

IOE



Investing in rural people

Independent Office of Evaluation



Virtual National
Workshop with
Government
Of Malawi

Country Strategy and Programme Evaluation

Republic of Malawi

17 May 2022

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Agenda

Background

Findings

Conclusions

Recommendations

Main objectives:

● To assess the results and performance of ongoing Country Strategic Opportunity Programme (COSOP 2016)

● To generate findings and recommendations for new COSOP in 2022

Scope:

- IFAD-supported loans (2011-2020): USD 437.3 million (IFAD **USD 271.6 million**)
- ✓ 4 ongoing loan projects (SAPP, PRIDE, FARMSE, TRADE)
✓ 3 closed loan projects (RLSP, IRLAP, RLEEP)
- “Non-lending activities”: knowledge management, partnership building and policy engagement, and 65 grants (USD 160.2 million, including UDS **51.3 million** from IFAD).

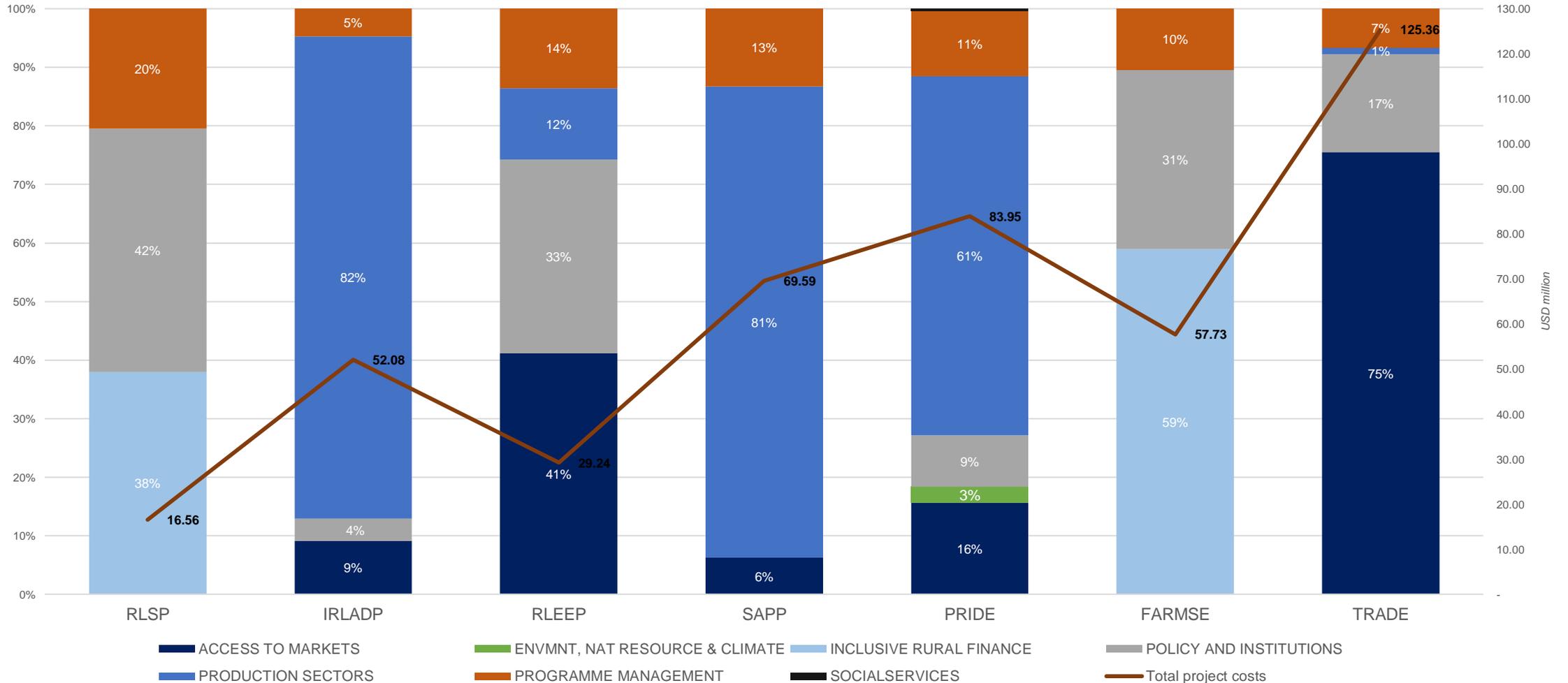
Evaluation Findings



- ✓ COSOP (2011, 2016) aligned with Government's development frameworks (MGDS II and III, NAP and NAIP)
 - ▶ Growing emphasis on **commercial agriculture** and **value chains**
- ✓ Attention to **climate change** increased, but loan investments were low; additional grant funding
- ✓ **Poverty focus** adequate
 - ▶ Increasing attention to ultra-poor, vulnerable and food-insecure households
- Analysis of existing **government capacities** was not adequate, particularly at district and lower level
- The increased **size and complexity** of projects under the COSOP 2016-2022 often overstretched the existing implementation capacities

Total project costs

Source: CSPE analysis based on Oracle Business Intelligence data



• **Harmonization and coordination** with other development partners limited

• **Coordination within IFAD programme** improved under COSOP 2016-2020

• **Projects designs** complementary, but limited overlap and coordination at district level

• **Grants** well used to enhance loan interventions.

• **Knowledge management and partnership building** supported achievement of project results

COSOP objectives	Pathway	Achievements
<p>Strategic objective 1: Smallholder households become resilient to shocks and enhance food and nutrition security</p>	<p>Environmentally and economically sustainable agricultural production systems</p> <p>Climate-resilient land and water management systems</p>	<ul style="list-style-type: none"> ✓ Improved productivity ✓ Promotion of good agricultural practices (GAPs) and nutrition mainstreaming • Delays in irrigation schemes • Water user associations still informal
<p>Strategic objective 2: Smallholder households access remunerative markets and services</p>	<p>Smallholder farmers in rural areas accessing financial services</p> <p>Improved access to markets by smallholder producers</p>	<ul style="list-style-type: none"> ✓ Remote farmers linked through bank agents ✓ High share of women in savings groups • Insufficient liquidity of microfinance institutions • Dependence on traders • Low sales prices • Regulatory and institutional framework

Productivity gains, but limited market access

- Increased agricultural productivity through adoption of **good practices** (e.g. ground cover, pit-planting, ridge alignment)
- Not all practices adopted (e.g. plant debris used as food for livestock or as fuel)

With improved **market access**, incomes increased

- **Private sector capacity** insufficient to purchase all produce from farmers
- Small sizes of plots prevent economies of scale; **pressure on land** becoming more serious due to population growth

- Recent progress in addressing environment and natural resource management (ENRM) and climate change adaptation (CCA)
- **Climate Change Adaptation** practices (e.g. crop diversification, introduction of resilient crops, fuel efficient stoves, irrigation)
- **Long-term resilience to climate change** depends on maintenance and scaling up of the mechanism of support





- **NGOs and private sector organisations** - good outreach, awareness raising, registration or enrolment to financial services
- Challenges: follow up services, usage of accounts/services; **dormant or inactive accounts** or **delayed access to loans**
- Bank agents established but **low traffic of customers**
- Many CBFOs linked, but MFIs facing **liquidity challenges**

- **Productivity gains** eroded as soon as farmers stopped receiving inputs (fertilizer, improved seeds) and services
- Limited impact
 - **Diversifying production systems** and securing reliable **market access** for smallholder farmers
 - **Food security**
 - **Market access and incomes** from crop production was insignificant
- **Farmer groups and WUAs**; but they lack formal registration and are insufficiently empowered





- **Good outreach to women**
- **Household methodology** introduced in all ongoing programme
- Limited evidence on **transformational changes**
- Changes in gender division of labour and women's workloads not yet visible
- **Focus on youth** increased over time
- Increased **social capital**, knowledge and skills
- Limited number of youth groups

A woman with a colorful headwrap, a white short-sleeved button-down shirt with embroidery, and a red patterned wrap stands in a wooded area. She is smiling and has her right hand resting on a large, rectangular, metallic object that looks like a solar water heater. The background consists of trees and dry ground.

Conclusions and recommendations

Positive trajectory:

- Continuity and progression of country strategy
- Larger and more complex projects
- Multitude of initiatives and practices
- Many positive practices; they need to be sustained and scaled up

Challenges:

- Requires **comprehensive approach** to addressing smallholder farmers' multiple challenges and trade-offs
- **Food security and climate change resilience** are the paramount challenges that the country programme has to address more effectively
- Government's insufficient engagement and capacities in **knowledge management**, including M&E, were also reasons for the limited scaling up successful practices
- **Institutional capacities** were the main bottleneck that has undermined the efficiency and effectiveness of the programme

Recommendation 1

- Adopt an **explicit approach to addressing chronic food insecurity and malnutrition** through diversified and sustainable production system as COSOP objective.

Recommendation 2

- Develop a strategic approach for **enhancing the impact and scale of successful practices and initiatives.**

Recommendation 3

- Address implementation bottlenecks through targeting **specific capacity constraints at various levels.**