

Rwanda

Support Project for the Strategic Plan for the Transformation of Agriculture

Project Completion Report Digest

Rwanda - Support Project for the Strategic Plan for the Transformation of Agriculture

Item	Assessment Remarks	
Country & Project Name	Rwanda - Support Project for the Strategic Plan for the Transformation of Agriculture	Ratings
Loan No.:	671-RW	
Project Id.	1320	
Board Date	08 September 2005	
Entry into Force	31 March 2006	
Completion Date	31 March 2013	
Final Closing Date	30 September 2013	
Total Project Cost US\$(M)	35 873	
IFAD loan& Grant US\$(M)	DSF Grants: US\$4 250; Grant: US\$202; Loan+sup.: US\$9 458	
Cofinanciers (if any)	Germany (DED): US\$61; UK (DfID): US\$5 412; WFP: US\$2 661; Government: US\$2 761; Beneficiaries: US\$3 673	
Cooperating Institution	IFAD/IFAD	
Implementing Agency	Ministry of Agriculture	
Principal Components	The main project components are: (i) institutional support for the agricultural sector; (ii) pilot actions through innovative models; and (iii) project coordination and management.	
Project Performance		
Relevance	The project was highly relevant as it was specifically designed to provide support to the implementation of the Strategic Plan for Agricultural Transformation (PSTA). It was fully aligned with the National Agricultural Policy and the Economic Development and Poverty Reduction Strategy (EDPRS), which identify the agricultural sector as the main engine of growth. It also responded well to Government priorities, to the need to support the development of the SWAp and the reorganization of the MINAGRI with the view to facilitating agricultural transformation. The project provided strategic and institutional support in key areas. It also led the development of technical innovations in areas critical to lifting the main constraints to agricultural development. Project design was flexible enough to enable the project to adapt to ongoing institutional and policy reforms. The approaches introduced by the project proved to be highly relevant to the Rwandan context as shown by the results achieved, in particular in terms of community participation, ownership and replication/scaling up. All approaches were designed to maximize chances for sustainability. Beneficiaries have fully adhered to the objectives and approaches as shown by their in-kind contribution, which stood at 484% at completion, compared to the initial plan. Following the success of PAPSTA, other projects were designed along the same lines. The institutional set up of PAPSTA was deemed relevant too. PAPSTA was placed within MINAGRI and supervised by the Permanent Secretary, which enabled it to fully play its role in facilitating implementation of the PSTA and of the SWAp. At the local level, PAPSTA developed institutional structures, which were aligned with government's decentralization efforts and remained relevant throughout. The project further worked with local services providers, which proved to be the right approach to project implementation. It can be concluded that the project was highly relevant by its goal and objectives and that it was designed to attain the objectives set.	6
Effectiveness	PAPSTA was found effective. Globally, the project had a positive socio-economic impact and contributed to improving the living conditions of the beneficiaries and the environment. With regard to institutional strengthening, the project has successfully facilitated changes within MINAGRI. It has developed and elaborated a number of strategies, which were adopted by the ministry (change management, financial management, gender mainstreaming, knowledge management). It has spearheaded the formulation of PSTA II and III, facilitated its implementation in a decentralized environment and promoted the SWAp. Effectiveness of these interventions is witnessed by the fact that PAPSTA activities have attracted new donors and financing to the sector. The project has also been effective in strengthening the capacities of MINAGRI, technical agencies (which were also assisted in adapting their services to the needs of sector stakeholders) and apex farmer's organizations. PAPSTA model for capacity building was replicated by the Ministry of Public Service and Labour. At local level, PAPSTA's approach to building local management and supervision commissions (CLGS), community innovation centers (CCI) and cooperatives was effective, as shown by the high level of community involvement and participation in the development of watershed management plans. This was also shown by the involvement of local administrative authorities in the CLGS. With regard to piloting and replication, the project piloted the development of 9 technical innovations in 6 watersheds, which have been replicated in 5 additional watersheds. 44 180 ha of degraded land (or 443% of the appraisal target) were hedged and protected, more than 30 million agro-forestry trees (92% of target) were produced and transplanted and 683 ha layouts of	5

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	progressive terracing (105%) were established. The institutionalization of knowledge management and learning within the PCU was a significant step forward and made a positive contribution to capturing innovations a success stories for replication and scaling up. The project benefited from a baseline and a well-functioning M&E system (though established late).	
Efficiency	Efficiency of PAPSTA was satisfactory. Total financing at appraisal stood at USD 20.1 million. Following a shift in co-financing (withdrawal of the Netherlands & BSF and new contribution from WFP, DED and DfID), total financing reached USD 31.25 million. The overall disbursement rate reached 100.6% and was highly satisfactory. IFAD resources (2 loans and 3 grants) were fully disbursed, while WFP and DfID failed to provide the full amount committed (43.5% and 63%). Beneficiary in-kind contributions exceeded by far the initial amount (484%) leading to a slight over-disbursement in total. The internal rate of return was estimated between 34 and 38% (compared to an estimated 26% at appraisal). After 10 years of operation, an investment of 1 RWF would have generated between 4.96 and 5.06 RWF, which is considered satisfactory. The project was implemented within the timeline. Following some changes in design and implementation, a loan amendment & reallocation of funds were approved in 2008 and 2010.	5
Project Performance		5
Partner Performance		
IFAD	IFAD performance was highly satisfactory. IFAD played a significant role in implementation and supervision. It provided timely and adequate support at all times. IFAD performed highly with respect to loan administration and communication with the project and the government.	5
Cooperating Institution	During its first year, the project was supervised by UNOPS. Technical supervision was satisfactory. UNOPS supervision missions helped improve project performance and targeting. By contrast, UNOPS loan administration was slow. Until the project came under IFAD direct supervision, project implementation suffered from delays in approvals and no-objections.	4
Government	Government's performance was highly satisfactory. Loan covenants and financial agreements were fully respected. Government consistently released the required amount of counterpart funds. Procurement conditions were respected and audits were satisfactorily performed. Government actively participated in all supervision missions and provided necessary implementation support. More importantly, it developed appropriate sectoral policies in support of the project. Project management was performed through the SPIU (Single Project Implementation Unit). The SPIU performed well as evidenced by: the quality of the baseline survey, studies, thematic evaluations, workshops etc. Progress reports, annual review workshops, AWPB and audits were prepared and organized on time. M&E and KM were incorporated into the activity plans. Procurement and financial management were adequate. Finally, a sound financial management allowed the project to reach an overall disbursement rate of 100.6%. The SPIU received awards for good performance.	5
NGO/Other	The project used various services providers for the implementation of its activities in 3 ecological zones. Results were very positive as demonstrated by the 9 technical innovations that were successfully developed, implemented and replicated. Nevertheless, it was mentioned that work plans between the SPIU and the different services providers would have deserved better harmonization and coordination.	5
Cofinancier(s)	During implementation, there was a swap between co-financiers. Initial co-financiers withdrew (BSF and the Netherlands) and new ones came on board (WFP, DfID and DED). Overall, it allowed the project to reach a higher level of co-financing. WFP and DfID, however, defaulted to release some of the agreed contribution. Disbursements reached 43.6% and 63%, respectively.	4
Combined Partner Performance	Combined performance of partners was very positive. Beneficiary participation and collaboration was strong, as shown by a contribution in cash, kind, material and labour that far exceeded the amount expected at appraisal (484%).	
Rural Poverty Impact		
Household Income and Net Assets	The 2010 impact survey demonstrated significant improvements in household incomes and assets. The project's investments had the following direct impacts: (i) watershed development and protection (integration of hedging with terracing and distribution of livestock) reduced soil erosion, improved soil productivity and thus, contributed to higher yields and incomes; (ii) provision of post-harvest infrastructure reduced post-harvest losses and enabled farmers to monitor their sales. These measures have had an impact on the quality and the quantity of the produce being sold, and on the prices, generating higher incomes from sale; (iii) marketability of milk could be improved through the construction of milk collection centers. However, some centers were not fully operational at project completion. Kitchen gardening also contributed to increasing the incomes of those involved. Most beneficiaries confirmed an increase in their physical assets such as TVs, radios, livestock, land, means of transportation and even shoes and other clothes. By contrast, PAPSTA's impact on financial assets was moderate, in particular as regards the accumulation of financial	5

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	assets and support to establishing viable cooperatives, which are still struggling to reach financial self-sufficiency.	
Food Security	The project's impact on food security was highly satisfactory. 80% of those interviewed at the end of the project confirmed that PAPSTA had a significant impact on household food security. Several activities have contributed to this result. The distribution of cows and the livestock pass-on-gift (POG) approach have resulted into increased milk production and consumption. Milk consumption was new to some households, which have considerably improved their diets by starting to drink milk on a regular basis. Others could simply increase their milk consumption. Moreover, part of the income generated from selling milk is used for purchasing food, improving household food security and nutrition. Household food security could also be improved through improved agricultural production and productivity. Main contributing factors include investments and support to soil protection, increased use of manure and other inputs and the introduction of intensive rice cultivation systems. Household food security, nutrition and diet could also be improved through the introduction of kitchen gardens. In the short term, food-for-work helped the families while the watersheds were being developed, and until they could start using the newly developed terraced land.	5
Ag. Productivity	The project had a significant impact on agricultural production and productivity. The project distributed cows with a high genetic potential and trained many poor farmers in proper animal husbandry techniques, incl. animal nutrition, disease control and milk production. This has not only contributed to improving livestock productivity but also to changing the mind-set of farmers in the project area. Altogether, the project contributed to "demystifying" dairy cow production. It is now widely acknowledged, not only by farmers but also by the Government and other stakeholders, that poor farmers have the capacity to manage dairy cow production. This has been a major contributing factor to the transformation and modernization of agriculture. Eight years after the launching of PAPSTA, this type of modern livestock production by small farmers has become a normal practice across the country. Other activities, which have contributed to improving agricultural productivity, include: (i) promotion of zero-grazing which has increased the availability of manure and has improved soil fertility leading to substantial improvement in agricultural production and productivity; (ii) promotion of intensive rice cultivation systems which combines specific plantation techniques with the sensible use of water and fertilizers. This approach led to high yields and was quickly adopted by the beneficiaries. Yields of other crops such as maize and beans could also be increase but the results cannot be attributable to the project only as the National Crop Intensification Programme played a key role in this process; (iii) introduction of "kitchen gardens" which has resulted in increased vegetable production. This has certainly benefited those households, which have adopted the approach. However, the promotion at a larger scale and across seasons was not effective. The overall impact of kitchen gardens on agricultural production is therefore limited; and (iv) the promotion of rain water-harvesting techniques, which have opened up new opportunities for small-scale irrigation. Altogether, it appears that POG and Farmer's Field Schools have played an important role in productivity increases and in lifting people out of poverty.	5
Agricultural Productivity and Food Security		5
Natural Resources and Environment	The project had a positive impact on the environment, in particular on watershed management. The watershed management and protection approach developed and replicated by the project, and later adopted by another IFAD project in Rwanda has proven to be technically sound and effective. It was developed in a participatory way, starting from the watershed management plans developed by the communities. Key features include: (i) food-for-work which helped the families during the transition period until they could start using the newly developed terraced land; (ii) the integration of fodder hedging (pennisetum grass and agro-forestry species) with terracing and other erosion control measures, and with the distribution of cows and small animals; and (iii) the "progressive" terracing which allowed targeting of the most vulnerable. Hedging was largely adopted and reached very good results, except in replication areas where the impact was limited by the lack of planting material and maintenance by the beneficiaries. More support is needed in these areas. Altogether, these measures had a very positive impact on soil protection and consolidation, improved soil fertility thanks to the availability of manure, and on land resource management in general.	5
Human, Social Capital and Empowerment	The project had a strong impact on human and social capital in many ways. It trained many poor farmers in proper animal husbandry techniques and contributed to changing their mind set and strengthening their self-confidence by "demystifying" dairy cow production (see agricultural productivity). This has largely contributed to the transformation and modernization of agriculture to become an engine of economic growth in the rural sector. Eight years after the launching of PAPSTA, this type of modern livestock production by small farmers has become a normal practice	5

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	across the country. The project's emphasis on community mobilization and participation has further contributed to empowering communities and developing their social capital. They are now in a better position to manage their own development. The project has also provided training to: (i) government officials (MINAGRI) and staff from NGOs and other partners (mainly on-the-job); and (ii) farmers and community workers in areas of crop production, animal husbandry, planning and community development. Support to cooperative has enabled many beneficiaries to develop their economic activities, though governance and management capacities would still require further improvement.	
Inst. & Policies	The project has developed and elaborated a number of strategies, which were adopted by MINAGRI (change management, financial management, gender mainstreaming, knowledge management). It has also spearheaded the formulation of PSTA II and III, and their implementation in a decentralized environment. PAPSTA played a key role in supporting the SWAp and its role in monitoring and evaluating the implementation of the EDPRS, PSTA I & II, Vision 2020 and various sub-sector strategies. Under PSTA III, it also supported the implementation of a decentralization action plan aiming to improve service delivery at the local level. At local level, the project helped establish local management and supervision committees (CLGS) in 11 watersheds. A good level of ownership and competence was reached. These CLGS have been supported by the local administration. All of them are being chaired by a district official. PAPSTA's impact in the area is considered highly satisfactory.	6
Markets	The PCR makes little reference to the project's impact on markets. It appears that the project has had only a moderate impact in this area. The MTR already pointed out that project design failed to include a market support activity as shown by the difficulties faced by farmers in selling their produce, in particular milk. As such the sale of milk and surplus milk production remains an issue to be addressed (market access for milk producers/cooperatives).	4
Project Impact	The project has definitely contributed to improving the living conditions, incomes and food security of the beneficiaries by providing knowledge and modern agricultural practices, in particular in the field of animal husbandry. New structures and jobs were created at local level in support of the decentralization process and linkages with public institutions were established to ensure long-term sustainability. Institutional strengthening has attracted further sector support, e.g. the EU which, in 2012, has increased its support from EUR 20 million to EUR 100 million. Innovations and replication have contributed to increased incomes, improved food security and better social cohesion. The percentage of poor households went down from 52% to 17% and the percentage of medium households went up from 46% to 77%.	5
Overarching Factors		
Innovation	With a component entitled "Pilot actions through innovative models", the project was designed to promote innovations in four main areas: watershed protection and development, agriculture and livestock, marshland development and crop intensification and research. Innovative models for replication brought about by the project include: (i) "bocage" technique to protect and restore soil fertility through fencing with fodder shrubs and trees; (vi) Local Management and Supervision Committees (CLGS); (iii) POG scheme; (iv) Cow Health Insurance; (v) milk collection centers; (vi) Innovations Community Centers (CCI) for the dissemination of information and skills among the local communities and replication; (vii) community competition; (viii) Contact Persons and Village Intermediaries (PR&RV); and (ix) Integrated Community Approach to Sustainable Management of Watersheds;	5
Replicability and Scaling-up	The potential for replication and scaling-up is high and several activities have already taken place. All technical innovations were successfully replicated in 5 new watersheds. Also, the project's approach to watershed management and protection was adopted and successfully replicated in another IFAD project (KWAMP). More significant is the countrywide adoption of the livestock production approach. 8 years after the project started, dairy cow production by small farmers has become a normal practice across the country and is being adopted in other countries as well. The institutionalization of knowledge management and learning within the PCU was a major contributing factor to the project's success in this area. The project has also helped MINAGRI develop sector KM and support to peer learning groups. (CPM's additional comment: Some of PAPSTA's innovations were replicated not only in other IFAD-funded projects but also in projects supported by other development partners (AfDB, WB). This was the case for the System of Rice Intensification (SRI) which was introduced in the Country by PAPSTA (with technical support from MADAGASCAR). It is now adopted at the national level. The other important innovation was the Irrigation Water Users Associations (WUAs). This model was so successful that the Ministry of Agriculture and Animal Resources adopted it and decided to establish a WUA Unit under its structure.)	5
Innovation, Replicability and Scaling-up		5

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Sustainability and Ownership	The project has prepared a detailed handover of its activities with an exit strategy and closing road map. This was done in close partnership with all stakeholders and includes activities such as: (i) integration of the CLGS into district development plans; (ii) integration of watershed protection areas into the sector development plans; (iii) lifting of the water fees to ensure sustainability of the WUAs; and (iv) transfer of infrastructure (Community Innovation Centers, Milk Collection Centers and the Drying Structures) and services to public partners. Sustainability of the livestock POG was satisfactory as the system was well internalized by the communities. By contrast, beneficiaries still need to gain a better ownership of the Pass on Cement and other materials scheme. The future of the Community Innovation Centers is questionable, as once handed over, these centers would need to generate their own resources. Regarding social capital and empowerment, sustainability prospects are good. Nevertheless, local governments need to capitalize achievements in the area of watershed management, in particular with regard to capacity strengthening of community workers and other local "links" such as <i>relais villageois</i> , para vets etc. Finally, the cooperatives will need further support to improve governance and management capacities.	5
Targeting	The project was articulated to address the needs of the most vulnerable groups (women headed households, orphans, landless, HIV/IADS infected). Its targeting strategy is not explicitly assessed in the PCR. Nevertheless, it can be assumed that the project's targeting strategy was correct, given the clear contribution it made to poverty alleviation in the target area. According to the PCR, the percentage of poor households went down from 52% to 17% and the percentage of medium households went up from 46% to 77%.	5
Gender	According to the baseline, 33% of the households in the project area were female headed. The project put in place mechanisms to address women specific needs, but they are not further explained in the PCR. It appears, however, that women have largely benefited from activities under the piloting and replication component.	4
Overall Performance		5
Estimated number of beneficiaries		
PCR Quality		
Scope	The PCR complies with the guidelines. All required annexes are included.	6
Quality	Good PCR with a well-developed analysis. However, given the amount of information available through the CPE and the 2010 Impact Assessment, the impact section could have been substantiated with more elements and data. Few elements only about gender and targeting.	4
Lessons	Important lessons were learned from the implementation of PAPSTA and are well analysed in the PCR, by component and sub-component.	6
Candour	Objective and well balanced assessment.	5