

Republic of Uganda

Area-Based Agricultural Modernization Programme Project Performance Assessment

Executive Summary

1. The Peer Review of IFAD's Office of Evaluation and Evaluation Function conducted by the Evaluation Cooperation Group in 2010 recommended that the Independent Office of Evaluation of IFAD (IOE) transform its approach to project-level evaluation by undertaking project completion report validations and, on a selective basis, project performance assessments (PPAs). In this regard, the Area-Based Agricultural Modernization Programme (AAMP) in the Republic of Uganda was selected for a PPA in order to help build up evidence for the Uganda country programme evaluation scheduled for 2011-2012.
2. The overall goal of AAMP was to improve the incomes and food security of poor rural households in the programme area and modernize agriculture in the target districts. Specific objectives were to: (i) increase the involvement of the private sector in support of further commercialization of smallholder agriculture; (ii) strengthen the capacity of economically active farmers to gain better access to rural services (technical, financial and marketing); (iii) ensure the sustainable development and improvement of rural infrastructure; and (iv) enhance public-sector capacity to respond to production needs identified by interest groups and rural communities. AAMP was implemented over a six-year period. The executing agency was the Ministry of Local Government, which implemented the programme in collaboration with district and subcounty governments.
3. AAMP was structured around four components: (i) agricultural commercialization (US\$4.1 million); (ii) rural infrastructure development (US\$8.7 million); (iii) community mobilization (US\$1.2 million); and (iv) programme facilitation (US\$2.1 million). Under a parallel financing arrangement with the African Development Bank, funds were spent on a separate component for the construction of feeder roads in the programme area.
4. In general, the programme achieved the results expected because the planning and execution capacity of the districts and subcounties improved, as did the farmers' ability to obtain better access to services and financing facilities through the savings and credit cooperatives (SACCOs). Training and support for local groups enabled farmers to expand production at a time when they were shifting from subsistence to market-oriented farming and their capacity to select enterprises (subprojects) with higher returns increased. Farmers increasingly involved themselves in group marketing to benefit more from their marketable surpluses. The programme was implemented within the time frame originally projected, and its funds were almost fully disbursed.
5. The programme also improved rural infrastructure, thus facilitating the commercialization of agriculture. Better rural roads improved access to other services, such as inputs markets and financial services. Women are now more involved in economic activities and the impact on their empowerment is significant. In addition, districts, subcounties and farmer groups have become involved in sustaining activities initiated by the programme.
6. Although some of the targets set during the early stages of programme implementation were not achieved, the vast majority were met or even exceeded.

There is still concern about the viability of some of the savings and credit cooperatives (SACCOs) supported, the role and sustainability of the infrastructure management committees, and the sustainability of the pass-on system (under which the beneficiaries were expected to pass inputs they received free — such as improved seed and animal progeny — to others in need), but these concerns are relatively minor compared with the programme's achievements. Some shortcomings in design (such as the lack of targets for monitoring indicators and inadequate planning and financing of the monitoring and evaluation system) were corrected during implementation. Overall, AAMP's achievements are rated satisfactory.

7. The success of AAMP may be attributed to numerous factors, of which the most important were: (i) flexibility in the design of programme interventions, allowing for quick response to opportunities that arose during implementation; (ii) mainstreaming of activities into government programmes and linkages with decentralization policies, which helped build up capacity and enhance sustainability of benefits after programme completion; and (iii) the involvement of local people in selecting programmes interventions, taking real responsibility for the implementation of these interventions and sustainability over the long term. The high quality of programme management was also an important factor in the success of the programme.
8. The PPA identified a number of broad recommendations related to important issues for future IFAD operations in Uganda:
 - (i) Financing arrangements. Should it not be possible to place all external funds in the same "basket" for monitoring or other reasons, parallel financing, organized under the same coordinating body, might be a relevant and efficient financing solution.
 - (ii) SACCOs. Promoting local SACCOs is a promising approach to creating a financial network to serve the financial needs of Uganda's rural areas. The financial sustainability and long-term survival of SACCOs will need to be ensured, by safeguarding their nature as member-based and savings-first institutions. Consequently, the Government and support organizations for SACCOs should be careful when choosing the types of financial and technical support they provide.
 - (iii) Infrastructure management committees. These committees should be reinvigorated by means of training and endowing them with the authority and self-esteem to act by themselves, thereby allowing them to be accountable for the infrastructures they have chosen as priorities. Such follow-up would require funding through district and subcounty budgets or, in the medium term, with donor funds or as subcomponents of follow-on projects/programmes.
 - (iv) Indicators and targets for monitoring. Even when there are uncertainties about the types of subprojects to be chosen because of the community-driven development approach, it is important to have targets for indicators, with the caveat that such targets may be modified when clear local preferences emerge.