

INTERMEDIATE EVALUATION
MLI/021
Rural Development and Food Security

PROJECT SUMMARY DATA

Country	Mali
Long project title	Rural Development and Food Security
Short project title	Rural Development and Food Security
LuxDev Code	MLI/021
Version of the Report	September 2018

RATING OF THE PROJECT BY THE EVALUATION MISSION

Global rating (Effectiveness)	3 On a scale of 1 (excellent results, significantly better than expected) to 6 (the project was unsuccessful, or the situation has deteriorated on balance)
Rating using other evaluation criteria	Relevance: 3 + (between 2 and 3) Efficiency: 3 – (between 3 and 4) Sustainability: 4

EXECUTIVE SUMMARY

The intermediate evaluation of the Republic of Mali and Grand Duchy of Luxembourg's Indicative Cooperation Programme (*Programme indicatif de coopération* - PIC III, 2015-2019) has reviewed the programme MLI/021 – Rural Development and Food Security, started in November 2016 (convention signed in April 2016). In March 2018, the total budget for MLI/021 increased from € 16 281 736 (10 678 million CFA Francs) to € 20 049 119 (13 149 million CFA Francs).

The intermediate evaluation was conducted by the ACK International / COWI A/S Consortium from 18.06 to 06.07.2018 in Mali¹. The experts covering the southern area were: J. Fournier, team leader and evaluator of MLI/021; L. Dicko, infrastructure expert; M. Doumbia, environment and climate change expert; B. Nimaga, gender expert; and O. Diarra, administration and finance expert. Quality assurance was provided by Caroline Dulau / Claude Mauret.

The aim of the actual technical evaluation was to assess the progress made by the bilateral programmes against the objectives set out in the technical and financial documents.

Objectives of the Rural Development and Food Security Programme (MLI021):

- the overall objective is to diversify and sustainably improve rural households' sources of farm income and food security ;
- the specific objective is to ensure that "the productivity, sustainability and profitability of the three agricultural value chains are sustainably developed and expanded". Its level of completion is assessed as being 35%.

The results achieved by the project are outlined below:

Result 1 – The emerging sesame and fonio value chains are developed: The farmers' organisations and micro and small-sized enterprises supported by the project are growing considerably more sesame and fonio crops due to promising marketing opportunities and to the storage and marketing support being provided by the project. The introduction of a seed producer network and the information provided to nearly all of the target farmers' organisations / micro and small-sized enterprises on crop management techniques from a local farm advisory have increased crop production. The project targets have been met for the provision of harvesting and post-harvesting / processing equipment and for the construction of storage facilities. There has been a considerable increase in the value added by the fonio processors supported by the project. 32 processing units have been supported to improve the food safety of the products that come from the fonio and sesame added value chains. Project support has also focused on the four leading food companies within the sesame and fonio added value chains in order to strengthen their position in the national (fonio) and international (sesame and fonio) markets.

The overall level of achievement for Result 1 is assessed as being 50%.

Result 2 – Food security is improved through a strengthened rice value chain: There has been a significant increase in the rice crops grown by the farmers' organisations and micro and small-sized enterprises supported by the project using the same approaches as for the fonio and sesame value chains. There has also been an increase in the value added by rice processors. The seed producer network will be expanded to include lowland rice seed production in 2018. The farmers' organisations / micro and small-sized enterprises have been provided with harvesting and post-harvesting / processing equipment and 20 rice storage facilities have been built. The farm advisory and storage / processing and marketing back-up support mechanisms are targeting rice value chain farmers' organisations / micro and small-sized enterprises. Specific training and field schools on lowland rice crop management techniques have been delivered to nearly 1 600 farmers, 20% of whom were women. Nearly 300 people, 50% of whom were women, have received training on rice processing. So far, 73% of the target for developing lowlands has been achieved. The nine lowland areas cover a total of 835 beneficiaries, 288 of whom are women, which equates to 34%. Development of the 400ha of the West San plain will not be completed until June 2020. The small market gardens to be rehabilitated have been identified.

¹ The main stages of this evaluation were: (i) official launch on 19.06.2018 in Bamako; (ii) meetings with stakeholders and information collection in Bamako and in the southern focus area from 20.06 to 03.07.2018; (iii) immediate presentation of findings on 4.07.2018 in Bamako. The evaluation of MLI/023 was deferred to end on 17.07.2018 and the gender expertise ended on 16.08.2018.

The overall level of achievement for Result 2 is assessed as being 30%.

Result 3 – The value chains and area supported are better adapted to climate change: An Environmental and Social Management Plan for the project has been developed and Environmental and Social Impact Notices have been issued for all of the infrastructure and development work completed in line with the current legislation. Climate change adaptation support has included improving access to good quality and suitable seeds and introducing an active programme to process and disseminate agro-hydro-meteorological data and provide tailored advice on the crop calendar. Work has begun to develop and implement a climate change adaptation capacity-building plan for value chain stakeholders.

The overall level of achievement for Result 3 is assessed as being 25%.

Result 4 – The investment framework and work environment of the farming business fabric is improved: Work has begun on building farmers' organisations / micro and small-sized enterprises management capacities and more than 850 people (1/3 of women) have been trained on cooperative management. 75 marketing contracts have been signed between farmers' organisations and micro-, small- and medium-sized enterprises. Sesame and rice inter-branch organisations have been supported through the contracting authority and funding delegation agreement, and there is great potential for supporting public-private dialogue on Mali's rice policy.

The overall level of achievement for Result 4 is assessed as being 30%.

Relevance is assessed as being 3 + (between 2 and 3)

Main strengths: The MLI/021 programme contributes to the objectives set out in the National Agricultural Sector Investment Plan 2015 – 2024². The strategic options of developing the value chains and added value chains create wealth and jobs. They focus on market-based development, and on improving / adapting the quality of the products to the target market. The implementation methods and capacity-building activities seek to develop the project management skills of the farmers' organisations / micro and small-sized enterprises / companies. The methods used to provide support to the various supporting bodies aim to empower them and build their capacities. The methodological support provided to the Regional Directorate of Agriculture to monitor crop yields has been highly successful and should be extended to encompass regional sector monitoring. Food security and community resilience challenges are being addressed through the focus placed on hydro-agricultural schemes. The support provided to inter-branch organisations is highly relevant for building value chain regulation and public-private dialogue capacities.

Main weaknesses: The MLI/021 programme is focusing on such a wide variety of areas that it is difficult to work on any of them in any depth. The implementation methods are poorly aligned to national systems and only partially meet OECD programme-based approach criteria. The budgetary contribution from Luxembourg's cooperation programme has not been included in the Finance Act. Ensuring the sustainability of the non-financial services available is not being taken into consideration in the programme's implementation. The subsidy needs to be targeted to strengthen the link between microcredit/loans and develop its leverage effect. Specific and individual support should be provided to the leading companies and contact needs to be developed with institutional private sector development and financing mechanisms. There are several capacity-building, training and back-up support activities aimed at the target groups but no real inclusive strategy.

Effectiveness is assessed as being 3

Main strengths: Market-based approaches to support growth value chains and the entire added value chains, combined with a sound analysis of the key issues affecting each value chain, the involvement of relevant stakeholders to provide support, and a subsidy-based approach, have helped trigger momentum for change based on an economic rationale that meets product marketing priorities. The operational arrangements ensure the programme is strongly embedded at the local level and foster capacity-building, among both farmers and farmers' organisations / micro and small-sized enterprises and the inter-branch organisations.

² The MLI/021 programme specifically contributes to objective 1, particularly to capacity-building for the farming profession (1.2); to objective 2 for investment in development and farming infrastructure (2.4) and equipment (2.5), and developing and preserving natural resources (2.3); to objective 3 for the development of vegetable sectors and added value chains (3.1), development of environmental sectors (3.4) and climate change adaptation (3.6); to objective 4 for support with research (4.1) and training (4.2); to objective 5 for food security support (5.1) and building resilience to food and nutrition crises.

Main weaknesses: the "subsidy-based approach" is neither linked to loans nor targeted, thereby reducing its effectiveness. The difficulties encountered by the farmers' organisations / micro-, small- and medium-sized enterprises to access financial services are effectively 'capping' value chain growth. Little consideration has so far been given to capitalising on the programme's achievements to facilitate access to loans. The lack of an overall capacity-building strategy that incorporates the wide variety of support mechanisms is limiting the effectiveness, and potentially the quality, of the activities being undertaken. Work to develop the West San plain will take a long time, being scheduled for completion in June 2020. The option of contributing to Mali's rice policy-related sector dialogue and public-private dialogue has not been sufficiently taken into account.

Efficiency is assessed as being 3 – (between 3 and 4)

Main strengths: Budget implementation and the achievement of results are generally consistent. The result providing the greatest efficiency is Result 1 (50% achieved with 41% of the budget disbursed). The cost of facilities built is within the expected range and a preparatory study was conducted to ensure the harvesting / post-harvesting equipment was of good quality. The support staff ratio (via delegation agreements) is reasonable for an organisation that uses a network of farmers as focal points.

Main weaknesses: Lower levels of efficiency have been achieved for: Result 2 (30% achieved with 29% of the budget disbursed) due to delays developing the West San plain and difficulties demonstrating its profitability / economic replication; Results 3 (25% achieved with 47% of the budget disbursed) due to delays signing the agreement with the Renewable Energies, Environment and Solidarity Group / Mali folkcenter / Army Medical Department of the United States Consortium; Result 4 (30% achieved with 49% of the budget disbursed) due to implementation of 'farming input shops' falling behind schedule and delays signing the agreement with Malian Association for Food Security and Sovereignty. It is worth noting the efficiency of the marketing support, however.

Sustainability is assessed as being 4

Main strengths: Programme strengths include: the strategic options of using market-based approaches to develop value chains and added value chains and of improving the quality of products; the empowerment and capacity-building approach, as well as the contact between stakeholders and market research.

Main weaknesses: The non-financial services for farmers' organisations / micro and small-sized enterprises are fully subsidised and there is no strategy to ensure that the beneficiaries are able to progressively afford the cost of these services. Due to the lack of tailored financial services available, it will be difficult to sustain the growth triggered by the subsidy, particularly for the growth value chains. The economic sustainability of the investment made in the rice value chain is not assured. The economic sustainability of rehabilitating the small market gardens also needs to be further assessed. The majority of the activities have been recently initiated, having been implemented during the 2017 crop year or prior to the crop year of 2018. The exit strategies have not yet been clearly defined, jeopardising the impact, sustainability, and ownership / delivery of the changes initiated. It will not be possible to complete the hydro-agricultural development of the West San plain before the planned end of the project.

Gender equality

Strengths: The women's farmers' organisations / micro and small-sized enterprises have been supported throughout the value chains (certain segments of the added value chains are specifically female) and 30% of the people farming the developed lowlands are women³. Support through the construction of basic infrastructure and equipment sustainably meets women's farmers' organisations / micro and small-sized enterprises needs and makes certain tasks easier (especially the processing of fonio). The approach of connecting farmers' organisations and micro and small-sized enterprises through marketing exchanges provides business and support opportunities that are of particular value to women.

³ The target of 25% for the developed West San plain will not be achieved before the end of the project as the development work will not have been completed by the end of this phase.

Weaknesses: The level of support provided to women's farmers' organisations / micro and small-sized enterprises through the processing and marketing value chain varies widely (notably due to their lack of access to loans) and not enough focus is yet being placed on strengthening farmers' organisations coordination set-ups and developing the managerial capacities of women within the farmers' organisations. Women's lack of access to land and, more generally, to production factors, in turn restricts their access to the increased revenue being generated through value chain development⁴. Although the technical and financial documents contain well-planned gender results and indicators, it is not possible to determine the budget allocated to supporting women and girls.

At the mid-term point, the recommendations are as follows⁵:

General intervention strategy	Lead
<p>1. Hold further discussions on the option of extending the phase based on the findings of the political-strategic component of the intermediate evaluation (main objective of such an option would be to ensure the sustainability and impacts of the activities).</p> <p>2. Ensure the Luxembourg cooperation agency is included in the government – development partner group on the Agricultural and Rural Economy and its Irrigation sub-group to ensure it actively participates in sector dialogue.</p> <p>3. Communicate Luxembourg's financial contribution for 2020 and programme performance framework to the Ministry of Agriculture's Planning and Statistics Unit and work with the Ministry of Agriculture's Finance and Equipment Directorate to set up a system to monitor the national matching funds for the project; ensure an operational link with Planning and Statistics Unit / Rural Development Sector.</p>	<p>Ministry of Foreign and European Affairs – Ministry of Foreign Affairs and International Cooperation / Coordination LuxDev</p>
Monitoring & evaluation	
<p>4. Conduct a cost benefit analysis of the system used to monitor crop yields at the regional level compared to a traditional monitoring mechanism ('replicability').</p>	<p>MLI/021</p>
Value chain strategy	
<ul style="list-style-type: none"> • <u>Seed</u> <p>5. Model the evolution of the revolving fund and assesses the conditions for sustainably meeting the value chains' needs before its transfer to the formal seed producer network⁶.</p> <p>6. Develop the Seed Analysis Laboratory management plan⁷ and ensure inclusion of its operating budget for Regional Directorate of Agriculture Ségou (2019 financial year)⁸.</p> <ul style="list-style-type: none"> • <u>Non-financial services</u> <p>7. Farm Advisory: develop and implement a strategy for farmers / farmers' organisations to progressively take over the farm advisory.</p> <p>8. Marketing: support inter-branch organisations to define a model to enable the various stakeholders to cover the cost of marketing back-up support at different stages of process.</p> <p>9. Introduce specific expertise to develop leading small- and medium-sized enterprises in the sesame and fonio value chains and forge stronger links with financing mechanisms⁹.</p> <ul style="list-style-type: none"> • <u>Rice value chain</u> <p>10. Incorporate support for the rice inter-branch organisations action plan and redefine the content of the delegation agreements in order to actively participate in discussions on Mali's key rice policy issues.</p>	<p>Regional Directorate of Agriculture Ségou / MLI/021</p> <p>Association of Professional Farmers' Organizations / MLI/021</p> <p>Malian Association for Food Security and Sovereignty / MLI/021</p> <p>MLI/021</p> <p>Rice inter-branch organisations / MLI/021</p>

⁴ Especially in the sesame sector, where women are not involved in processing (in factories), but also in the production segment of other sectors, as well as in the production of certified seed (see indicator no. 27).

⁵ The recommendations are grouped by key theme, not in order of importance or priority – given the planned end date of MLI/021 in December 2019, they are to be implemented over the short-term unless otherwise specified.

⁶ In November 2018 (final report), the seed producer network has been formalised and is being supported by the Association of Professional Farmers' Organizations; the economic modelling exercise is underway.

⁷ The Laboratory's operational support requirements, including logistics needs, have been identified.

⁸ Budget entry in process in November 2018.

⁹ Improving Investment Climate in Mali phase 3 (IC3 2014 – 2018, USAID / World Bank), *Environnement Propice à l'Entreprenariat de Croissance* (EPCE, 2019 – 2022, World Bank, Danida); *Fonds de Garantie du Secteur Privé* (FGSP).

Financing mechanisms

In preparation for a possible extension of the phase (medium-term):

11. Define specific subsidy rules: level of participation for each type of sponsor and purpose of the subsidy and build on good practices to ultimately create a strong link between subsidies and loans. MLI/021

12. Facilitate broader strategic discussions that include inter-branch organisations, government agencies, financial and micro-finance institutions, and institutional private sector support stakeholders on providing funding to value chain stakeholders. MLI/021

Gender equality

13. Appoint a permanent or ad hoc expert to coordinate, provide capacity-building, develop a strategy and monitor gender equality within MLI/021. MLI/021

14. Supplement specific indicators with indicators broken down by gender to better assess the effectiveness of activities that aim to reduce gender inequality.

Environment and climate change

15. Small market gardens: prioritise investment using criteria that foster economic approaches in order to maximise the sustainability and impact of the activities undertaken. Renewable Energies, Environment and Solidarity Group / Mali folkecenter / Army Medical Department of the United States / MLI/021

16. Support the meteorological agency, Mali Météo, to develop a strategy to ensure the sustainability of the climate change adaptation information and back-up support system. Mali Météo / MLI/021

Capacity-building

17. Develop / implement an operational strategy to integrate the various training courses and post-training support mechanisms / farm advisory. MLI/021 / MLI/022