Executive summary

**Report of the Mid-Term Review of the Intervention ‘’Improving Access to Reliable On-grid Electricity Services for Households and Priority Public Institutions’’ (Component 1: BE1EARP and Component 2: BE2EARP)**

Rwanda

ADE Analysis for Economic Decision S.A

Final Report – April 2019

# Presentation of the evaluation

**The subject of the review**

This Mid-Term Review (MTR) concerns Components 1 and 2 of the Belgian contribution to the Electricity Access Roll-Out Programme (EARP).

This EARP is a nationwide programme designed to contribute to the Government of Rwanda’s (GoR) targets for the electricity sector as set out in its Economic Development and Poverty Reduction Strategy (EDPRS).

The EARP has been implemented by the Rwanda Energy Group (REG), in two phases. The first phase (EARP I) covered the period 2009-2013 and was launched by the Government of Rwanda (GoR) in March 2009. It aimed at contributing to the target of increasing access to electricity by 2013 to 16 per cent of households and 50 per cent of specific public institutions, through connections to the national electricity grid. The objective of the second phase (EARP II, from 2013 to 2018), was to increase access by households to 48 per cent.

The GoR and a number of development partners contribute to the EARP. Among them, the Belgian Government contributes through three components (BE1, 2 & 3 EARP) of a similar project with the specific objective of *“Improving Access to Reliable On-Grid Electricity Services for Households and Priority Public Institutions”*. The project aims at providing access to households in the Kayonza, Rwamagana, Ngoma and Kirehe Districts.

This MTR concerns the first two components (BE1EARP and BE2EARP), which each have their own activities and expected results, and respective budgets of €m17 and €m12.

**Scope and objectives of the review**

This MTR covers the two projects from their starting dates (i.e. May 2014 for BE1EARP and December 2015 for BE2EARP), to December 2018. It assesses their performance and progress against the evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability.

The primary objectives of the review are:

* to provide accountability to the donor, partner and other internal actors by supplying an external assessment of progress made and the results achieved;
* to provide recommendations that will help to make strategic and operational decisions or any adjustment to the intervention so as to enable it to (better) reach its objectives;
* to draw general learning and lessons from specific cases.

**The methodology**

The review was conducted in four main stages:

* an inception stage to structure the exercise and set up the methodological framework for the review;
* a documentary stage dedicated to documentary study and meetings with stakeholders;
* a field stage with an on-site visit in the Eastern Province of Rwanda and in-country meetings with stakeholders;
* a synthesis phase during which the data collected was triangulated, so as to formulate findings, conclusions and recommendations.

The review applied a participatory approach, whereby different stakeholders were informed and consulted throughout the review. The evaluation was closely followed by a reference team composed of representatives from the Enabel Head and Field offices.

**Difficulties met**

The evaluation was confronted with a number of difficulties and several constraints which made it particularly difficult to evaluate the projects:

* + the projects were still at an early implementation stage, with regards to the foreseen investment and the limited number of operational new connections, owing to delays and changes introduced during implementation;
	+ the absence of a solid monitoring system;
	+ the absence of an operational monitoring matrix (prepared in 2017, but not yet finalised at the time of the evaluation);
	+ the absence of baseline information at the level of beneficiaries;

# Results and conclusions

The main results and conclusions are presented in line with specific evaluation criteria.

In terms of **relevance** the project objectives of increasing on-grid connections address an important need and remain in line with needs and the GoR’s objectives, even if from 2016 the GoR shifted the emphasis to a combination of on-grid and off-grid connections. The on‑grid approach was indeed confronted with different challenges, relating for instance to the costs of expanding the network to remote rural areas, and to the affordability of the connection costs. In parallel the off-grid solution became accessible and affordable. Hence the GoR included off-grid as a second layer of Rwanda’s electrification strategy, allowing targets to be reached by a combination of on-grid and off-grid connections.

The design of the projects has undergone multiple changes throughout their lifespan, notably by concentrating the bulk of the interventions on building infrastructure, and by renouncing affordability aspects. Some activities have also been switched between the two components. As a result the projects have lost their readability and evaluability and their intervention logic is no longer the appropriate tool for displaying the hierarchy of objectives, indicators, hypotheses and risks and to assess the results.

**Efficiency** is unsatisfactory, despite progress in recent months. The level of disbursement remains low for both projects: respectively 66 per cent (BE1EARP) and 35 per cent (BE2EARP) a few months before the end of the interventions. It is rather unlikely under these circumstances that, in particular, the BE2EARP results will be reached by the end of the project, unless the progress in recent months is confirmed and allowance is made for catching up. These delays are explained by factors both inherent and external to the projects. The former concern (1) the understaffing of the project; (2) the co-management approach; and (3) the implementation problems with some specific contracts. The external factors relate more to (1) institutional changes (the split of the EWSA); (2) the length of the procurement process. In this respect, the main delay factors are the numerous indecisions within a procurement process and the unavailability of the staff during the procurement process.

It seems that, when the project was conceived, insufficient consideration was given to the existing institutional constraints and to the exact extent of information exchanges among the various Utility entities, such as EUCL and EDCL. These two factors are important in finalizing technical specifications, determining the scope of works as well as during the various stages of evaluation and due-diligences during the procurement processes.

The evaluation assesses **effectiveness** as satisfactory. Despite the delays, the outputs of the construction of 292 km of MV lines and 738 km of LV lines will be achieved. This should ensure 27,000 connections and increase the overall power coverage of the Eastern Province. However in the absence of an operational M&E system this cannot be formally confirmed. Capacity-building activities have only been partially launched at this stage.

It is too early to assess **impact**, especially since little information is available on the beneficiaries of the connections. That said, during field visits beneficiaries underlined the gains from access to electricity in terms of quality of life for the households or of its contribution to the development of economic activities. A recurrent problem, as also underlined by a specific World Bank study, is that many households make only limited use of the new connections (mainly to charge phone batteries and for radios).

One may expect the projects to have **sustained** effects. The economic viability of the sector is an important factor in respect of sustainability, as lasting effects will depend on the capacity to mobilise financial resources to ensure the maintenance of the infrastructure. That capacity is jeopardized by different factors, notably (1) the weak demand for electricity; (2) the damaged infrastructure (many wooden poles are seriously cracked, and at risk within a five-year timeframe. For the latter there are technical solutions claiming to extent the lifespan of the poles to 30 years but this technique remains controversial between experts. For maintenance the strong commitment of the GoR to provide the required funding is a good guarantee that the effects will be sustained.

In terms of **crosscutting issues**, the evaluation concludes that, up until today, the projects have not devoted much attention to ***gender***. There were contacts with the Gender Monitor Office and a collaboration programme was supposed to be prepared, but no concrete action has been undertaken. Interviewees underlined that this was due to the lack of staff in the project and the different delays recorded, so that the bulk of the efforts went to the grid extension works. ***Environmental*** issues were on the contrary addressed in project documents. An Environmental Management Plan (EMP) was developed and approved by the relevant GoR agencies and by Enabel in order to allow construction activity to proceed. A Resettlement Action Plan (RAP) was also developed and the GoR is committed to providing the budget to compensate the project-affected people (PAP). Both projects are expected on the one hand to have positive impacts on the environment (e.g. by reducing environmental costs linked to generator use) and on the other hand to have few adverse effects (e.g. on biodiversity, natural habitat, etc.).

# Recommendations

The findings and conclusions from this review lead to six recommendations:

1. Revise the logical framework of the two components so as to merge them and refine the objectives, activities and indicators.

2. Enhance the support to capacity-building, and base it on the EDCL’s and REG’s training plans. Give priority to project management (including procurement processes) and maintenance of the installation.

3. Maintain a specific attention on the heavily cracked poles.

4. Improve the procurement process so as to avoid delays and, with this in view, organise a workshop in collaboration with the GoR.

5. Recruit a gender adviser advocating for, and reporting on, the status of gender mainstreaming and increase the representation of women in senior positions.

6. Investigate, notably through the already planned survey, the constraints explaining the low network use.