With over 1 billion people around the world going hungry every day, agriculture and sustainable resource management are more critical than ever. IEG has recently turned its attention to assessing the response to the food crisis and support for natural resources management.

Lessons from Food Crisis and Drought Emergency Response Operations

In May 2008 the World Bank launched the Global Food Crisis Response Program to help countries mitigate the harmful effects of soaring food prices. IEG will evaluate the Bank’s response to food crisis in fiscal year 2012, and has already launched a series of project performance assessments to feed into this study.

IEG recently completed assessments of the Emergency Drought Recovery and Fertilizer projects in Ethiopia. The Emergency Drought Recovery Project was the World Bank’s response to Ethiopia’s 2002 drought which hit 44 percent of the country. Through this project, the World Bank mounted an operation that combined a large, quick-disbursing credit for stabilizing the macro-economy and a small, slower-disbursing credit for community-driven development (CDD) that sought to help the poor protect their assets and recover their productive capacity. The assessment showed that to ensure accountability for results it is essential to clearly identify which programs will benefit from counterpart funding delivered in response to budget support; set expenditure, output, and outcome targets; and monitor progress. At the same time, the assessment showed that innovative approaches may not be best suited for emergency responses as was witnessed in the project’s design for the community intervention component. Although CDD has a role to play in building long-term country capacity, it is less effective as a new tool for emergency drought response because it requires substantial upfront investment in training and awareness-raising. More information can be found in the Project Performance Assessment for the Emergency Drought Recovery Project.

Increased use of fertilizer is a central part of Ethiopia’s agricultural development strategy. However, the country depends entirely on imports to meet its annual chemical fertilizer demand. In 2008, faced with the high world price of fertilizers and other commodities and hampered by low foreign exchange reserves, the government of Ethiopia requested World Bank assistance to help cover the cost of importing fertilizers. In its assessment of the World Bank’s fertilizer project, IEG concludes that if support of this nature is to be timely and effective, greater account must be taken of country capacity limitations and coordination with such key players as the World Food Program. The assessment also found that emergency operations should be mindful of their impact on World Bank-supported longer-term reform efforts in the country. Since droughts are recurrent natural disasters in Ethiopia, one of the recommendations in the assessment is to establish a more sophisticated system of estimating the optimum level of strategic fertilizer reserves between one season and the next to ensure the efficiency of resource use in Ethiopia. More information can be found in the project assessment of the Fertilizer Support Project.

Contents
1. Lessons from Food Crisis and Drought Emergency Response Operations
2. World Bank Group Support for Natural Resource Management
3. Upcoming Evaluations
World Bank Support for Natural Resource Management

In the past year, IEG completed several assessments of natural resource management projects, that will feed into the upcoming study on Managing Forest Resources for Sustainable Development: An Evaluation of the World Bank Group’s Experience.

In fiscal year 2011, IEG evaluated a mix of projects and analytical work addressing natural resources management in Tanzania. The Tanzania Forest Conservation and Management Project and the Eastern Arc Forest Conservation and Management Project were integrated into a single operation with International Development Association resources and a Global Environment Facility grant. The project aimed to help the government establish a framework for the long-term sustainable management and conservation of Tanzania’s forest resources. Since the project was implemented at a time when the dominant paradigm of forest management in Tanzania shifted toward greater participation by non-state actors, the project had a goal of strengthening the role of individuals, institutions, communities, and the private sector in sustainable resource management. Some of the approaches promoted by the project have the potential to improve forest management. Resources were channeled directly to communities facilitating the establishment of participatory forest management agreements, a Conservation Endowment Fund was established which funds conservation activities in the Eastern Arc Mountain forests and tools were developed to improve the collection of revenue from forest products. However, the project fell short of attaining its development objective because the necessary institutional development reforms, such as establishing a new semi autonomous forest agency and piloting of models to engage the private sector in industrial plantation management, were not fully carried out. To learn more, download the Project Performance Assessment Report on Forest Conservation and Management Project, Eastern Arc Forest Conservation and Management Project in Tanzania.

IEG also assessed two policy notes prepared by the World Bank to improve Tanzania’s natural resource management capacity. The note, Environmental crisis or sustainable development opportunity? Transforming the charcoal sector in Tanzania, aimed to identify policy options with the potential for making charcoal use and production more sustainable, providing economic incentives, and promoting environmental benefits. A follow-up report, Enabling reforms: a stakeholder-based analysis of the political economy of Tanzania’s charcoal sector and the poverty and social impacts of proposed reforms, took a closer look at the feasibility of the proposed reforms. IEG found that both reports broadened the reform dialogue, providing useful guidance to Bank staff and to other development partners in Tanzania (who have drawn on the analysis to develop their own programs). However, the government of Tanzania has yet to embrace the proposed reforms and an institutional champion has yet to be identified. To learn more, download the Project Performance Assessment Report on Forest Conservation and Management Project, Eastern Arc Forest Conservation and Management Project in Tanzania.

In fiscal year 2011, IEG assessed two policy notes prepared by the World Bank to improve Tanzania’s natural resource management capacity. The note, Environmental crisis or sustainable development opportunity? Transforming the charcoal sector in Tanzania, aimed to identify policy options with the potential for making charcoal use and production more sustainable, providing economic incentives, and promoting environmental benefits. A follow-up report, Enabling reforms: a stakeholder-based analysis of the political economy of Tanzania’s charcoal sector and the poverty and social impacts of proposed reforms, took a closer look at the feasibility of the proposed reforms. IEG found that both reports broadened the reform dialogue, providing useful guidance to Bank staff and to other development partners in Tanzania (who have drawn on the analysis to develop their own programs). However, the government of Tanzania has yet to embrace the proposed reforms and an institutional champion has yet to be identified. To learn more, download the Project Performance Assessment Report on Forest Conservation and Management Project, Eastern Arc Forest Conservation and Management Project in Tanzania.

With respect to the sector analysis carried out by the World Bank in Unlocking Opportunities for Forest-Dependent People in India, IEG found that the technical quality of the analysis was sound as it made a good use of knowledge from across
the Bank and beyond. The analysis also included a synthesis of findings about forest institutions, as well as presenting new evidence about the legal frameworks governing forestry. Although the report served as a useful platform for dialogue between the Bank and other donors in India in the short term, it did not have an impact on the design of government programs, despite concerted efforts by the task team. To learn more, download the Project Performance Assessment Report, *A Cluster Assessment of Forestry and Watershed Development Activities in India*.

IEG has also assessed the performance of a Water Resources Management project in Vietnam. The *Mekong Delta Water Resource Project* sought to upgrade irrigation in the country’s “rice bowl,” with a view to increasing agricultural production and reducing rural poverty. IEG found that the production objective was substantially achieved but that there were insufficient data to determine whether the objective of reducing rural poverty was met. Although average farm incomes rose, it is not clear to what extent the poor benefited from the project. For instance, shifting cropping patterns from rice to shrimp resulted in a 24 percent decrease in employment in the project areas. IEG also found that the river basin organization supported by the project lacked the authority needed to ensure that water resources management decisions were made from a basin-wide perspective. Upstream developments affect the flow of the Mekong and may pose risks to the overall productivity of the delta. This finding informed the main lesson derived from the assessment, which is that in this type of delta decisions about large-scale hydraulic infrastructure need to be taken as part of an integrated planning process applied to the whole river basin. To learn more, see the Project Assessment Report on the *Mekong Delta Water Resource Project*.

**Upcoming Evaluations**

**Food Crisis Response**

IEG is initiating an evaluation of the World Bank Group’s *response to the food crisis*. The approach paper is currently being prepared. The evaluation will be carried out during the course of fiscal year 2012. Stay tuned for more news.

IEG is currently working on project assessments of the food crisis response in Djibouti and Burundi. In both countries, the World Bank provided budget support to the government to offset the effect of removing taxes on food staples. This makes for an interesting comparison because Djibouti has a major international port and easy access to the world market, combined with almost total dependence on food imports to feed itself; while Burundi is landlocked (therefore more insulated from the world market), but has a much greater capacity to meet its food needs from domestic production. In both cases, the assessment will consider how well the emergency response is linked to the existing operations of other donors and to the longer-term development program for the country. These Project Performance Assessments will be available at the end of fiscal year 2012.

IEG is also launching evaluations of the Bank’s response to another crisis—the threat of *avian influenza*. IEG will conduct a cluster assessment of projects in Albania, Armenia, Azerbaijan, Romania, and Tajikistan. In this assessment, IEG will pay particular attention to the relative effectiveness of different approaches to controlling avian influenza and other human pandemics; and look at what lessons emerge from the use of a horizontal Adaptable Program Loan in emergency response cases. The assessment will be available at the end of fiscal year 2012.
**Natural Resource Management**

IEG has recently embarked on a major evaluation, *Managing Forest Resources for Sustainable Development: An Evaluation of the World Bank Group’s Experience*. Ten years after the 2002 Forest Strategy, IEG will examine how effectively the Bank Group has used its convening power, its experience, and its resources to help client countries manage their forest resources in a manner that is conducive to sustainable development. In particular, the study will analyze in what way, and how effectively, the World Bank has helped countries promote the wide range of values and services associated with their forest estate—from the industrial development of high-value timber to community forest management, including the conservation of critical biodiversity sites to planning and support for pilot efforts to reduce emissions from deforestation and forest degradation (REDD).

Forthcoming IEG performance assessments will address community forest management in **Mexico** and the various facets of Bank-supported work on forests in **China**. The Mexico assessment will review the Global Environment Facility-funded Indigenous and Community Biodiversity Conservation Project. This project aimed to achieve more effective biodiversity conservation by strengthening community conservation initiatives on communally-owned forest land. In China IEG will assess a cluster of project and sector work activities. Traditionally the Bank’s forestry projects in China focused on the establishment of timber plantations. Much of this work has included promotion of the household-centered forestry enterprises that fall under the control of provincial governments. The assessment will consider how successful these efforts have been, as well as evaluate the steps to diversify the Bank’s engagement with forestry in China, including attempts to revamp the moribund state forest farm sector.

A forthcoming assessment of the Global Environment Facility-financed, World Bank-implemented *Water Utilization Project* will consider progress made in helping the Mekong River Commission improve management of the basin. It will ask whether sufficient steps were taken to promote sound and evenly-shared water use by the various countries in the basin, with due regard to protection of aquatic life and the ecological balance.

**For more information, visit IEG’s website at ieg.worldbankgroup.org.**