

**Implementation Status & Results
Kyrgyz Republic
Agribusiness & Marketing Project (P049724)**

Operation Name: Agribusiness & Marketing Project (P049724)	Project Stage: Implementation	Seq.No: 17	Status: ARCHIVED	Archive Date: 31-Mar-2013
Country: Kyrgyz Republic	Approval FY: 2005			
Product Line: IBRD/IDA	Region: EUROPE AND CENTRAL ASIA	Lending Instrument: Specific Investment Loan		
Implementing Agency(ies):				

Key Dates

Board Approval Date	14-Dec-2004	Original Closing Date	31-Dec-2010	Planned Mid Term Review Date	30-Mar-2009	Last Archived ISR Date	25-Feb-2013
Effectiveness Date	02-May-2005	Revised Closing Date	31-Mar-2013	Actual Mid Term Review Date	13-Apr-2009		

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the Project is to assist the Borrower in increasing and enhancing the business activities of the Beneficiary agribusinesses supporting the Borrower's economic growth.

Has the Project Development Objective been changed since Board Approval of the Project?

Yes No

Component(s)

Component Name	Component Cost
MARKET DEVELOPMENT	2.64
ACCESS TO CREDIT	5.27
PROJECT MONITORING AND ADVISORY	0.02

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Moderately Satisfactory	Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Satisfactory
Overall Risk Rating	Moderate	Moderate

Implementation Status Overview

The project has achieved good results on the ground, in particular:

Market Development Component. This component provided technical assistance, advice and training to the agribusiness sector companies, impacts of which are expected to be long-term, in support of improved competitiveness and sustainability of the sector. The Agribusiness Competitiveness Center (ABCC) supported 42 agri-businesses, which received technical assistance and advice on a variety of aspects of running their companies, resulting in the development of 68 new products, improvements in the technological processes,

improvement in the financial management in the companies, entering of new markets, and increased sales and profits in the client companies. The ABCC's Market Development Service (MDS) successfully facilitated trading and promotion of Kyrgyz agricultural products both domestically and abroad. Since its inception in 2006, the MDS facilitated 1,971 client contacts on various matters, including 142 trade deals for almost 54,000 tons of agricultural products for a total value of US\$17.5 million (of which 89% were sold to export markets). The project also supported establishment of an Information and Marketing Service Platform, which provides information on buyers and sellers, new equipment and other relevant issues to its users for a fee. The project also strengthened the country's cooperative movement, as more than 250 cooperatives were trained in various aspects of cooperative management principles, business planning and financial management (and many cooperatives were subsequently able to meet the requirements of the participating lenders and benefit from loans and/or grants under Component 2 of the project). Under the public sector capacity building program, awareness of the public sector - relevant ministries and agencies - on a number of key issues faced by the private agribusiness sector was raised through an extensive training program, which included such subjects as illegal payments faced by exporters, export requirements of the neighboring countries, etc. On the public investment side, the project supported setting up of the Food Technology Training Center (FTTC) under the Kyrgyz State Technical University (KSTU). The establishment of the center is in the final stages and is expected to be opened by the President of the Kyrgyz Republic on March 20, 2013. Awareness of the public sector - relevant ministries and agencies - on a number of key issues faced by the private agribusiness sector was raised through an extensive training program, which included such subjects as illegal payments faced by exporters, export requirements of the neighboring countries, etc. The project financed the complete reconstruction and remodeling of an old industrial type building into a training center with processing lines, laboratories, training classes and a conference room. It is equipped with processing lines for meat, dairy and cereals, as well as with chemical and microbiology laboratories. The FTTC will be used to train both university students and practitioners from the food processing industry.

Under the Access to Credit Component, the credit line was fully disbursed, and the commercial bank training activities were completed very cost-effectively and far exceeding the original targets. A total of 108 sub-loans were financed under the project directly from the Credit Line (including 11 sub-loans to cooperatives) and from reflows, amounting to almost US\$6.76 million equivalent. The total investments mobilized into the agribusiness sector amount to about US\$14.8 million equivalent, including the required co-financing by Participating Financial Institutions and beneficiaries. Fifty-eight matching grants totaling US\$0.8 million were granted to cooperatives towards co-financing of their investments. An extensive training program for loan officers of commercial banks was also provided under the project, with 883 loan officers and branch managers trained in various subjects, including Investment Lending and Leasing in Agriculture, Agricultural Structure Finance Products and Environmental Aspects of Lending. As a result of these trainings, the skills of the staff of the participating commercial banks in appraisal of long-term agricultural projects were improved, and awareness raised on a number of innovative financial products to help unlock the potential of the agricultural sector.

Under the Project Monitoring and Advisory Office Component, the Market Conditions Analysis Unit (MCAU) collected and provided the Ministry of Agriculture with market price information and market analysis on key food items. These reports provided the necessary information for the Ministry in support of key policy decision-making. Some of the information was provided to ABCC, to be posted regularly on the ABCC website for the use by the private sector.

Overall, it is estimated that, towards achievement of the project's development objective, the project's beneficiaries attained nominal increases in their sales between 15% and 169%, and nominal increases in their profits between 25% and 91% (depending on the company).

Locations

No Location data has been entered

Results

Project Development Objective Indicators

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Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Increase in sales of agribusinesses supported by the Project, nominal	<input type="checkbox"/>	Percentage	Value	0.00	85.00	25.00
			Date	02-May-2005	23-May-2012	30-Nov-2012
			Comments	No agribusinesses were supported before the start of the project	Target exceeded more than 3 times. Data for end-2011; data for 2012 in the process of verification.	
Increase in profits of agribusinesses supported by the Project, nominal	<input type="checkbox"/>	Percentage	Value	0.00	40.00	20.00
			Date	02-May-2005	23-May-2012	30-Nov-2012
			Comments	No agribusinesses supported before the project	Results are twice the end target. Data for end-2011; data for 2012 in the process of verification.	

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Volume (in US\$) of trade deals facilitated	<input type="checkbox"/>	Amount(USD)	Value	0.00	17500000.00	2000000.00
			Date	02-May-2005	23-May-2012	30-Nov-2012
			Comments	MDS was set up under the project	End target significantly exceeded.	
Number of agribusinesses receiving assistance from ABCC	<input type="checkbox"/>	Number	Value	0.00	42.00	40.00
			Date	02-May-2005	23-May-2012	30-Nov-2012
			Comments	No enterprises supported before the project	End target exceeded. 20 were supported under the first TA package; 24 (including 17 new) under the second TA package; 18 (including 5 new) under the second package extension	
Number of key business environment constraints identified and tackled	<input type="checkbox"/>	Number	Value	0.00	3.00	3.00
			Date	02-May-2009	23-May-2012	30-Nov-2012
			Comments		End target achieved. Two VAT calculation on agricultural produce issues (for exports to Kazakhstan and exports to Russia) tackled; one more issue - on illegal payments in key	

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					selected transit corridors being monitored	
Number of public service staff trained	<input type="checkbox"/>	Number	Value	0.00	1070.00	50.00
			Date	02-May-2005	23-May-2012	30-Nov-2012
			Comments		End target significantly exceeded. Public sector staff trained during seminars and presentations-discussions.	
Total volume of investments attracted to beneficiary agribusinesses	<input type="checkbox"/>	Amount(USD)	Value	0.00	14861509.00	10000000.00
			Date	02-May-2009	23-May-2012	30-Nov-2012
			Comments		End target exceeded by almost 50%.	
Number of loan officers trained in the banking sector	<input type="checkbox"/>	Number	Value	0.00	883.00	150.00
			Date	02-May-2009	23-May-2012	30-Nov-2012
			Comments		End target significantly exceeded. Including: 380 in Investment Lending and Leasing, 337 in Structured Finance, 166 in Environmental Training	
Number of Grants to producer organizations/cooperatives	<input type="checkbox"/>	Number	Value	0.00	58.00	50.00
			Date	17-Jul-2009	24-Jul-2012	30-Nov-2012
			Comments		58 grants have been disbursed in the total amount of US\$800,000 equivalent. Target exceeded.	
Number of market analysis reports prepared and disseminated	<input type="checkbox"/>	Number	Value	0.00	52.00	20.00
			Date	02-May-2005	23-May-2012	30-Nov-2011
			Comments	Market Conditions Analysis Unit, which prepares reports, set up under the project	End target significantly exceeded.	
Volume of Bank Support: Lines of Credit - SME	<input checked="" type="checkbox"/>	Amount(USD)	Value	0.00	5032678.00	2500000.00
			Date	02-May-2005	23-May-2012	30-Nov-2012
			Comments		Disbursements for agribusiness development. End target significantly exceeded.	
Volume of Bank Support: Institutional Development - SME	<input checked="" type="checkbox"/>	Amount(USD)	Value	0.00	564646.00	200000.00
			Date	02-May-2005	23-May-2012	30-Nov-2012

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			Comments		Project-specific TA to the banking sector. End target significantly exceeded.	
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Data on Financial Performance (as of 07-Mar-2013)

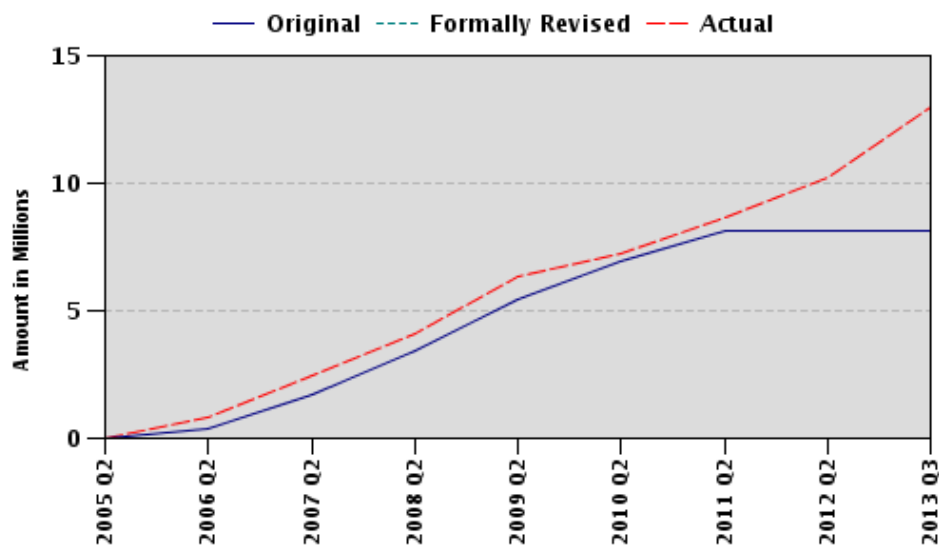
Financial Agreement(s) Key Dates

Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P049724	IDA-40150	Effective	14-Dec-2004	03-Feb-2005	02-May-2005	31-Dec-2010	31-Mar-2013
P049724	TF-53554	Effective	03-Feb-2005	03-Feb-2005	02-May-2005	31-Dec-2010	31-Mar-2013

Disbursements (in Millions)

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P049724	IDA-40150	Effective	USD	8.10	8.10	0.00	8.23	0.20	102.00
P049724	TF-53554	Effective	USD	4.75	4.75	0.00	4.75	0.00	100.00

Disbursement Graph



Key Decisions Regarding Implementation

The project will be closed on March 31, 2013.

Restructuring History

Country Director Approval on 17-Jul-2009, Level two Approved on 17-Dec-2010, Level two Approved on 28-Dec-2010, Level two Approved on 08-Dec-2011, Level two Approved on 23-Dec-2011, Level two Approved on 28-May-2012, Level two Approved on 21-Nov-2012, Level two Approved on 20-Feb-2013

Related Projects

There are no related projects.