

# Republic of Rwanda

## Support Project for the Strategic Plan for the Transformation of Agriculture Project Performance Assessment

### Executive Summary

1. This project performance assessment (PPA) was carried out in 2014 by the Independent Office of Evaluation of IFAD (IOE) for the Support Project for the Strategic Plan for the Transformation of Agriculture (*Projet d'Appui au Plan Stratégique de la Transformation de l'Agriculture* - PAPSTA).
2. **Objectives.** The PPA objectives are to: (i) assess the results and impact of the project; and (ii) generate findings and recommendations for the design of new projects and the implementation of ongoing IFAD-financed projects in Rwanda.
3. **Methodology and process.** The evaluation process involved five phases: desk work; country work (including meetings with stakeholders, field visits and a wrap-up meeting with Government and IFAD staff); report drafting and peer review; receipt of comments on the draft PPA report from the East and Southern Africa Division and the Government; and the final phase of communication and dissemination.
4. The PPA took into account the preliminary findings of the project completion report validation (PCR/V), a standard desk review and issues emerging from interviews at IFAD headquarters to identify key issues and lessons learned from the implementation of PAPSTA for the PPA mission to focus on.
5. Interviews with Government and relevant stakeholders, and a field visit to two districts (Ngorero and Nyanza), contributed to the findings of the PPA. Data collection methods applied included individual and focus group interviews with beneficiaries, as well as direct observations. The PPA team also collected additional data through the programme's monitoring and evaluation (M&E) system. Triangulation was applied to verify findings emerging from different information sources. Further details on the methodology can be found in annex III.
6. The PPA report considers all standard evaluation criteria used by IOE (as noted in annex V). However the report places emphasis on the selected criteria and issues that the PCR/V identified. In this regard, the key focus of the PPA was to:
  - (i) evaluate to what extent results obtained in terms of institutional development (at the local level) are likely to exert a long-term impact on the agricultural policy-making in Rwanda;
  - (ii) apply a deeper level of critical assessment of piloting and replication to assess the extent to which the watershed planning approach and the promotion of hedging practices as soil protection measures have been successful; and
  - (iii) assess project coordination and management, including the implementation mechanism, for the effectiveness of their support, taking into consideration the high complexity of PAPSTA's design and approach.
7. **Limitations.** Not all major stakeholders were available to meet with the PPA team. During the field work, the team visited two districts, noting that time and resource constraints did not allow for in depth field-level analysis or comprehensive coverage of all stakeholders at the local level.

8. **Project background.** Since 1994 Rwanda has made impressive progress in the promotion of both economic growth and social development. The poverty rate dropped from 59 per cent in 2001 to 45 per cent in 2011. The [Economic Development and Poverty Reduction Strategy \(EDPRS 2\)](#) set the overarching framework for the Strategic Plans for the Transformation of Agriculture (PSTA I, II and III), guiding all activities and investments in the agricultural sector.
9. The goal of PAPSTA was to contribute to achieving the EDPRS 2<sup>1</sup> objective (to improve income and nutrition of the poor rural population) by supporting the implementation of PSTA I and II. PSTA focuses on those interventions aimed to increase agricultural production and productivity.
10. More specifically, the project objectives were to: (i) strengthen the technical, managerial and institutional capacity of the major stakeholders associated with the implementation of the PSTA; (ii) undertake innovative agricultural pilot action programmes and strengthen the research and extension system; and (iii) improve the overall management information system, communications, and the participatory M&E system.
11. The objectives were to be achieved through three components: institutional strengthening; piloting and replication; and project coordination and management.
12. PAPSTA had a total project cost of US\$30.6 million at closure which was made up of a highly concessional IFAD loan of US\$9.45 million, and a Debt Sustainability Framework (DSF) grant and Technical Assistance Grant (TAG) of US\$4.45 million. The Government of Rwanda contributed US\$1.35 million, and beneficiaries contributed a significant US\$5.2 million. Other contributors included: the German Development Service (US\$0.02 million); the Department for International Development (US\$3.4 million); and the World Food Programme (US\$1.5 million). At completion the project had fully disbursed the IFAD loan and DSF and TAG grants.
13. The project was approved by IFAD's Executive Board in September 2005 and was under the direct supervision of IFAD from 2006 (during the first year of implementation, the cooperating institution was the United Nations Office for Project Services, UNOPS). The project completion report was received seven weeks before the loan closing date of 30 September 2013. The lead executing agency for PAPSTA was the Ministry of Agricultural and Animal Resources (MINAGRI).

### **Project performance**

14. **Relevance.** Even though the project was complex (but not complicated<sup>2</sup>) and challenging to manage, its design responded to the needs and interests of the beneficiaries and it remained relevant to the context throughout implementation, while adapting to the evolving environment. The lessons learned from the IFAD portfolio were incorporated into the project design. PAPSTA simultaneously tested and replicated innovations in watershed management in addition to introducing new agricultural technologies. It responded to critical needs of MINAGRI at the right time and played a substantial role in assisting MINAGRI with high-level policy input. In this way, the project played a strategic role in the transformation of the agricultural sector through the development of PSTA II and III as well as through improvements in sector coordination and a sectoral M&E system. This transformation was achieved through the introduction of the Single Project

---

<sup>1</sup> Specifically, EPDRS had five priorities: i) to improve access to productive inputs; ii) to promote soil conservation and water management (including irrigation); iii) to increase access to improved breeds of small and large livestock; iv) to deliver extension services and research for development; and v) to promote commodity chain and agribusiness development.

<sup>2</sup> *Complex* refers to the number of functions and steps within each task, while *complicated* refers to the processes involved. In this instance the project was not complicated, as the tasks were correctly assigned to the relevant mandated body.

Implementation Unit (SPIU) per financier, which had a positive impact on a number of areas (noted below).

15. The various innovations in agriculture and livestock management, watershed management (WSM), soil and water conservation (SWC), and uphill and marshland irrigation are highly relevant to the Rwandan context and responded well to the needs of smallholder farmers. The self-targeting strategy that PAPSTA applied proved relevant and feasible in terms of reaching the most vulnerable households.
16. **Effectiveness.** PAPSTA contributed to achieving the project goal of improving the income and nutrition levels of the rural population in the target areas. PAPSTA's policy-level support to MINAGRI provided the framework through the drafting of numerous key national policies and strategies; for example: Agriculture Mechanization, the Knowledge Management, the Small Animal Strategic Investment Plan, Change Management, Public Financial Management, the Public Expenditure Review Strategy, the Gender Mainstreaming Strategy, and the Decentralization Action Plan.
17. Local capacity-building resulted in 11 Local Management and Supervision Committees (CLGSs) being created. The committees assumed a central role in project implementation, serving as the major decision-making, planning and monitoring body, and representing all stakeholders in the watershed. Altogether 11 cooperatives were established and were used as the vehicle for training on SWC.
18. The SWC interventions promoted by PAPSTA included: constructing full and half terraces, anti-erosion ditches/cut-off drains and soil-bunding; planting living hedges on the earth bunds with various fodder/agro-forestry tree species and grasses; fixing ravines with different soil and vegetative improvement measures; excavating water-retention basins; rehabilitating and protecting rural roads; and tree planting.
19. Some of the innovative practices for improved seeds and cultivation of cuttings have been taken up beyond the borders of the watersheds and thus spread spontaneously. Promoting the improved rice cultivation system proved to be one of the most successful innovations that PAPSTA introduced. Other innovations introduced were the Irrigation Water Users Associations (WUAs), the animal health insurance scheme and the Farmer Field Schools.
20. One collective M&E system for all IFAD projects was established within the SPIU as a result of the implementation of PAPSTA. The project also assisted MINAGRI in setting up a simplified sector-wide M&E system directly linked to the M&E systems used by the three SPIUs (IFAD, World Bank and the African Development Bank. This in turn stimulated learning in IFAD, MINAGRI and the sector at large. The large number of knowledge products developed has helped to capture innovations and success stories for replication and scaling up.
21. **Efficiency.** PAPSTA was implemented within the foreseen timeline and budget framework and achieved all targets including an overall disbursement of 100 per cent for all IFAD financing.
22. The SPIU was conducive to better coordination, reduction of transaction costs, preservation of expertise and retention of staff. In fact, this new institutional structure resulted in both PAPSTA and the Kirehe Community-based Watershed Management Project (KWAMP) receiving prizes for financial management and procurement in the East and Southern Africa Region of IFAD in 2010.
23. The project's performance can be attributed to the following key aspects:
  - (i) the institutional arrangements through the establishment of the SPIU and its ability to increase the likelihood of successfully delivering a complex project;
  - (ii) development of the sectoral M&E framework; (iii) consistent practices across all

projects for financial matters, procurement and audits; (iv) knowledge of staff retained and transferred to new projects; and (v) the use of results-based contracts for local and national staff.

24. Project performance would have received a higher score had achievements been greater in the development of farmer/producer apex organizations. In addition it would be beneficial to differentiate the level of technical support required for different target groups, particularly for vulnerable groups – in this case child-headed households, young people and widows. Other issues insufficiently addressed during the life span of PAPSTA include: limited inputs into marketing, post-harvesting technologies and value addition; the lack of construction of (all weather) feeder roads; and access to rural credit facilities. Although these had not been included in the project design, once they were identified they were incorporated into projects which followed – for example KWAMP and the Project for Rural Income through Exports.

### **Rural poverty impact**

25. PAPSTA contributed to the improvement of the small farming systems operated by subsistence farmers in the 11 pilot areas of 6 districts. The project increased agricultural productivity by introducing improved livestock and crops and through an overall improvement in the traditional farming systems, which had a very positive overall impact on food security and increased household cash incomes, as well as on increased social capital because of strengthened community cohesion. Crop yields of the main staple foods increased – upland maize from 1.5 to 4.0-5.0 tons/ha; beans from 0.6-0.8 to 1.1 – 1.2 tons/ha; cassava from 15-20 to 30-40 tons/ha; sweet potatoes from 15-17 to 25-30 tons/ha; and rice from 3-4 to 6-7 tons/ha. Post-harvest storage facilities helped the cooperatives to sell produce at better prices. The farmers who have been very successful now also provide full time-employment opportunities, primarily to those who have small or no land holdings.
26. PAPSTA achieved significantly in the areas of natural resources and environmental management practices. The approach applied by PAPSTA is in essence a "community based approach to SWC measures within the framework of a watershed". The SWC interventions promoted by PAPSTA are noted in paragraph 18.
27. Under PAPSTA a total of over 44,000 ha of degraded land was hedged, and some 32 million agro-forestry trees (which is about 10 times the amount of the seedling production envisaged at design stage) and 33 million Pennisetum grass cuttings were locally produced in family and group nurseries and planted on the earth bunds. Over 100 ha of degraded soil have been developed in the six districts and altogether 1,400 ha of progressive terraces have been established.
28. PAPSTA has had a significant impact on the structure and direction of the entire agricultural sector in Rwanda (refer to paragraph 47 to 54). In turn the policies and institutional arrangements have had a significant impact on increased efficiency and effectiveness of the agriculture sector from local to national levels. The introduction of bottom-up participatory processes for the development of district plans and budgets has increased learning at the local level while also increasing knowledge at the national level for higher-level planning and budgetary processes. In addition, responsibilities at the local level for participatory processes have been taken seriously and costs for these processes are now included in district-level budgets. The notion of "volunteer extension workers" could more appropriately be viewed as knowledge/skills transfer at the local level - so as an "institutional" process it provides immediate support to small-scale farmers on a range of agricultural technologies.

### **Other performance criteria**

29. Sustainability appears to be well covered as at the mid-term review the project did develop an exit strategy which has been implemented. Approaches have been well documented and handed over to mandated bodies to continue their implementation in other districts. In addition the inclusion of costs for local institutions have been built into district budgets to ensure that local-level participation in decision making continues. Part of the exit and scaling up strategy was to encourage farmers in the first six watersheds to take over tree and grass propagation by reducing support to the nurseries.
30. Innovations (additional to those noted in paragraphs 15 and 19) in the Rwandan context included: Community Innovation Centres (CCIs); community competitions; resource person/village contact person (*personne resource/relais villageois*); Pass on the Gift (POG) schemes for livestock (mainly cows for land holder of more than ½ ha; goats for land holders with less than 0.5 ha); Cow Health Insurance Scheme; and milk collection centers.
31. A direct link was established between farmer's participation in the establishment of the various SWC measures on their own and public land through granting them access to the livestock POG schemes. The participating farmers directly use the new earth structures for the production of fodder from agro-forest trees and fodder grasses. Such linkages established a suitable incentive system for SWC. The landless also plant fodder grasses on public space which they now sell to those with livestock for income.
32. The innovative practices were tested in the field and were subsequently documented by PAPSTA. Most of them are now disseminated through the national agricultural extension service under the Rwanda Agriculture Board (RAB).
33. PAPSTA assisted MINAGRI in drafting the National Agriculture Gender Strategy and adopted a gender-integrated approach to implementation. The approach included a number of measures geared to specifically benefit women – for example: a participation quota in all project activities; equal pay; and bank accounts in the names of all project beneficiaries, to ensure that women have full control over their own funds. Women (including young women) in general have benefited from the various project activities, building social capacity, greater access to decision making opportunities and most importantly decision making on resources.
34. Challenges that remain for gender equality are for those that fall into the highly vulnerable groups, specifically: widows, young people and child headed households. There is a pervading social stigma that widows in particular face in addition to which they and young people command less respect by some, thus lessening benefits from the project.

### **Overall project achievement**

35. IFAD has become a reliable and valued partner of the MINAGRI. For example, when a key cofinancier withdrew support after approval of the PAPSTA, IFAD identified new partners to fill the cofinancing gap to ensure the project could continue as proposed. IFAD provided timely technical support and supervision while quickly processing of withdrawal applications to ensure the flow of funds. Likewise, the Government of Rwanda has responded quickly and efficiently to all the recommendations from the Country Programme Evaluation. In addition, by the time the PPA mission happened they had already incorporated lessons from PAPSTA into the next project design. A key feature of their work is that appropriate lessons from ongoing projects are transferred to other projects as they are learned. The Government also provided counterpart financing as agreed.
36. As noted earlier, gaps in ongoing projects (that cannot be responded to immediately) are built into the design of the next project so that challenges are addressed as quickly as possible.

## **Conclusion**

37. The PAPSTA project design remained highly relevant to government priorities and adapted in response to the evolving environment. It simultaneously tested and replicated innovations. PAPSTA has played a strategic role in the transformation of the agricultural sector through the provision of high-level policy inputs thus responding to critical needs of MINAGRI at the right time. IFAD has become a reliable and valued partner of the MINAGRI in the process. Most importantly the design was sound and directly catered to the needs and interests of the rural target population. It has also shown that complexity can be managed successfully. The prevailing environment in Rwanda thus provides for some opportunities to pilot new ways of working.

## **Key recommendations**

### **Sustainability**

38. In order to strengthen the likelihood of sustainability, the seven-year period of implementation cannot be considered a reasonable time frame to ensure the sustainability of all the results produced by the project. To avoid the dissipation of the development achievements, the PPA suggests formulating future capacity-building activities to be carried out at local level as long-term interventions (especially for the most vulnerable groups). This could either be built into the MINAGRI's ongoing work plans or addressed through the proposal in paragraphs 43 and 44 below.
39. Another aspect related to sustainability is the capacity to continue the delivery of services such as the ones provided by the resource person and village contact person. One option may be to consider the adoption of a fee-for-service approach in this context.

### **Targeting**

40. PASPTA has reached the rural target population, including vulnerable groups (women, youth and child-headed households). As already noted, these groups still face specific challenges and should receive greater support for skills development (e.g. technology transfers, business skills) – for example by facilitating access to high-level training opportunities (e.g. establishment of national scholarship programme for secondary and tertiary education). Youth training centres could also offer new opportunities to youth to become technical specialists.

### **Partnership with the Government**

41. Government structures and performance are conducive to piloting new financing partnerships with donors. In this context IFAD could undertake different actions such as the production of a single five-year-period design document and the adoption of a programmatic financing approach.
42. As far as the involvement of the private sector is concerned, it would be useful for the Government to develop a set of "principles of engagement" between the parties (Government, private sector entity and the target group). In this respect, IFAD could act as broker, ensuring equitable risk mechanisms, capacity-building and technology transfer.

### **Financing mechanisms**

43. Rwanda provides a unique opportunity to pilot a new mechanism for financing – programmatic financing – which would also provide increased efficiencies and effectiveness for both the Government and IFAD over a country strategic opportunities programme (COSOP) period (approximately five years).
44. The PPA proposes to pilot a "programmatic financing" approach. Such an approach would provide flexibility to respond to unforeseen emergencies, allow for follow-up support to critical target groups (women and child-headed households) and in the long run reduce costs associated with design. This proposal would require having an "in-depth" COSOP along the lines of a single five-year-period design document

and thus identifying clearly differentiated target groups, thematic focuses, geographical priorities, etc., in priority order – for which full criteria would need to be developed and agreed. Through the process a full list of key criteria for other countries to engage with IFAD on this basis could also be further developed following an assessment of the pilot.

#### **Scaling up**

45. Scaling up requires thorough preparation which would include environmental and social impact assessment studies to ensure long-term environmental and social impacts using appropriate mitigation strategies for interventions. Such measures could include leaving some marshland areas uncultivated and ensuring ecological corridors between such remaining wetlands for the migration of plant and animal species and the preservation of biodiversity.
46. The introduction of environmentally friendly cooking and heating devices – for example improved stoves (or biogas digesters) – should be a standard feature of any agriculture package to save more than 30 per cent of firewood and trees. Moreover, such a measure can promote local employment and business opportunities, especially for the young people.

#### **Partnerships**

47. The partnership between Government, World Food Programme and IFAD has resulted in significant achievements. Where appropriate such a partnership should be actively sought for better outcomes and sustainability.