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Comments of the Independent Office of Evaluation of IFAD on the Country Strategic Opportunities Programme for the Republic of Kenya

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For: Review

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I. General comments

1. The Independent Office of Evaluation of IFAD (IOE) undertook the second country strategy and programme evaluation (CSPE) in the Republic of Kenya in 2018. The first evaluation was finalized in 2011. The objectives of the 2018 CSPE were to assess the results and performance of previous country strategic opportunities programmes (COSOPs) and generate findings and recommendations for the new COSOP. The CSPE is also informed by the impact evaluation of the Smallholder Horticulture Marketing Programme undertaken by IOE in 2018.
2. The CSPE findings and recommendations were presented and discussed at a national workshop in Nairobi on 5 December 2018, which was chaired by the Ministry of Finance. The agreement at completion point (ACP) was signed in March 2019 (included as annex V of the new COSOP).
3. In line with the CSPE recommendation that IFAD build on its comparative advantage in Kenya, the new COSOP has retained its thematic focus together with the three strategic objectives from the previous COSOP. Those strategic objectives are:
 - Strategic objective 1: Climate-resilient, gender- and youth-responsive and sustainable community-based natural resource management is improved;
 - Strategic objective 2: Access to gender and youth-responsive productivity-enhancing assets, technologies, rural finance and services improved; and
 - Strategic objective 3: Gender- and youth-responsive and sustainable access to improved post-production technologies, markets and nutrition enhanced.
4. IOE recognizes that the COSOP reflects the CSPE findings and its four recommendations, which are:
 - Recommendation 1. Consistent with the importance and size of the Kenya portfolio, commit sufficient effort and resources to non-lending activities;
 - Recommendation 2. Build on IFAD's comparative advantage and retain a focus on selected themes and geographic areas;
 - Recommendation 3. Address recurrent design and institutional issues undermining programme efficiency within the context of the ongoing devolution process; and
 - Recommendation 4. In line with the Government's strategic planning, create space and opportunities for engaging the private sector.
5. IOE also recognizes that the format of the COSOP document does not provide sufficient space to address in more detail the issues that were of particular concern for the CSPE, such as those under recommendations 3 and 4.

II. Specific comments

6. IOE has reviewed the proposed COSOP (2020–2025) for Kenya. Overall it found the document concise and of good quality. IOE is pleased to note that the upcoming country programme reflects an enhanced geographic focus on arid and semi-arid lands (ASALs) and increased attention to knowledge management, in line with the CSPE recommendations, and that natural resource management and community development will remain important features of the IFAD programme in Kenya.

7. Geographic and thematic focus. The 2013 COSOP introduced a major shift away from area-based rural development projects to value chains and ASALs, as well as working more closely with the private sector. The focus on ASAL areas remains a key theme presenting major technical challenges, which are being exacerbated by climate change. It is therefore encouraging to see that the new COSOP contains the commitment to strengthen engagement in ASALs and adopt a more focused programmatic approach. However, it remains to be seen if the proposed focus on fewer districts and the consolidation into two programmes will serve the intended purpose: to reduce management complexity and enhance impact on ground. The proposed value chain programme may not provide the required thematic and geographic focus, covering three very different value chains (cereals, aquaculture and livestock) that require distinct approaches and partnerships to govern, implement and provide technical support, in addition to adequate management and implementation capacities. Furthermore, the COSOP introduces pastoralists as a new target group, which has very distinct needs in terms of support. IFAD does not have prior experience or a comparative advantage for working with pastoralists in the arid areas of Kenya. The CSPE thus noted that targeting pastoralists in such areas might be difficult to realize given the COSOP objective of market access. In light of this potential spread of stakeholders and targets, IOE reiterates the need to align the proposed project portfolio with the intended geographic and thematic focus of the COSOP.
8. Government devolution. Adapting to the process of devolution has been a defining challenge for IFAD and has affected the programme's performance and sustainability over the COSOP period. Devolution, government ministry reorganization and slow policy reform processes have up to now limited the impact of the substantial investments made in building the capacities of government staff and other service providers in areas such as agricultural extension, credit delivery, marketing and gender mainstreaming. The process of devolution is ongoing and may require IFAD to adapt its operational model. At the county level, financial and staff capacities are overall insufficient, although this can vary significantly between counties. This is an important factor that needs to be considered in programme designs and implementation set-ups, as further elaborated upon in recommendation 3. The ACP contains further action points to enhance project ownership at the country level and address implementation delays.
9. Non-lending activities. The large scale of operations, the complexity of projects and their geographic spread have absorbed the limited IFAD Country Office (ICO) resources and left little time to engage in non-lending activities. Policy dialogue has been ad hoc and without a coherent approach that builds on the lending portfolio as a whole or the somewhat detached grant portfolio. Knowledge management has received insufficient attention, monitoring and evaluation has not been robust enough to drive the capture of useful findings, and the ICO has not had capacity to aggregate and share evidence across the portfolio. IOE therefore commends the country programme for having secured the position of a knowledge manager, which will be beneficial for raising the profile of the Kenya portfolio. However, this does not pre-empt the need for additional staff with relevant technical skills in the ICO, as suggested by the CSPE (recommendation 1).

III. Final remarks

10. IOE appreciates that the new COSOP for Kenya addresses the recommendations from the 2018 CSPE and the follow-up actions outlined in the agreement at completion point.