Executive summary

Mid-term Review of the Sustainable Agriculture Kigoma Regional Project (SAKIRP)

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1. Presentation, Results and conclusions

SAKiRP aims at increasing and diversifying smallholders' income in the Kigoma region through pro-poor value chain development centred on the cassava and bean value chains. It puts particular emphasis on reaching out to women. Over its 5 years of implementation period, this 8,8-million-euro intervention aims at benefitting 20 000 producers in 60 wards over the 6 districts of the Kigoma region. However, project beneficiaries include all stakeholders of the cassava and bean value chains (producers, collectors, brokers, traders...) as well as government services linked to the support of the cassava and bean value chains.

This Mid-Term Review (MTR) seeks to assess and present the extent to which SAKiRP results (output, outcomes) are in the process of being reached or are likely to be reached. It analyses a generic evaluation field pertaining to performance on the basis of the OECD DAC criteria (relevance, impact, effectiveness, efficiency and sustainability). It also tackles issues related to a set of specific questions linked to outcomes and impact, future areas of attention, gender mainstreaming, access to finance and the project's capacity building approach as well as cross cutting issues such as environment and gender effects.

The relevance of the SAKiRP project can be considered as globally good. It displays very satisfactory alignment with Tanzanian and Belgian development strategies and policies. Moreover, supporting agricultural development through a VC approach is clearly relevant to local and national economic development, poverty reduction and food security.

However, the project does display major weaknesses in terms of its initial assumptions meaning **the intervention's coherence is unsatisfactory** suffering from a weak institutional environment, a low market potential and too general an understanding of farming system dynamics and livelihood logics. Besides, it had fixed itself inherently ambitious objectives despite these further issues.

Following a slow start, the project has met significant challenges meaning **efficiency is problematic and cannot be considered good**. It should nonetheless be underlined that most challenges are beyond the project team's control.

Despite access to capital being a key element in VC development and in the project's theory of change, **the financial support mechanisms proposed by the project to help VC stakeholders obtain credit was vetoed** by the Directorate-General for Development (DGD) meaning a key result of the project could not be obtained with cascading effects on support to all segments of the VC. Similarly, the TFF proposal of an investment innovation fund for the private sector met a procurement challenge as Enabel cannot provide grants to private companies. More generally, it appears that **despite the importance of support to private enterprise within Enabel's new strategy it does not yet dispose of adequate private sector support tools**.

Further causes of inefficiency can be found in a weak institutional environment and informal fragmented value chains which have meant that economies of scale are limited, and VC development transaction costs are therefore high. The Belgian public spending restrictions imposed in 2018 cut the available budget for that year and caused further delays and complications. The remoteness of the Kigoma region, its perception as an unfavourable working place, as well as limited coordination with other interventions supporting the cassava and bean value chains are also elements of inefficiency.

It should however be noted that the limited coordination and the fact that certain activities have been undertaken in parallel is also the result of varying approaches to development.

Whereas AGRA for instance tends to work with its own staff, Enabel prefers working through local government personnel. In this case, the SAKiRP approach, though it may need more time, is ultimately much more sustainable and should be commended.

Nonetheless, it should be noted that the SAKiRP team has succeeded in covering a remarkably large project area (larger than Belgium) considering its limited size. It has proven flexible and undertaken many necessary and judicious adjustments to the initial project document. Its close collaboration with local entities has helped it maintain a regular presence in the field at an acceptable cost as well as contributed to sustainability. The use of digital tools is a further element enhancing efficiency. Working with lead farmers has also enabled SAKiRP to achieve a good level of project outreach towards smallholders.

Despite serious delays and setbacks, particularly in relation to result 2 which remains largely unimplemented (since the financial mechanisms proposed by the project with the intention of providing credit for VC stakeholders has been rejected by the DGD), **SAKiRP is in the process of obtaining significant results.** Results have mainly been obtained in terms of increasing productivity, improving access to markets by building bridges and strengthening stakeholder capacities; and, to a lesser extent, promoting structured market linkages. Despite the fact that it still needs to be consolidated, SAKiRP's launch of the first structured market linkage in relation to beans is an achievement in itself. None the less, work concerning product transformation has been disappointing.

Though, caution is required, the MTR still considers **effectiveness to be good.** Overall, SAKiRP displays an acceptable level of progress towards output attainment but to date progress towards attainment of the main outcome indicators remains limited except for access to extension services. It has reached about ¾ of its intended beneficiaries to date.

Although increases in productivity of cassava and bean production can be expected to materialise, it is already clear that due to present dynamics, **by the end of the project some targets will not be reached**. In particular:

i) **Value chain financing will not occur at the expected level**. This will have significant consequences on the implementation of other components since access to capital is a critical issue for all stakeholders in both the cassava and bean VCs;
ii) **New structured marketing channels will not be developed in large numbers** and each of those that will have become reality are unlikely to be of a large magnitude;
iii) **Increases in value addition and level of processing will not meet expectations** as the potential for creating added value within the cassava and bean value chains at the level of Kigoma remains limited.

In addition, it would clearly be feasible to attain the target of 20 000 farmer beneficiaries by integrating new farmer groups or wards within the project. However, the MTR believes that it will be difficult to do so in a meaningful way. Indeed, there will be scarce time to consolidate any work begun with new communities in the time left before project closure.

At present, impact appears problematic. By the end of the current phase, it appears likely to be **mostly limited to increased cassava and bean production by smallholders**. Bridge construction will improve access to markets and consequently reduce transportation costs, thus contributing to a conducive environment for VC development. **More long-term impact may be the result of capacity building, particularly in terms of improved agricultural practices and bridge building**. However, market linkages are unlikely to be consolidated on a significant scale by the end of the intervention.

Any increase in smallholder income is unlikely to be as high as expected. Besides, although the project clearly benefits smallholders, it is unclear how far the most vulnerable groups - the poorest in particular- are successfully targeted.

Sustainability of outputs can vary widely from activity to activity or component to component. However, **when referring to the areas where the most significant effects are expected** such as increase in cassava and bean production and productivity or bridge building, even in terms of the few structured market linkages which have been developed, **sustainability perspectives appear satisfying**. SAKIRP is one of the very few projects working with the local contribution principle in Kigoma region. The community contribution helps to build ownership, focus on key development priorities, improve communication with the grassroots and strengthen sustainability. The MTR has ranked the sustainability criterion good.

In terms of gender equity, results are marked by a strong emphasis towards reaching women: 68% of SAKiRP beneficiaries are women. However, SAKiRP does not address the root causes of gender inequity. Access to productive resources (land, capital, labour) for women is not dealt with in a sufficiently significant way. Despite its efforts, the project can therefore not be considered to have fully exploited the potential for improving gender equity and women empowerment in the selected value chains.

Environmental issues and climate change are not the main SAKIRP mandate but have been taken into account. In particular, efforts have been undertaken to promote agricultural practices adapted to soil and water conservation and make judicious use of agricultural inputs. Though SAKiRP cannot be considered to significantly benefit the environment as agricultural development does have a negative impact on deforestation, it should still be noted that increasing yields per unit area works to discourage clearance of new land as farming will become more intensive than the traditional extensive approach.

In terms of horizontal aspects, SAKiRP developed an extremely robust monitoring and evaluation (M&E) system which represents an effective planning, monitoring and result management tool.

Finally, instead of the initially proposed farmer field schools (FFS) approach, the project developed a coordinated capacity building effort towards farm extension and action research through the interaction of Lead Farmers, WAEO and SAKiRP TA in support of farmer groups. This approach is centred on agronomical issues and lacks the institutional strengthening dimension offered by FFS; it has resulted in a top down, less participative, approach than is generally associated to FFS. However, a proper FFS approach would have needed time in training FFS facilitators and additional human and/or financial resources. Considering its available time and resources, SAKiRP chose to reach larger volumes of beneficiaries, quicker but with a narrower approach largely focused on technical aspects of production, rather than a more qualitative and global approach to farmer empowerment, reaching less numerous beneficiaries over a longer, uncertain, timeframe.

The report concludes with a set of recommendations and lessons learnt.

2. Recommandations

Recommendations touch upon:

- Focusing on consolidating the quality of emerging results not increasing their quantitative or geographical scope within the remaining project timeframe. Integrating new wards or increasing the number of beneficiaries should not be the main focus of attention. SAKiRP should identify the existing activities, areas and beneficiaries were results are already emerging and focus on consolidating them to ensure their full effect and sustainability. This includes ensuring producers implement GAPs at the level of their individual plots, scaling up bean seed and cassava cutting production, stepping up FO support, further strengthening WAEO activity and consolidating existing structured marketing experiences.
- Extending the project for an additional year, so as to have time to consolidate results and ensure the budget is fully used in an adequate way. The date of closure should enable to integrate as many agricultural seasons as possible; closing the project in July for instance, would enable to incorporate an additional bean cycle.
- Formalising a clear exit strategy, along with Enabel and the RAS Kigoma, in which each stakeholder commits to playing its role in ensuring the sustainability of emerging results.
- Learning by doing through accompanying farmer organisations' (FO) projects, using a participative approach. Training should be associated with concrete FO led projects related to value chain development.
- Applying the principle of beneficiary contribution more rigorously to increase ownership and ensure motivation. This implies that the producer should partake in the risks associated with the activity he develops and assume part of the cost when it fails. Presently, producers only contribute when an activity is a success and they are gaining benefit; if it fails the project is asked to bear the costs.
- Ensure smallholders remain the projects' priority beneficiaries. This implies they should be empowered to become autonomous value chain actors. Involvement of medium-scale farmers should be considered in cases where there are clear spill-over benefits to smallholder farmers and not as a general rule.
- Increase efforts towards FO strengthening:
    - By using them as a channel for helping VC stakeholders' capital access;
    - Supporting implementation of in-kind loan or revolving fund schemes;
    - Building their capacity to manage equipment and infrastructure;
    - Accompanying them in developing VC related projects and business plans;

  To remain coherent with SAKiRP's specific objective of increasing smallholder income, producing marketable volumes of products should be achieved by smallholders. This may imply putting them in relation with anchor farmers but even more importantly, it will imply strengthening their forms of organisation.
- Not working with an additional value chain. The focus of the remaining implementation period should be on consolidating existing activities and emerging results not on proposing additional ones. There is plenty of work to consolidate the support to the cassava and bean value chains. Remaining implementation time, even in the case of a 1-year extension, would not be sufficient to consolidate support to a new value chain. Only if a second phase was considered could working with a third VC be interesting.

- Developing a simple Market Information System (MIS) based on the projects M&E system. The possibility and relevance of coupling market information with information on the phytosanitary situation of concerned crop, of providing data on input availability or of a wider coordination with the regional ARDS system should also be analysed. The exact form and related budget of the MIS should be determined using a participatory approach with regional authorities. Possibilities of generating a certain degree of self-financing should be considered. A sustainable business model should be worked out and agreed upon with regional authorities as a prerequisite to the activity.
- Defining capitalisation themes and articulating them with the M&E system in view of producing a detailed analysis of the most interesting dimensions of the SAKiRP experience with a view to both internal and external distribution.
- Regarding collaboration with regional authorities: (i) stepping up efforts to coordinate overlapping value chain support projects; and (ii) sustaining the functioning of Regional Business Councils.
- Regarding district authorities: (i) following SAKiRP more closely, (ii) organising district development coordination meetings, (iii) sustaining District Business Councils and iv) support the human resource management of the agricultural department.
- Regarding both District and Regional Business Councils, developping modalities to sustain their meetings by co-funding and reducing costs as well as planning for the phasing out of SAKIRP support and use of 20% of the crop revenue to fund agricultural extension activities (fuel motorcycles, communication).
- Considering financing an additional phase of SAKiRP so as to consolidate and scale up results of the current phase, develop a more ambitious FO strengthening strategy, work on service development, further work on VC management and coordination and consider the incorporation of an additional VC, and incorporate a proper gender approach to the action.
- An additional phase could also provide the opportunity for a political dialogue/advocacy component at central level aimed at creating a more conducive regulatory environment for exportation.

3. Lessons learnt

Lessons learnt touch upon:

- The need to consider VC support over the long term so as to have time to boost production and generate tradable volumes of product, work on producer organisation (so as to ensure a regular offer) and product marketing, whilst having enough time to address inevitable changes in VC context (variations in prices, demand...).
- The cross-cutting and crucial importance of access to capital which supports value chain development throughout all VC segments: input acquisition, investment in production equipment, investment in post-harvest management processes, running costs and trade treasury.
- The conduciveness of high added value products to VC development: higher added value products offer more opportunities and incentives to value chain stakeholders meaning they are easier to work with than lower value-added products which generally need high transaction volumes to be of commercial interest. Higher added value products can therefore be traded at a smaller geographical scale or with a smaller number of stakeholders whilst still generating sizeable benefits.

- The need for Enabel to devise a set of private sector support tools in order to be coherent with the present emphasis it puts on support to private enterprise.
- The importance of a range of VC support services for VC development. Beyond extension services, it is also necessary to support the emergence of adapted financial services, Market Information Services (MIS), quality input provision, aggregation services, certification services and the generation of norms for grading products.
- The importance of the institutional context for VC development. A strong institutional environment clearly facilitates the emergence of VC services as well as the possibility to aggregate tradable volumes of products, to communicate and coordinate the actions of various VC stakeholders and to identify market linkages. FO's are also key to ensuring inclusiveness of VC development processes by enabling smallholders to compete effectively with larger producers