates a thorough understanding of the key success factors and the main shortcomings that affected the implementation of project activities. The identification of constraints or bottlenecks is also critical so that corrective measures can be taken during the post-project period and in designing and implementing future interventions.

20. Assessing the extent to which the project succeeded in reaching its objective(s) (and eventually the goal) is one of the most important outcomes of the completion process, supported by a justifiable and coherent representation of the linkage among the various components – how they together contributed to achieve the stated objective(s). In assessing how well the project met the stated objective(s), the outcomes of project interventions should be taken into account, including changes in the institutional framework, advances made in developing local and grass root capacities, diversified sources of income; increased production and/or profitability. Changes in household income and food security.

21. The above mentioned aspects are normally summarised in the project logical framework. Although the logical framework elaborated during the project design stage is seldom up-dated to reflect changes during implementation, it nevertheless presents a synthetic and coherent representation of the rationale for the project in terms of utilisation of inputs, achievement and measurement of results, etc. For this reason, the application of the logical framework approach to the completion process would considerably facilitate the assessment of the extent to which the envisioned outputs (results) were realised, the objective(s) achieved and the goal supported. If needed, the logical framework contained in the final design document (appraisal) should be adjusted to better reflect the actual activities that were implemented and outputs were realised.

F. THE PROJECT COMPLETION REPORT

22. The Project Completion Report (PCR) would document findings of the completion process^{6/}. The PCR should describe and quantify (to the extent possible) project results and impact, describe and explain constraints and mitigating circumstances. There is also scope to consider, with the benefit of hindsight and experience, what could have been done differently and whether an alternative approach might have produced better results and/or

6/ The PCR should therefore be considered as the reporting mechanism, distinguished from the completion process.



greater impact. Finally, the PCR should assign post-project responsibilities and generate lessons for future interventions. The paragraphs below serve as an annotated outline for the PCR. (Refer to Annex III for the PCR Table of Contents.)

Project at a Glance

23. A table including key quantitative information is presented at the beginning of the document. Refer to Annex IV for the template.

Executive Summary

24. The Executive Summary highlights the key achievements of the project and most significant lessons learned. Important elements and information sources of the completion process are also noted, including stakeholder workshops, other consultative meetings, focused surveys, etc.

A. Introduction

25. The introduction includes a description of the peoples making up the target group and geography of the project area. It details any significant changes in the country context since the project appraisal – political, economic and climatic. Delays in project start-up or suspensions and their effect on implementation are also noted.

B. Project Description and Implementation Arrangements

26. The project's goal, purpose and main outputs/components are summarised. Modifications to the original design (appraisal) – in terms of outputs, delivery mechanisms or partners – and rationale for the changes are discussed. An assessment of the implementation arrangements is made, including adequacy of service providers and the PCU to deliver the outputs and achieve the project purpose. The level and type of involvement of rural poor people in implementing project activities is described. If innovative implementation arrangements have been proposed, a careful assessment of the performance, shortcomings and success factors is presented.

27. In this section, the following performance questions should be analysed:

- How many people benefited from project activities? Disaggregated as appropriate by sex, ethnic minorities and sector.
- How and to what extent did rural poor people benefit from project activities?
- Did the project facilitate the participation of women and other vulnerable groups?

C. Project Strategy and Approaches

28. The purpose of this section is to examine whether the strategies and approaches employed were the most appropriate and effective for reaching the stated goal and objective(s). The review includes the appropriateness of the targeting mechanisms, the way in which participatory approaches were introduced in project planning and activities, the gender strategy, the methodology for technology development/transfer and capacity building. Key questions to be addressed include:

- Was the targeting approach appropriate to the country context and was it effective?
- How were gender issues addressed by the project?
- Were technical solutions developed in a participatory manner? Were they appropriate to the needs of the target group?
- How were capacity-building activities defined - demand or supply driven?

29. The PCR presents an assessment of the effectiveness and efficiency of the strategies and approaches adopted by the project. Special care is given to pinpoint the key success factors and the main shortcomings faced in the implementation of the project strategy. Finally, the PCR considers whether the project strategy is replicable in the country/sector context or, alternatively, what corrective measures should be applied.



D. Assessment of Project Relevance

30. Relevance is a measure of the pertinence of the project strategy and activities to the needs of the rural poor. This section therefore provides an assessment of the relevance of project objectives (at purpose and output level) to the priorities of the rural poor people targeted (and the diverse groups among them), and to the key challenges for poverty reduction. It examines how well the project fits within and contributed to national poverty reduction strategies. It considers whether the major design features of the project were appropriate in the context of the socio-politico-economic conditions prevailing at the design stage; changes introduced during implementation to enhance relevance are described.

31. Moreover, relevance is also analysed by looking at the extent to which the activities implemented by the project responded to the needs of the rural poor. Participatory methods and in-depth surveys can provide interesting insights in the perception of project beneficiaries with respect to the relevance of activities. This can be triangulated with the findings generated during the stakeholder workshop or with the viewpoint of key project stakeholders.

E. Project Costs and Financing

32. This section assesses the adequacy of financial projections in the original design, highlighting significant deviations from original estimates. The timeliness and adequacy of financing contributions (IFAD, government, and domestic and external co-financiers, as applicable) is described. Significant revisions to the financing arrangements are noted. A description of the project's financial management is also included, highlighting any issues related to flow of funds, financial record keeping, and timely provision and quality of audit reports. Evidence of prevention of avoidable cost increases or realization of cost savings is noted.

F. Assessment of Project Efficiency

33. Efficiency is a measure of converting inputs and activities into outputs. In other words: was the maximum outcome achieved for the given inputs, or could the same have been achieved with fewer inputs.

34. This section will largely be drawn from information from financial systems and from the revised financial/economic analysis (see Annex III). It explores how economically resources were converted into results, and examines how efficiently project services/inputs were delivered, i.e., with least delay and at an acceptable unit cost. Where possible, cost comparisons with other development projects operating in the same area should be made.

35. Changes introduced to increase efficiency are noted, particularly those in response to findings from project audits. Instances where the project leveraged its resources with those of other projects (either government or other donors) to increase outreach are noted. Key findings of the economic analysis, including the revised economic internal rate of return, are included. Cost/benefit ratios for key outputs also provide a measure for assessing efficiency of resource use.

G. Review of Project Outputs

36. In this section, the PCR reviews the tangible results achieved due to the implementation of project activities. The PCR should contain a detailed review of the achievement of the project at output level by using both quantitative and qualitative indicators. The relevant findings generated by the M&E system and those of focused surveys undertaken during the completion process will be presented.



Table 1: Logical Framework - Results Chain

NARRATIVE SUMMARY		VERIFIABLE INDICATORS	
Goal/Impact			
Poverty reduced and livelihoods improved for the targeted (5 000) households living in the mountainous eastern region.		<ul style="list-style-type: none"> • Increase in household assets recorded for 70% of households • Reduction in chronic child malnutrition from 20% to 15% • Reduction in unemployment from 25% to 20% • 4 000 households move out of poverty (wealth ranking) • 90% of households report reduction in hungry periods 	
Purpose/Objective			
Household diversify income sources in response to market demand.		<ul style="list-style-type: none"> • 35% of households report income from SMEs • 80% of households report diversification in income sources • 2 000 farmers contracted as out-growers 	
Outputs			
1. Farmer-owned and managed irrigation network provides improved efficiency, quantity and timeliness of irrigation water delivery.		<ul style="list-style-type: none"> • 85% of farmers report sufficient and timely delivery of water compared to 50% pre-project) • 25% reduction in water use compared to pre-project • 90% of WUAs functioning three years after formation - water charges collected, meetings held regularly, regular maintenance carried out 	
2. Cropping patterns diversified in response to market demand.		<ul style="list-style-type: none"> • Cropping pattern changed from field to horticultural crops on over 70% of rehabilitated land 	
3. SMEs, responding to diversified farming practices, established in project area.		<ul style="list-style-type: none"> • 150 enterprises established under the project operating for 3 or more years • 500 full-time equivalent jobs created • 75 enterprises have entered into contracts with local farmers 	
4. Sustainable rural financial services catering to demands of rural poor people put in place		<ul style="list-style-type: none"> • 75% of farmers report timely application of inputs bought through credit • USD 2 million mobilised in savings • All MFIs report acceptable (<%) portfolios at risk • Collateral requirements reduced at all participating MFIs 	
Activities			
1.1. 1 000 ha of irrigation land rehabilitated.	2.1. 1 500 farmers trained in horticultural techniques	3.1. 1 000 (60% women) farmers entrepreneurs trained in business skills	4.1. 2 000 loans extended (40% to women)
1.2. 50 WUAs formed incl. apex organisation	2.2. 500 farmers participate in supply chain analyses	3.2. 500 (60% women) entrepreneurs/farmers develop business plans	4.2. Value of gross loan portfolio = USD 1 million
1.3. 2 000 farmers trained in water management, agronomic techniques,	2.3. 25 commodity associations formed	3.3. Trade fairs held annually in each district	4.3. Loan recover rates for all MFIs average 97%
1.4. ...	2.4.	3.4. ...	4.4. More than 3 000 active savings accounts registered in MFIs at project end.
			4.5. ...

37. The review also includes a comparison of the results achieved with the targets set out in the Appraisal Report (or as amended during the Mid-term Review) and in the Annual Work Plan and Budgets (AWP&Bs). The comparison of the stated targets and actual result will facilitate the assessment of project capacity to deliver its outputs. Special attention should be given to analyse the extent to which the poor participated into project activities and, consequently benefited of the output generated by the project.

38. In order to clarify the distinction between activities, outputs, objectives and impact, Table 1 presents an example of Logical Framework in which project activities, outputs are linked to project objective and to the broader impact goal. For each level of the Logical Framework a list of verifiable indicators is proposed. More than one activity and output may have combined to achieve project purpose/objective, and more than one objective may have contributed to the realisation of impact.



H. Assessment of Project Effectiveness

39. Effectiveness is defined as the extent to which the objectives of a development intervention were achieved, or are expected to be achieved⁷. Table 1 above shows that project objectives refer to a higher level of the Logical Framework compared to outputs and are linked with project goal/impact.

40. This section should present an in-depth analysis of the extent to which the project achieved its objectives. In addition, special care should be given to analyse how and if the poor benefited of the changes promoted by the project.

41. The analysis of effectiveness should be linked to the type of activities implemented by the project. For example, irrigation rehabilitation and on-farm training activities might lead to changes in cropping patterns, increase in yields and improved quality of agricultural products. In turn, these may translate in a diversified livelihood system for project beneficiaries. The assessment of project effectiveness should be based on the data collected by the M&E system or during focused surveys. Where feasible, actual project achievements should be compared with those envisaged at appraisal level and in the Logical Framework.

I. Assessment of Impact

42. This section includes an assessment the extent to which the implementation of project activities, realisation of outputs and achievement of objectives are likely to contribute to the achievement of the stated goal. The analysis highlights how the project impacted on the livelihoods of poor people using the domains typically presented in the livelihoods approach. The project's contribution to changes in the circumstances of rural poor people is identified. Evidence of greater gender equality and empowerment of rural poor people is brought out. An assessment of non-quantitative aspects such as increased capacity of individuals and institutions is included.

43. If possible, indicators from the project logical framework are used; comparisons to the pre-project situation are made where possible. Quantitative data (results) should be augmented by qualitative information from focus groups, workshops, etc. to link results to outcomes. Due to the fact that impact assessment is traditionally associated with an intensive data-gathering activity, focused studies and researches may also be organised during project completion.

44. Where applicable, the changes promoted by project activities can be analysed by looking at the following impact domains^{8/}:

- (i) Physical Assets. For sustainable poverty reduction, the rural poor must have legally secure entitlement to physical assets: land, water, livestock, tools, equipment, infrastructure, and technology. An asset, also called 'capital stock' or 'endowment', is anything that can be used, without being used up, to increase returns from labour, whether hired or self-employed, and thus helps to enhance production, income and consumption. In line with IFAD's strategic objectives, this impact domain also looks at improving equitable access to productive resources and technologies.
- (ii) Food Security. This domain is of major importance to IFAD's mandate. In an open economy, a food-secure household (or community) is one that has enough food available at all times, whether produced or purchased, to ensure a minimum necessary intake by all members. Key elements of food security are availability (production and trade), access to food (income, markets and prices) and stability of access (storage and other marketing arrangement at household and local level), which are dealt with in other impact domains.

⁷ This definition is adopted by Development Assistance Committee (DAC) at the Organisation for Economic Cooperation and Development (OECD) in the Glossary of Key Terms in Evaluation and Results Based Management.

^{8/} These domains are taken from the draft Evaluation Manual - Methods & Practices Underlying Principles, released by Office of Evaluation in December 2005.



- (iii) Environment and Common Resource Base. The rural poor often live in complex and vulnerable ecological zones. At the same time poverty and population pressure sometimes force the rural poor to over-exploit natural resources and thus threaten the environmental sustainability of their existence. The environmental impact domain focuses on assessing the extent to which a project contributes to the protection or rehabilitation of natural resources and the environment (particularly of the agricultural resource base) or the extent to which the project contributed to the depletion of natural resources. This domain concentrates on the project's local-level environmental impacts, as that is where IFAD projects are most likely to have environmental consequences. It is especially concerned with environmental aspects under the control of or influenced by the rural poor.
- (iv) Human Assets are capital 'embodied' in people and include the nutritional status, health, and knowledge of people. Human assets have intrinsic value in raising capabilities and instrumental value in raising income and improving livelihoods. These values can be realized directly, by applying improved skills or health to an initial endowment of labour and natural and physical assets; and indirectly, by using improved health, education and nutrition to gain access to or make better use of other assets that raise income and consumption.
- (v) Social Capital and Empowerment. In line with IFAD's strategic objective and a rights-based approach to development, empowering the poor to make their voices heard, influence policy making and gain access to social services is an important aspect of this impact domain. Building the poor's collective capacity (their social capital) is essential for poverty reduction. Strengthening local self-help organizations and institutions and promoting gender equality will increase the poor's capacity to exploit potential economic opportunities and to develop stronger links with markets and external partners. A strong social capital base will empower the poor and enable them to interact more equitably and knowledgeably with those wielding social power and negotiate more effectively to improve their livelihoods. In the absence of social capital, investment in human and physical assets will fail to deliver sustainable benefits.
- (vi) Agriculture Productivity is an indication of household and community wealth and serves as a proxy indicator for food security and income. Agriculture productivity is measured in terms of cropping patterns (e.g., shifting from subsistence farming to producing cash crops may have significant impacts on household income and food security, increasing the number of growing seasons or types of crops grown may reduce food insecurity and increase access to different types of nutrition) and yields (production as compared to inputs). Aggregate changes in agriculture productivity may, however, not be indicative of poverty reduction impacts, if productivity increases are achieved by wealthier farmers rather than across all farming households⁹.
- (vii) Institutions and Services. Existing institutions, policies and regulatory frameworks significantly influence the lives of the rural poor. Supporting the capabilities of existing local public institutions in servicing the rural poor and reorienting institutions' existing policies in favour of the poor are increasingly expected results of IFAD's operations. They encompass the change brought about in sectoral and national policies affecting the rural poor, the 'rules of the game', namely, laws, statutes and regulations that constitute the enabling environment for economic and social activity. Also relevant is the degree of decentralization, which allows decision-making to be taken at the local level. Typical 'rules of the game' affecting IFAD projects include land titles, credit regulations, statutory interest rates, marketing regulations, cooperative laws, user association regulations, and input and product prices/subsidies as determined by government. Traditional and social practices may also serve to restrict equitable

⁹ This domain includes dimensions that, on the basis of the framework envisaged in these Guidelines (see Table 1), could be regarded as project outputs.



access to benefits. Some examples of these practices are intertribal and ethnic divisions, social restrictions on women's activities, traditional allocation by gender of rural tasks and income from different crops and livestock.

- (viii) Financial Assets are an important aspect of rural poverty: being able to accumulate financial resources for investment and consumption smoothing is essential to enable the rural poor to work their way out of poverty. Projects may contribute to increasing the financial resource based of rural poor households and individuals when increased agriculture productivity or income-generating activities result in surplus income. In addition, an important contribution that IFAD projects aim to have is in securing financial services for the rural poor by working through and improving institutional frameworks that provide such services.
- (ix) Markets play an important role in rural poverty reduction in that having physical access to markets (transport routes and means of transportation) and to information on prices and goods often influence the ability of the rural poor to make decision about marketing their goods (timing of sales, pricing, storage) to achieve equitable or favourable market prices

45. It is important to keep in mind that the review of project outputs, objective and impact is still part of the 'learning' dimension of the completion process. The assessment of the capacity of the project to achieve the stated objective should not therefore be approached from a 'proving' perspective. The extent to which actual results differed from planned targets is discussed and reasons for large discrepancies provided. Accordingly, the analysis should pay special attention to identifying the factors that influenced the capacity of the project to achieve the expected results (in terms of outputs, objective or impact). In other words, the elaboration of the PCR should not be considered as a way of proving that the project was successful. Rather, both successful and unsuccessful stories should be presented in order to draw lessons for future projects and to identify constraints.

46. In addition, the evolution of the policy and institutional environment during project implementation is analyzed, including the effect of project-induced change in the institutional framework on rural poor people. Other factors outside of the control of project management that affected implementation (such as natural disasters, civil disorder, armed conflict, etc.) should be described.

J. Assessment of Sustainability

47. This section includes an analysis of the prospects for and constraints on: (i) the continuation of project activities during the post-IFAD-financing period; and (ii) the durability of changes and impact brought about by the project. During the completion review, an assessment of the factors influencing the sustainability of project operations is undertaken. Information gathered through the M&E system, at the stakeholder workshop as well as from other quantitative/qualitative sources. Principle factors to be taken into account are:

- *political sustainability* (government commitment, stakeholder interests);
- *social sustainability* (social support and acceptability, community commitment);
- *ownership* (continued operation and maintenance);
- *institutional sustainability* (policy and institutional implications);
- *economic and financial sustainability* (household vulnerability/risks to external shocks and food insecurity);
- *environmental sustainability* (positive/negative contributions, resilience to external environmental shocks).

48. In addition, the actions and steps required to continue all or part of the project activities should be identified. As already mentioned, this is one of the key objectives of the completion process. The findings presented in this section should be based on the consultation with project partners, including rural poor people. Proposals for post-project responsibility to enhance sustainability should also be made. The project MIS and the M&E system could assist in planning exit strategies, estimating post-project recurrent costs



(particularly for operation and maintenance of infrastructure), identifying the extent to which additional follow-up may be required (e.g., training or other support to user groups) and determining other conditions necessary for post-project sustainability.

K. Innovation, Replication and Up-scaling

49. This section contains a brief discussion of the innovative features promoted by the project, including engagement strategies, development approaches, technical solutions and managerial aspects. The PCR describes the extent to which innovations were built into the project design, how well these were implemented, and what the outcome has been. It also identifies any processes put in place to promote innovation amongst the target group.

50. The PCR highlights specific activities or approaches that could be replicated, and recommend strategies for up-scaling (i.e., by geographic area, phasing, etc.)

L. Performance of the Partners

51. IFAD. The PCR team critically reflects on the support provided by IFAD to project implementation, including interventions with non-project authorities on behalf of the project; relevance and timeliness of guidance and solutions proposed (implementation support missions); flexibility in dealing with changes in the project environment, including amendments to the loan agreement. Measures taken to adjust the project in response to inadequacies in the original design or changes in the implementation environment (policy, institutional, and natural or man-made disasters) are assessed.

52. Cooperating Institutions. The assessment of the CI is based on: timeliness of response (AWP&B, loan administration), adequacy of coverage of the various implementation issues by the supervision missions, frequency and composition of supervision missions, relevance of recommendations to the problems encountered during project implementation.

53. Cofinancier(s). The PCR comments on the performance of other donors, including the timely provision of funds as agreed; issues of harmonisation (e.g., different reporting structures, special requirements for financial reporting), support mission recommendations, etc.

54. Borrower. This section comments on the contribution of the borrower to project design, compliance with the covenants of the loan agreement and follow-up of the recommendations of supervision and implementation support missions. Major factors to be taken into account are: provision of counterpart funding, and the specific government policies which enhanced/hindered project implementation and achievement of its outcome.

55. Service Providers. An assessment of the service providers contracted by the project is included. These service providers may include: NGOs, trainers, business development service providers, participating financing institutions, private contractors or contracted government agency. The opinion of the end-users (beneficiaries) is especially important. Timeliness of service delivery given, value for money, adherence to schedules and contracts are considered.

56. Project Management. An assessment of the project's organisation and management, and performance of the implementing agencies is made, including the responsiveness of project management to change and the adequacy of the project MIS (with specific reference to the appropriateness of the M&E system to support planning and reporting). Factors to be taken into account are: appointment of project staff with the necessary skills, extent of staff turnover, staff commitment and effectiveness, adequacy of capacity building, planning, reporting, etc.

M. Lessons Learned

57. Having had the experience of coordinating, supporting, implementing, and/or managing an IFAD project, this section provides an opportunity for the PCU to consider and document lessons learned. The following questions may assist in eliciting lessons:



GUIDELINES FOR PROJECT COMPLETION

- If we could do this project again, i.e. replicate it, what would we do differently? What could we have been done better? What advice would we give to others?
- What was overlooked in the design? What alternative strategies could have been adopted?
- What additional support would have been useful/was required [from whom]?
- Which project activities had the most significant and positive impact on beneficiaries? Which activities demonstrated the highest relevance, effectiveness and sustainability? Which were the least successful? Why?
- Which project activity contributed most significantly to the achieving the project goal and objective(s)?



Annex I: PROJECT COMPLETION PLAN OF ACTION

Develop action plan and assign responsibilities:

- recruit resource persons
- identify milestones in the completion process
- identify competences and responsibilities

Identify data gaps, alternative/additional sources of information

- define timing, objective(s) and methodologies of the focused surveys
- plan /carry out thematic studies

Self-assess results and outcomes by output/component

- compile and analyze project costs (comparing actual with planned expenditure by component)
- use M&E data and focused survey to verify/support attribution
- calculate financial and /or economic rates of return based on actual costs and estimation of actual benefits (supported by M&E data)
- draft inputs for PCR

Prepare for, and hold, *stakeholder workshop* in the project area:

- present preliminary findings (assessment of results and impact);
- ask for and record views on project achievements from beneficiaries and other stakeholders;
- discuss and analyze reasons for ‘what worked and what did not work’;
- identify lessons learned
- document findings of the workshop.

Solicit and record in the PCR the views of the following partners on the project’s implementation experience, results, impact and likelihood of sustainability:

- borrower, (Ministry of Finance or entity responsible for managing the government portfolio of loans from IFIs);
- executing agency, (government institution which hosts the PCU - perhaps one or more Ministries, or their provincial departments);
- cofinanciers, (bi-lateral or multi-lateral organizations, other UN agencies, NGOs, other domestic financiers (e.g., banks, MFIs);
- implementing agencies (service providers, NGOs, government agencies, etc.) and
- any other partners, (private sector, civil society, etc.).

Draft PCR, check for completeness against guidelines; send draft PCR to CPM.

Respond, if required, to CPM’s request to provide additional information.

Hold *final meeting of Project Steering Committee* in country at national level. Include a limited number of key stakeholders such as cofinanciers, NGOs, beneficiary representatives, other donors in same sector/area, etc.);

- present main findings of the PCR, including project experience, results and impact and lessons learned;
- discuss lessons learned, future operations, sustainability and replicability issues;
- agree on post-project responsibilities;
- record/minute the discussion and key findings;
- attach minutes to the final PCR.



Annex II: STAKEHOLDER WORKSHOP

1. The workshop should be organized to elicit participants' assessment of project performance. The project's key outputs (from the logical framework) should form the basic organizing structure. Participants should be requested to join discussions on outputs for which they have first hand experience. Participants should seek to assess the:

- **effect of the output on the intended beneficiaries** - were there increases in access to infrastructure, financial services, markets? Increase in access to new/adapted technologies? Improvements to the natural resource environment? Organizations of the poor established or strengthened? Policies or regulations modified in favour of the poor? Intended or unintended environmental impacts - positive or negative?
- **potential for sustainability** - to what extent can the activities implemented by the project be regarded as sustainable? What factors might affect the sustainability of project operations? What mechanisms need to be put in place to ensure that project gains are not lost? Who/what should be assigned responsibility?
- **performance of project partners** - were service providers/implementing agencies responsive to the expressed needs/demands of rural poor people? Did the PCU proactively seek to identify problems and provide solutions? Did government policies and regulations (national and local) support the realization of project objective(s)? Did donors (including IFAD) offer sufficient and timely implementation support? Did the CI provide adequate guidance and implementation support? and
- **extent to which the objective and goal were achieved** - What have rural poor people gained? Has there been a change in behaviour by rural poor people? Service providers? Government? Have the circumstances of rural poor people changed compared with the before-project situation? To what extent was the project responsible for these changes?

2. If the project covers a large geographic area, more than one workshop may be desirable. Meetings at community level could be organized before the actual stakeholder workshop(s) in order to identify potential participants and to ensure that the views of a wide range of communities are represented.

3. Preparation for the workshop will be a key ingredient for success. The PCU should gather the information collected on the project achievements into a form that can be quickly understood by participants - either a presentation, hand-out or graphic illustrations. The information should be drawn from the existing M&E system and supported by surveys and qualitative data.

4. The length and format of the workshop(s) will vary by project; topics to be covered during the workshop include:

- Description of the project and achievements (Project Coordination Unit)
- Assessment of project outputs (working groups plus reports to plenary)
- Assessment of project (working groups or plenary)
 - ⇒ Sustainability
 - ⇒ Replicability
 - ⇒ Innovation
- Assessment of project purpose and goal
- Identification of key lessons learned

5. A short document should be prepared at the end of the workshop summarizing the main findings in the above areas. The workshop summary should be included as an Annex to the PCR.



Annex III: PROJECT COMPLETION REPORT - TABLE OF CONTENTS

Maps, abbreviations, currency, equivalents, etc.

Project at a Glance	1 page
Executive Summary	2 pages
A. Introduction	½ page
B. Project Description and Implementation Arrangements	1 page
C. Project Strategy and Approaches	2-3 pages
D. Assessment of Relevance	1-2 pages
E. Project Costs and Financing	1 page
F. Assessment of Efficiency	1 page
G. Review of Project Output	2 page
H. Assessment of Project Effectiveness	2 page
I. Assessment of Impact	2 page
L. Assessment of Sustainability	1-2 pages
M. Innovation, Replication and Up-scaling	1 page
N. Performance of Partners	1-2 pages
O. Lessons Learned	1-2 pages
Total:	19-26 pages

Annexes: All reports should provide the following:

Annex I Logical framework of the project.

Annex II Record of supervision and follow-up missions.

Annex III Summary of the amendments to the loan agreement.

Annex IV Actual project costs (i) by component and (ii) disbursement by financier, compared with the original and/or amended design

Annex V Actual physical progress of the project (by component) - Key M&E indicators, including those selected for IFAD's RIMS, compared with appraisal and/or mid-term targets.

Annex VI **Financial and Economic Analysis.** The PCR should address, at a minimum the costs and benefits of the project. The PCR therefore needs to include a recalculation of the economic rate of return showing actual costs by component and an updated estimation of projected benefits, reflecting changes made during implementation, actual coverage and any changes in economic prices and market conditions. The analysis should include a discussion on the impact on NPV/ROR of varying the most critical underlying parameters (such as inputs, world prices, yields)? The sensitivity analysis should be based on alternative scenarios associated with specific risks, rather than a mechanical xx% change in costs.

Annex VII **Impact on the Environment.** An analysis of potential impacts on the environment, negative (e.g. from increased chemical use, additional irrigation, etc.) or positive (protective structures against soil erosion, reduced deforestation, etc.) should be included.

Annex VIII Stakeholder workshop findings

Additional annexes may be provided at the discretion of those responsible preparing PCRs. Any additional information deemed necessary with respect to the above outline should be presented in the form of an annex(es) in order to maintain the length of the main report within the range indicated above.



Annex IV: PROJECT AT A GLANCE

BASIC INFORMATION

Country	
Project Name	

Key Dates

IFAD Approval	Signing	Effectiveness	Mid-Term Review	Original Completion	Actual Completion
Mid-term Review	Interim Evaluation	Original Loan Closing	Actual Loan Closing		

IFAD Financing

Loan	SDR million	% disbursed		
Grant	SDR million	% disbursed		

Actual Costs and Financing (USD '000)

Component	IFAD	Cofinancing	Beneficiaries	GOVT	Total

Remarks

Indicate cofinancing partners, actual amounts, and amount committed for each as at appraisal.

Number of Beneficiaries

Total	Direct	Indirect	Women	Other	Other

Project Objective

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Country Partners

Executing Agency	
NGOs/civil society	
Other	



Annex V: TIPS ON CONDUCTING A GOOD PROJECT COMPLETION REVIEW

- Keep the end in view. Analyze what worked and what didn't work, what were the lessons learned for future interventions, policy implications and strategy for poverty reduction.
- Be analytical and *not* descriptive. Analyse the underlying reasons for successful or poor performance.
- Do not neglect the achievement of non-physical and process outcomes/objective(s).
- Use M&E data to demonstrate attributable connections between what the project did and what actually happened, i.e. present evidence of attribution, plausible association, counterfactual situations, etc.
- In presenting impact figures, remember that impact assessment aims at improving project operations rather than proving the successfulness of the project. For this reason, successful stories/best practices should be integrated with unsuccessful ones in order to identify the factors and constraints that affected the occurrence of impact.
- Estimate the actual rate of return by component, and/or for the project as a whole, based on actual costs and data collected on actual benefits.
- Use cost effectiveness indicators (e.g., cost per farmer trained) or quantitative benchmarks (e.g., increased number of farmers served per extension agent, etc.), or other benefit indicators (e.g. from any comparable services provided by private sector) to evaluate the value and cost effectiveness of the services provides.
- Conduct internal reviews before submitting the PCR, ask staff in the PCU and executing agency not involved in the writing of the PCR to peer review sections of the document.
- Make the PCR results and outcome driven not input driven.