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**Agriculture
Reconstruction and
Development Program for
Iraq**

Agriculture Reconstruction and Development Program for Iraq

End of Project Presentation

December 18, 2006

International Zone

USAID Iraq

Program Facts



- Three year program
- \$101 obligated of \$106 total contract budget
- Mobilized October 2003, finished December 2006
- Five offices: Baghdad, Basra, Samawa, Sulymaniyah, Arbil
- 400+ full-time employees; less than 30 were non-Iraqis
- Programs in all 18 governorates
- Extensive use of USG *Buy Iraq* initiative with local procurement for goods and services from Iraqi owned businesses

The origins of ARDI



- ARDI was designed to provide a quick intervention for agriculture after hostilities ceased.
- Its design included funds for large imports of agriculture inputs, such as seeds, vaccines and fertilizers.
- It has a flexible implementation device for the issuance of job orders for quick purchases
- The project has a single line item budget for maximum flexibility to meet emergent needs.
- It was to be the USG “face” for agriculture
- Its was based on skimpy knowledge of the on-the-ground situation in Iraq.

Chronology of implementation



- Full and open competition RFP was issued on 4 June 2003
- Responses closed in July 2003
- Contract was awarded to DAI on 15 October 2003 with deployment in ten days
- The contract was for one year base period with two one year options
- The initial obligation was \$5 million

Charting the course for ARDI



- The setting of broad objectives was a first priority for the technical assistance team
- Stakeholder input was encouraged from USG, GOI and private sector through structured workshops and meetings
- The Ministry of Agriculture had been “stood up” by the CPA with funds from Australia
- Identification of key players in the MOA was a crucial step at this point
- Gaining an understanding of the damage to the agriculture infrastructure was essential

The second stage



- Began a process of designing specific activities to accomplish the broad objectives identified earlier
- Determination of what is actually feasible to implement in the climate of the time (operations in “permissive areas”)
- Involvement of NGOs and humanitarian organizations in the activities (many then in Iraq)
- Sharing of information with other organizations about agriculture
- Determining implementation means, i.e grant, subcontract or joint program operations

The early status of agriculture – weak points



- Extensive damage to facilities across the country, primarily by looters
- Entire research system in shambles, records destroyed, equipment stolen, buildings unusable (e.g., piping stolen)
- The GOI offices, facilities for agriculture were devastated
- Leadership was weak or non-existent with little or no support from the government
- There was no cash in the economy and no funds available from the government
- Debaathification had removed key players from the MOA

The early status of agriculture – strong points



- Most senior staff at the MOA were in place
- The senior staff (DGs) are well educated and looking to be part of a change in agriculture
- The management structure below the Minister's level began internal damage assessments and remedy plans
- Coordination with the OFF program assured that many supplies and equipment arrived in Iraq
- Many field staff went back to work without salaries until the CPA implemented a new salary scale and payment system
- The MOA had a headquarters building that was useable

The early operating environment



- Agriculture, even with its importance to the economy of Iraq, was not on the agenda for the CPA
- Competing interests of USG and CF partners often led to conflicts and misunderstandings (commodity imports)
- Developing activities in “permissive areas” was a challenge for civilians (uncertainty) and often led to friction with CF
- Security and safety concerns often dictated the schedule for operations (postponements, delays, cancellations)
- ARDI began to develop its “Iraqi face” for field operations
- USG policy to reduce subsidies for ag inputs put pressure on a system that had no alternative at the moment

Challenges to implementation



- Recruitment of local staff became more and more difficult over time – accelerating establishment of project sub-agreements in country.
- Logistics of moving people and supplies in a nation wide program were often staggering.
- Conflicts over activities at local and national levels needed quick resolution.
- Communications were difficult – daily videoconferences involving all offices and ARDI Daily Reports were used to keep both staff and others informed of happenings.
- Frequent changes of project managers at USAID created difficulty and institutional memory issues.
- Moved to Erbil in late 2004 to facilitate ongoing implementation.

Technical Components

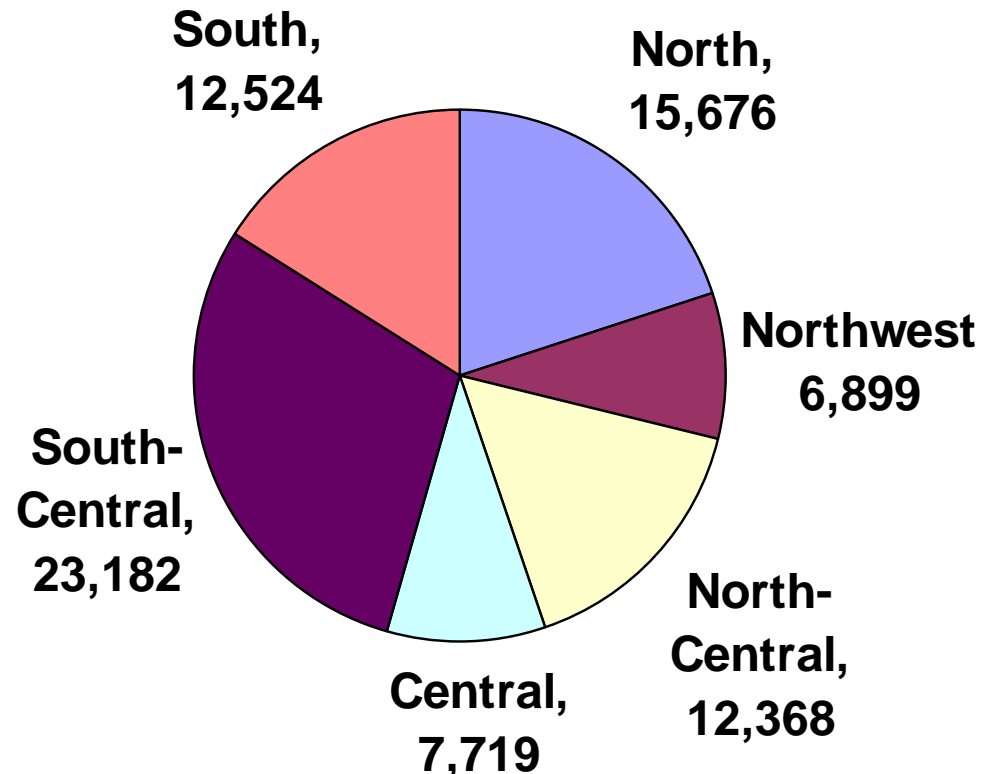


- Agronomic crops – field crops, rice, wheat, barley, maize, sorghum
- High value horticulture – dates, olives, tomato, other vegetables, honey production, grapes, other orchard trees
- Livestock – sheep and buffalo nutrition, veterinary clinic rehabilitation, vaccination campaign
- Crops, soil and water – irrigation rehabilitation, training in improved irrigation techniques
- Private sector development – Establishment of cooperatives and trade associations
- Capacity building – training in statistics and extension, economic studies; cadastral system improvements; agro-ecological zone mapping
- Marshlands program continued from IMRP in 2005
- Special program – Tractor repair (GOI proposal, widely debated)

ARDI National Presence

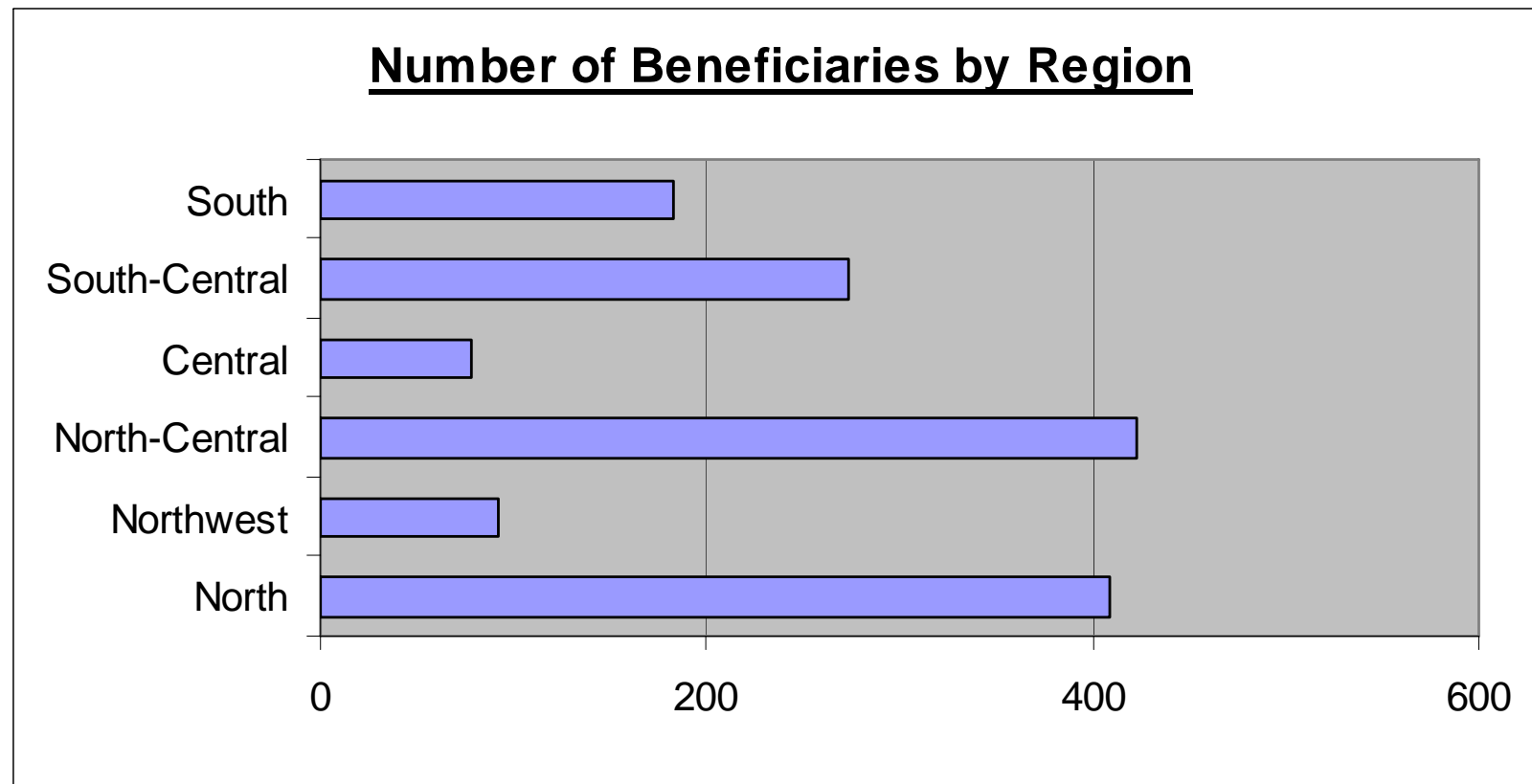


Investment by Region \$ (000)

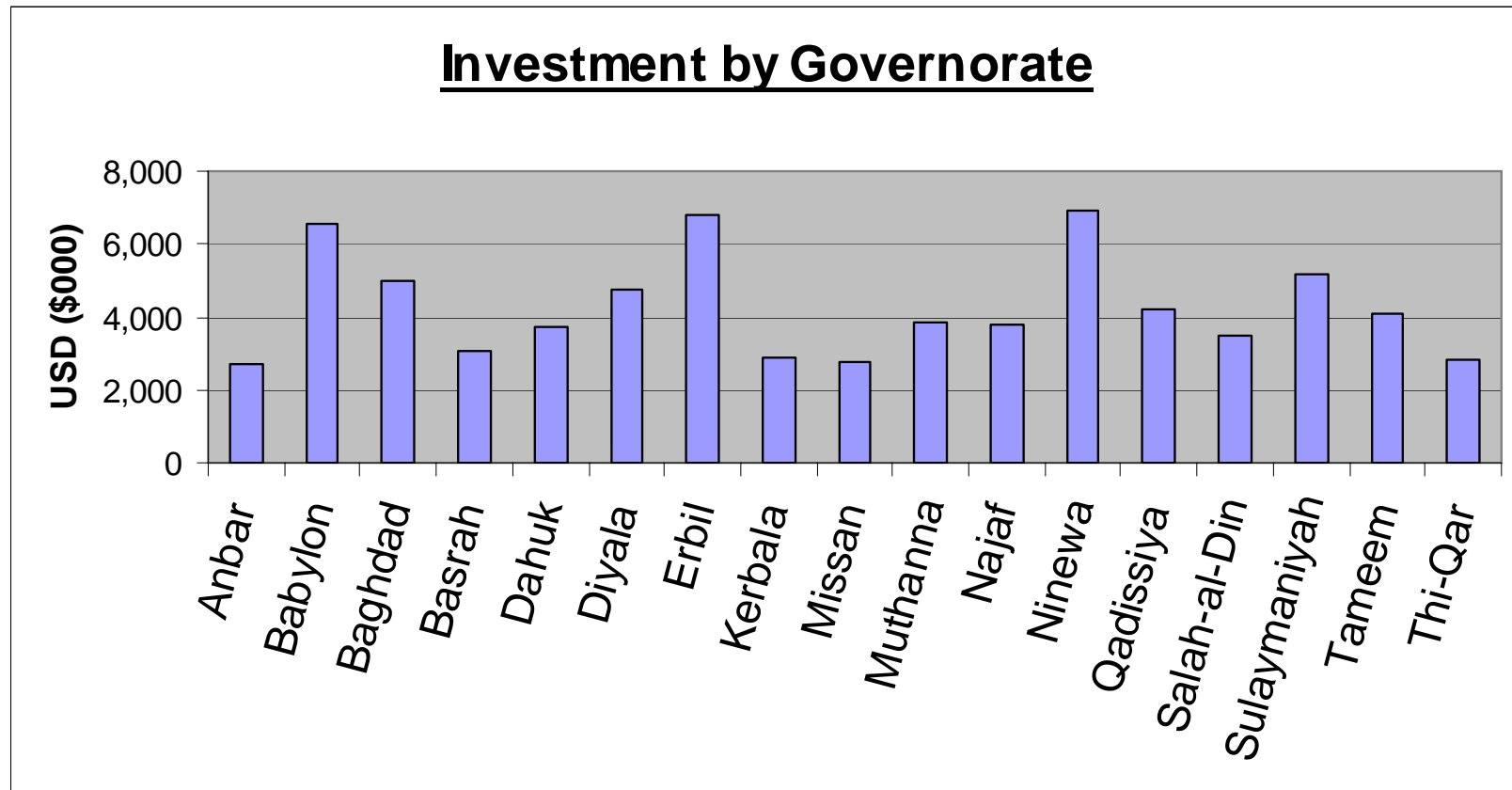


Total Investment: \$79,734,000

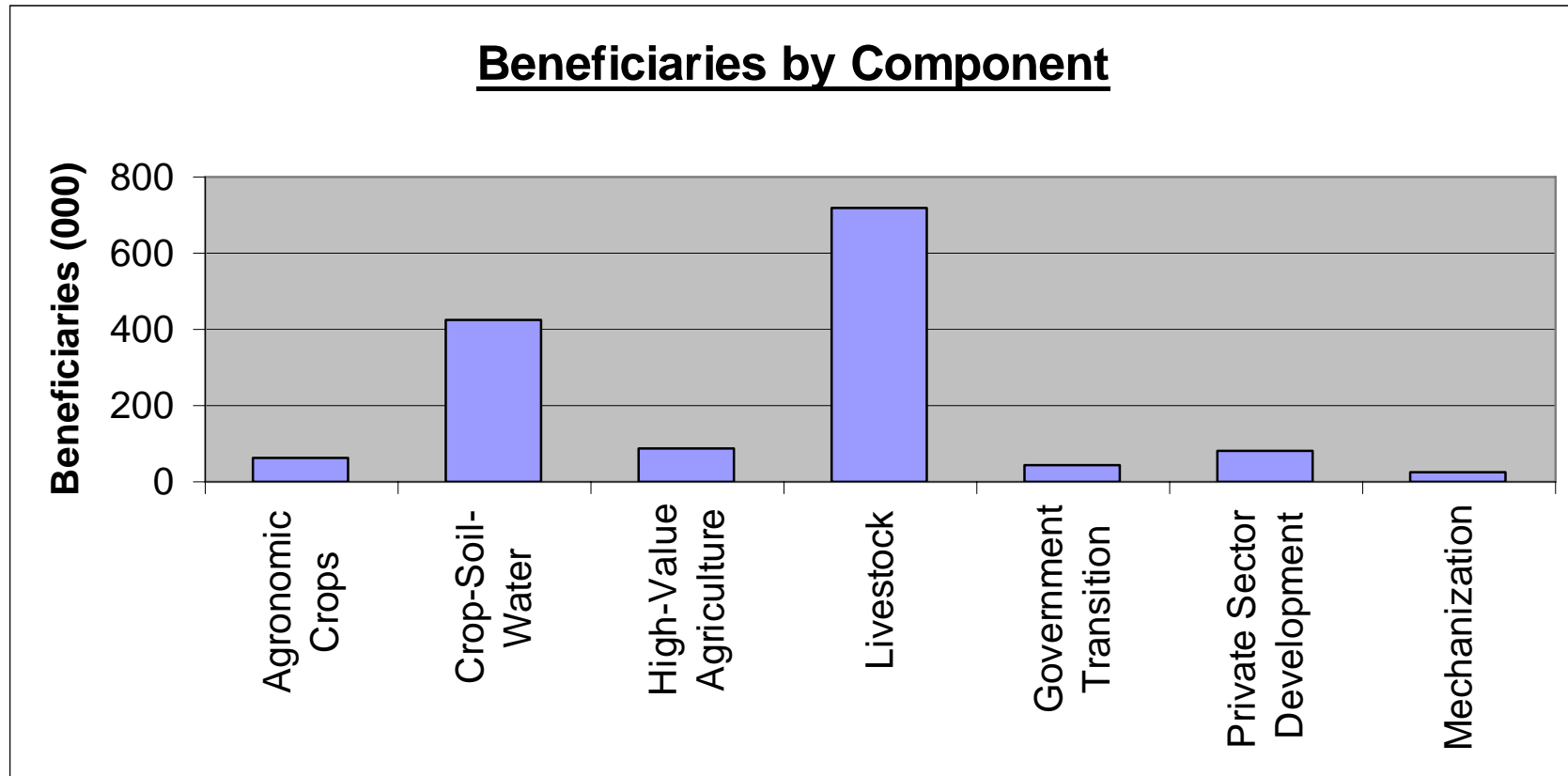
ARDI Regional Presence



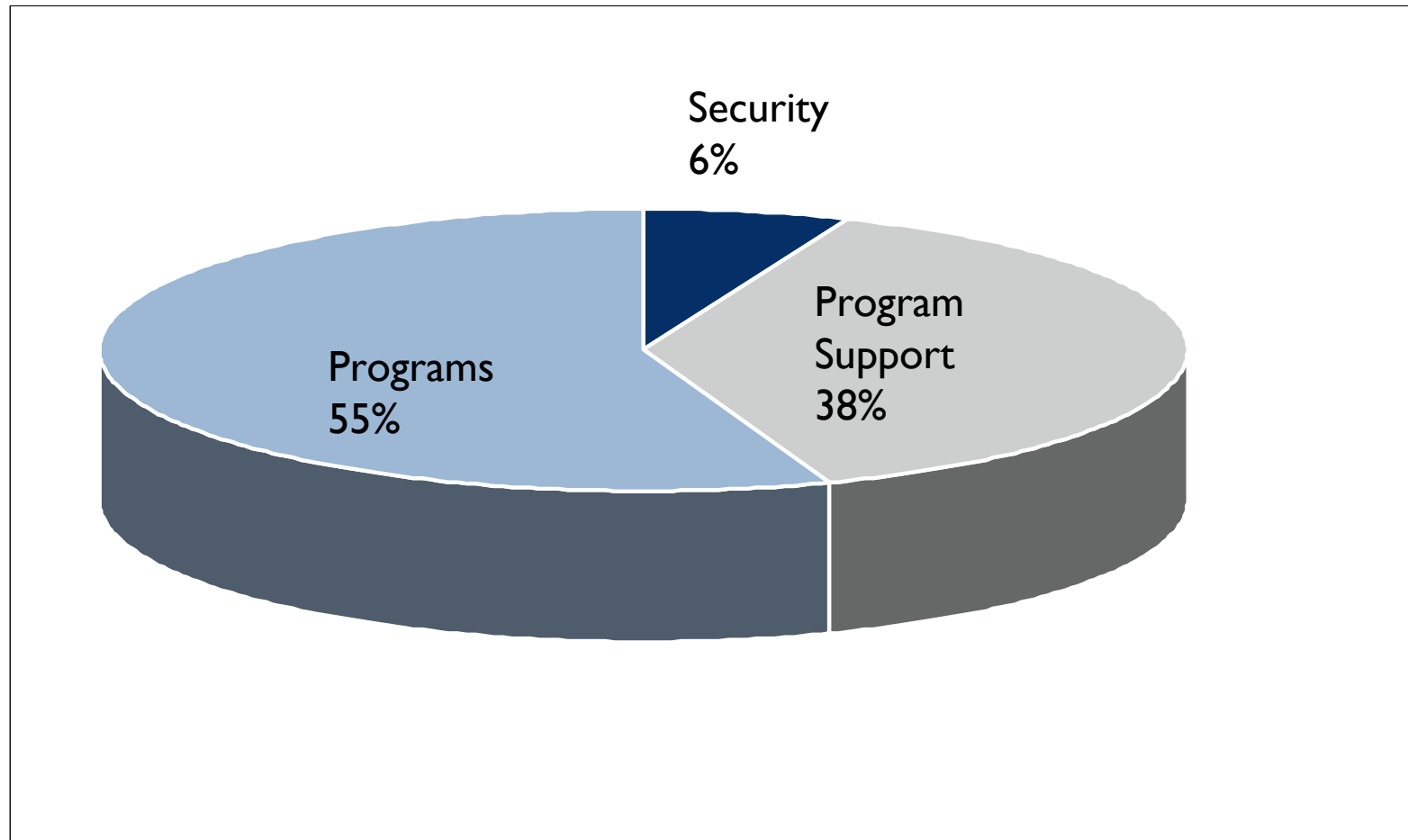
ARDI National Presence



Component Impact



ARDI expenditures by category (2003-2006)



ARDI Approach



- Proposals specifying outcomes in terms of jobs, income, or other accomplishments were submitted to ARDI management from GOI and field advisors for each activity

All technical components were integrated around a central theme – increase agricultural production, improve incomes of farmers and agribusinesses, and assist the sector to recover from decades of abuse

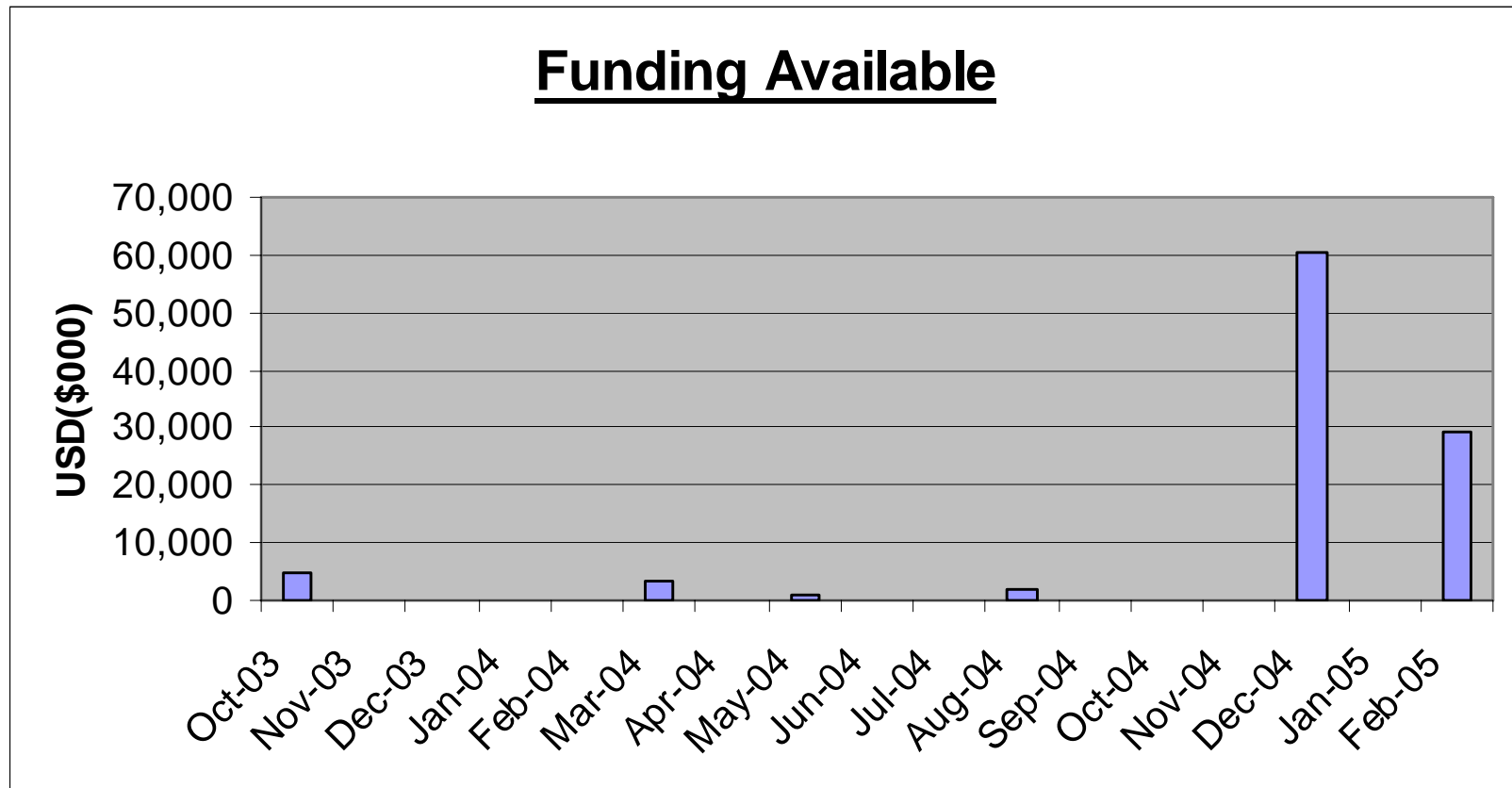
- Means of accomplishing objectives: Grants to NGOs, Coops, government agencies; Subcontracts with agribusinesses, NGOs or Co-ops; Direct technical assistance to GOI, farm communities, associations.

Funding History



- \$106 million contract (October 2003), original obligation of \$5 million
- After mobilization, demobilized four long term staff (December 2003)
- At the request of USAID continued operations with small staff
- Received small injections of cash so that by end 2004, project was funded at about \$12 million
- US Ambassador and MOA negotiated support to the agricultural sector, Ambassador agreed to full funding
- Received obligation of \$60 million December 2004 and another \$30 million February 2005
- Approximately \$5 million remains unobligated within the current contract ceiling

Obligation History



Accomplishments: 2003-2004



- Vision for agriculture – private sector and government sector workshops to identify priorities
- *Transition Plan for Agriculture* – Short term stabilization plan and three year plan to achieve market based agricultural economy
- Implementation of grants program
- ***Gained confidence of stakeholders – MOA, private sector, USG, NGOs, farming community to position for rapid expansion upon receipt of funding***

Two Part Transition Plan



- ***Short-term stabilization plan***

To bring production to pre-war levels

Rehabilitate infrastructure

Interim policy reforms

- ***Medium Term Transition Plan***

To assist the government and the private sector to move agriculture from a centrally-controlled economy to one that is market-led

MOA new functional organization



MOA Functions in a Market Economy			
Policy and Economics	Technical Support	Regulatory Support	Management
Policy analysis and formulation	Research and extension	Animal and plant quarantine	Planning
Data collection and dissemination	Plant protection	Seed certification	Finance and budgeting
Economic analysis	Animal protection	Pesticide controls	Human resources
International coordination	Animal health	Quality control	Legal affairs
	National Development Programs	Land tenure	Public awareness

Short Term Stabilization Plan



- Supply inputs to farmers – absence of private providers to fill the void
- Re-establish domestic market for wheat
- Rehabilitate tertiary and on-farm canals
- Rehabilitate and re-equip MOA facilities
- Establish floor prices for maize and cotton

Components of the Medium-term Plan



- Create a policy environment for market-led growth
- Build capacity in the MOA to support a market-based agricultural economy
- Support MOA national development programs
- Begin discussions with the private sector

Security



- Management moved to Arbil in December 2004 due to increasing threat of kidnapping and general deterioration of security situation in Baghdad
- Locating the project HQ in Arbil enabled ARDI to be a national program; stakeholders from all over Iraq met with project personnel daily in safe environment. ARDI staff were not bunkered as if in Baghdad
- ARDI's face was Iraqi – Talented local staff, strategy focused on empowering NGOs and local groups put field implementation in the hands of Iraqis

ARDI Results Against Contract Requirements Summary



Mandated Result	Actual Performance
\$230M added to agriculture economy	\$400M added to agriculture economy
5 sector assessments on major commodity sectors	20 sector assessments
30% increase in production of selected crops	70% increase in production
Infrastructure for 410,000 seedlings, date palm and HCV crops	Infrastructure to produce 1,000,000 plants
250,000 families increase productivity by 20%	300,000 families increase productivity greater than 30%
6,000 agribusinesses increasing revenue by 50%	3,000 agribusinesses increased revenue at least 50%
30% of marsh dwellers will increase income by 50%	20% of marsh dwellers will likely increase income by 50%
250,000 hectares of improved irrigated area	282,038 hectares of improved irrigated area
Provide the GOI with tools for quantifying water availability in Iraq over time.	GOI provided with tools and information to better measure the availability of water over time

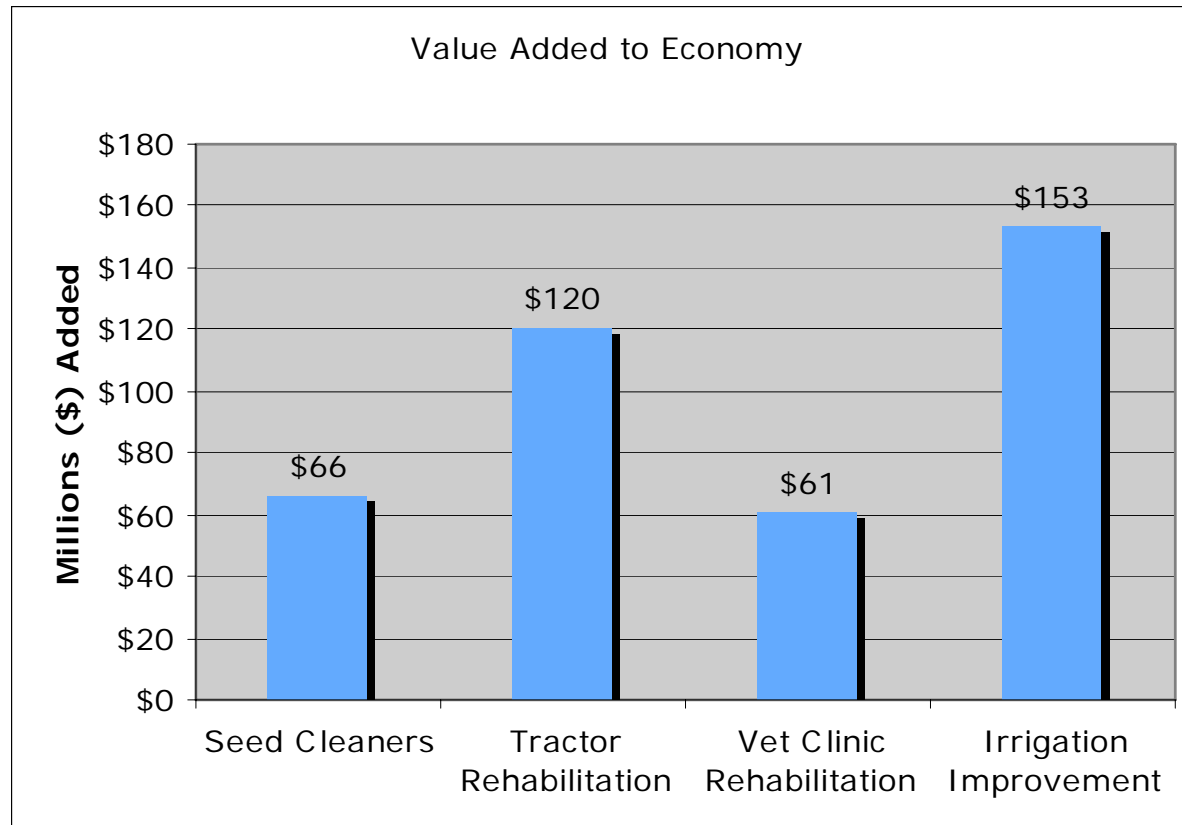
ARDI Results Against Contract Requirements



Objective

- \$230 million value added to the Iraq agriculture economy due to ARDI programs
- Results: Four components of program investment will produce a return of \$400 million in value added to the Iraq economy over the expected life of the investment

ARDI Results Against Contract Requirements



ARDI Results Against Contract Requirements



Monetized Present Value of ARDI Benefits in Four Programs

Program	First year Benefits	Project Total (Present Value)	Time Line
Seed Cleaners	\$19,000,000	\$66,000,000	5 Years
Tractor Rehabilitation	\$16,000,000	\$120,000,000	10 Years
Veterinary Clinic Reconstruction	\$9,092,141	\$61,000,000	10 Years
Irrigation and Drainage Infrastructure	\$50,392,162	\$153,000,000	5 Years

ARDI Results Against Contract Requirements



Objective

- Conduct five targeted assessments on major commodity subsections to guide program investments
- Results: Twenty targeted assessments were completed, including date palms, Mesopotamia Seed Company, and a poultry survey

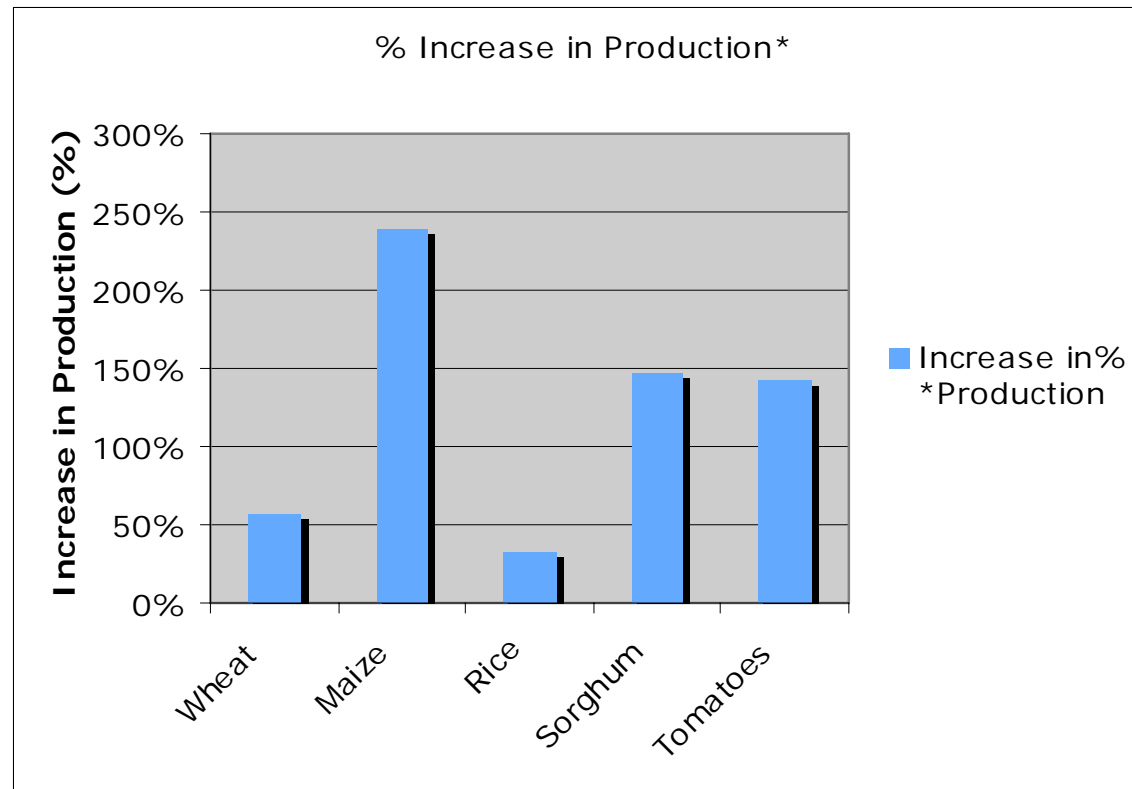
ARDI Results Against Contract Requirements



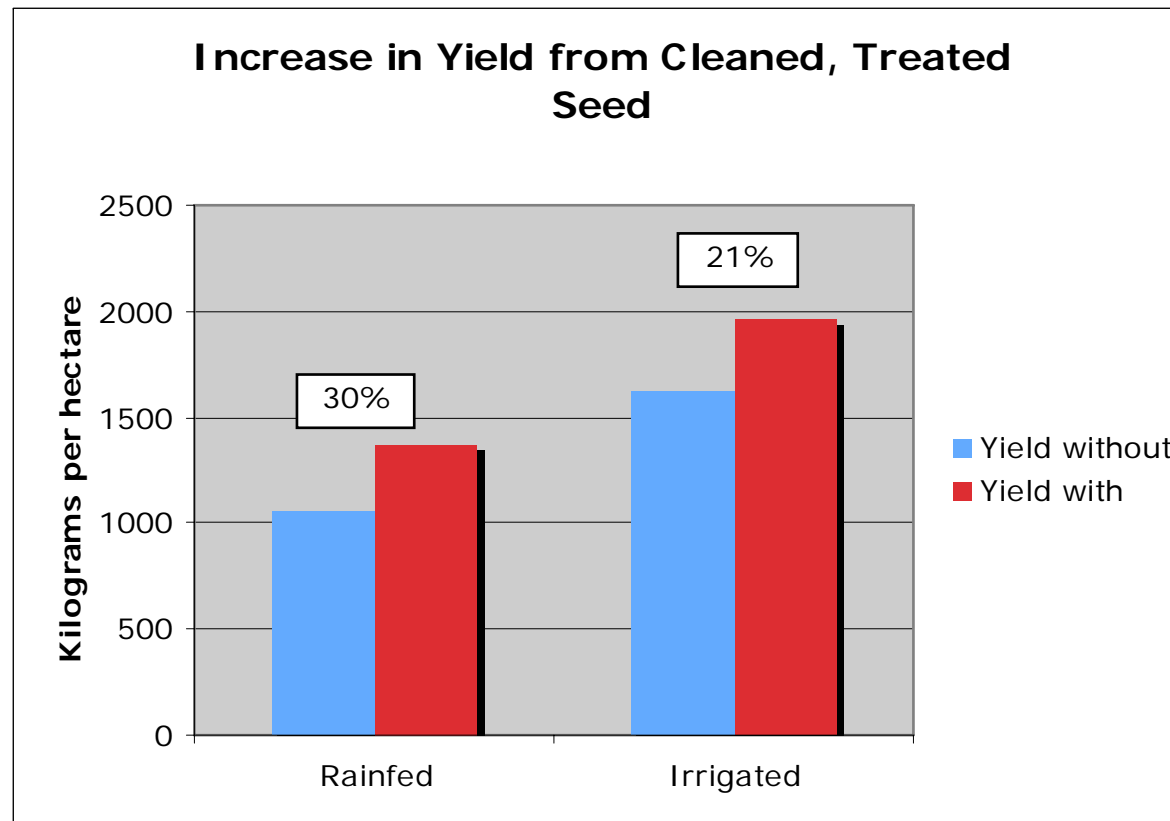
Objective

- Production of wheat, maize, rice, sorghum and targeted vegetables in program-assisted areas increased by 30% over the life of the program
- Results: Production increased during project implementation by an average of 70% across the selected crops (wheat, maize, rice, sorghum and tomatoes)

ARDI Results Against Contract Requirements



ARDI Results Against Contract Requirements



ARDI Results Against Contract Requirements



- Objective
- Establish infrastructure to supply 410,000 date palm seedlings or other high-value crop transplants per year
- Results: Project-assisted nurseries will produce a combined annual output (date palms, grapes, and ornamentals) of over 1,000,000 plants per year

ARDI Results Against Contract Requirements



Objective

- Average productivity of approximately 350,000 farm families increased by 20% in program-assisted areas through the use of one or more of the following:
 - improved technology and best practices
 - improved infrastructure
 - access to profitable markets
- Results: 300,000 farm families received increases in productivity greater than 30% (time)

ARDI Results Against Contract Requirements



Objective

- 50% increase in revenue for approximately 6,000 agribusinesses impacted by ARDI programs
- Results: A minimum of 3,000 agribusiness have produced at least a 50% increase in income (time)

ARDI Results Against Contract Requirements



Agribusinesses Benefiting from ARDI Support

Type	Number Benefiting
Honey Producers - Direct	368
Honey Producers - Indirect*	3516
Feedlots	3
Nurseries	5
Carpenters	9
Mechanics	87
Pesticide dealers**	119
Tractor Owners	787

*Only about half the Honey Producers indirectly benefiting saw a revenue increase over 50%.

**Pesticide dealers had about a 24% revenue increase on average.

ARDI Results Against Contract Requirements



Objective

- 30% of marsh dwellers will increase family income by 50% from project's interventions
- Results: **Approximately 10% of marsh dwellers families are expected to increase incomes by 50% as a result of ARDI infrastructure investments (time – maturation of fingerlings in project-supported fish farms; security)**

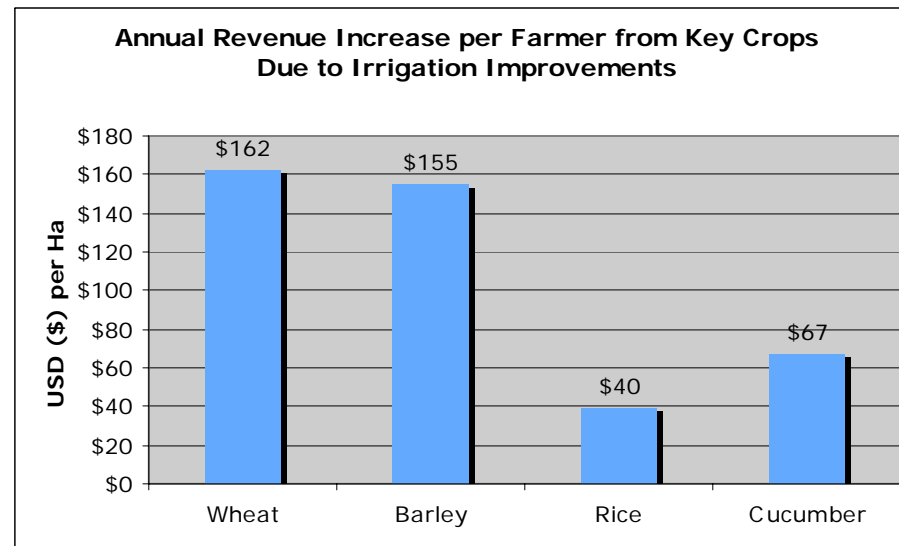
ARDI Results Against Contract Requirements



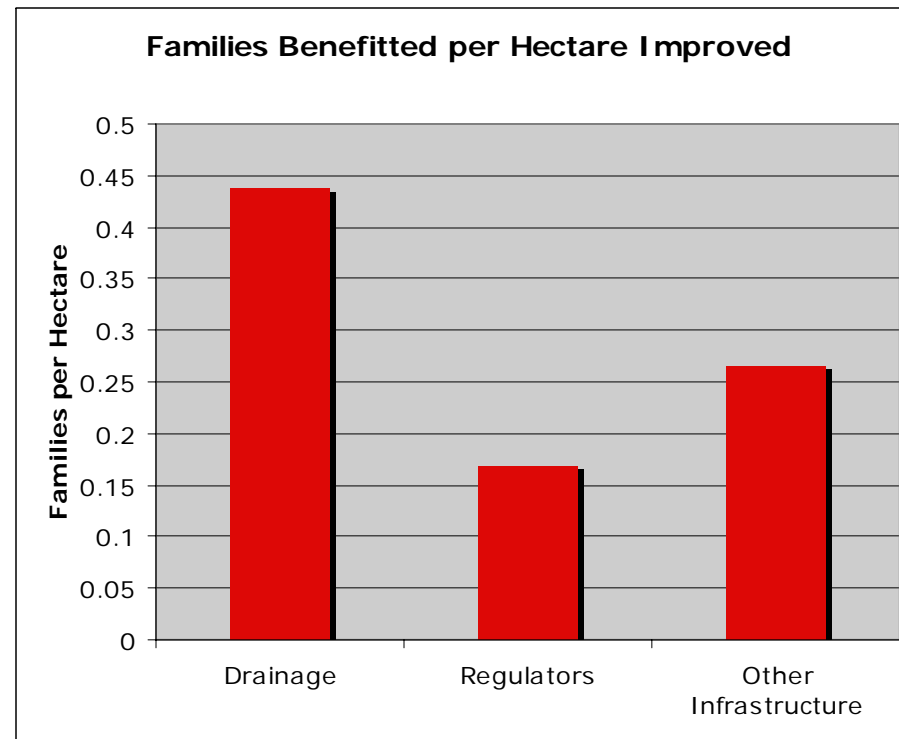
Objective

- Rehabilitate, intensify or expand 250,000 hectares of existing irrigated area
- Results: 282,038 hectares were restored (great investment, immediate return from irrigation rehabilitation)

ARDI Results Against Contract Requirements



ARDI Results Against Contract Requirements



ARDI Results Against Contract Requirements



Objective

- Provide the GOI with the tools needed for more accurate determination of the volume of water, over time that could be allocated to the marshlands and agriculture uses
- Results: *The Strategy for Water and Land Resources in Iraq*, including computer models, has been developed through an inter-governmental Steering Committee.

Monitoring, evaluation and reporting



- ARDI used a company wide information system for capturing and reporting on activities.
- Demands for more sophisticated reporting with geo-reference locations required the development of a more sophisticated system for data collection.
- In early 2006 a system was developed and implemented to capture more in-depth data and reporting
- The monitoring of accomplishments demanded a more rigorous IT approach
- An M&E system provides data collection, survey results and calculations of value for investments.

How did ARDI get activity information?



- All grantees and subcontractors were required to report on beneficiaries, disaggregated gender information and other measures by location, including geo-reference if possible.
- Survey's were utilized to verify field data and to provide additional data for reporting.
- Large programs like the tractor repair and seed cleaners use complex relational databases for data capture.
- The price monitoring system had field data collectors in market places each day.

Legacy accomplishments



- Legacy accomplishments are durable and will continue either through beneficiary or counterpart ownership.
- Tens of thousands of Iraqis will benefit from these contributions in the agriculture sector and support general economic development.
- Empowerment of local staff has provided new skills and confidence for future leaders.

Rehabilitation of 68 vet centers	Irrigation improvements
Tractor repair program	Improved seed stocks
Professional associations	Livestock health & reproduction
Improved grape stocks	Date palm restoration
Marshlands monitoring	Water strategy and models

Legacy achievements



- ARDI brought together many disparate groups of people into units with common goals and objectives.
 - Americans and Iraqis
 - Iraqi officials and constituents
 - KRG and Baghdad government officials
 - CF and MNF with farmers
- Working together for mutual success remains vital for the agriculture sector.
- Sharing of information and knowledge about agriculture in Iraq.

ARDI Final Report



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