Republic of Ghana– Root and Tuber Improvement and Marketing Programme

Project Performance Evaluation
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Project context

• Ghana became a Lower Middle Income Country in 2011.

• Poverty headcount fell from 31.9% (2005) to 24.2% (2015), but poverty was still pervasive in the north: 56% in 2015

• Root and tuber (R&T) are widely grown for food and cash throughout Ghana, especially by the rural poor

• Designed as a follow-up to the IFAD-Root and Tuber Improvement Programme (1997-2005), which focused on cassava research and development with a total cost of US$10.1 million
Basic project information

- **Project area**: national, covering 106 districts
- **Outreach**:
  - Direct: 217,258 households;
  - Indirect: 859,765 households
- **Time frame**: 2005-2015
- **Project finance**: Appraisal US $27.7 million; Actual US$ 23.6 million:
  - IFAD loans (US$ 18.8 million; 80%)
  - Government (US$ 2.3 million; 10%)
  - GEF (US$ 0.578 million)
  - Participating financial institutions (US$0.4 million, against US$4.0 million expected).
Project objectives and activities

• Project objectives:
  - Goal: to enhance the food security and incomes of poor rural households in Ghana, with special emphasis on women and other vulnerable groups
  - Objectives: to build up competitive, market-based and inclusive commodity chains for roots and tubers, supported by relevant, effective and sustainable services that are accessible to the rural poor

• Components:
  - A. Support to increased commodity chain linkages
  - B. Support to root and tuber crop production
  - C. Upgrading of small-scale root and tuber processing, business and marketing skills
  - D. Promoting a value chain approach to climate change adaptation in agriculture (PROVACCA financed by GEF grants)
  - E. Programme coordination, monitoring and evaluation
Relevance

• **Relevance to country needs and development objectives:**
  - Relevant to the Government’s Poverty Reduction Strategy Paper (2006-2009) with a focus on private sector-led economic growth

• **Relevance of design:**
  - Balanced and well integrated design with key elements in place
  - Engage private sector from production to marketing
  - Long duration- flexible and responsive to emerging needs through two funds
  - However, the technical details were weak:
    • Initiative Fund: lack detailed guidance on application and selection criteria
    • Micro Enterprise Fund (MEF): unrealistic assumptions
Effectiveness

• Production increased due to improved farming practices and improved planting varieties

• Processing objectives were underachieved
  - Good practice centers function as processing venues, but not as demonstration sites;
  - Micro enterprise fund was ineffective in mobilizing credits for R&T processing activities

• Most of the marketing mechanism were ineffective or implemented too late
  - E.g. farmer organizations, supply chain facilitators, district stakeholder forums
  - Initiative fund scaled down and underutilized

• The implementation was affected by the low capacity of the Government.

• Weak and ineffective market-linkages combined with overproduction
• **Slow implementation:**
  - Especially for marketing component

• **Increased management cost:**
  - Allocation: US$ 2.9 million on Programme coordination, monitoring and evaluation
  - Actual expenditure: US$11.5 million (PCR), US$ 5.9 mil (PPE recalculation); equivalent to 32% of the IFAD loan
  - Driven by increased vehicles, office equipment, salaries and allowances

• **Deficiencies in financial management:**
  - inaccurate and unreliable audited financial statements
  - ineligible expenditures, and
  - procurement issues
Rural poverty impact

- Yields increased significantly through improved varieties and better farming management skills

- Initial household income gains, but was impaired later by the local market saturation; and the increment was small
  - Only 1% households increased income above US$4/day

- Human and social capacity increased through various training, knowledge dissemination, and capacity-building activities.

- Little was achieved at the institutional and policy aspect, which also negatively affected the sustainability of benefits
Other evaluation criteria

- Adaptation to climate change

• RTIMP was a good vehicle for introducing and applying climate change adaptation practices

• Due to delays in implementation, activities were transferred to a new project-Ghana Agricultural Sector Investment Programme

• The resource could have been better allocated between awareness raising and other activities.
  - Awareness had been raised before RTIMP (18% of the project costs)
  - The climate-resilient technologies and transfer was effective with high absorptive capacity
Main conclusions

1. In spite of a balanced design, a serious imbalance between production and commercialization during implementation led to unfulfilled potential, partly due to the lack of capacity.

2. The matching grant mechanism needed more intensive support to address both supply and demand sides bottlenecks.

3. Good practice centers were critical for commercialization, but did not provide sufficient market absorptive capacity.

4. Subsistence farming can be commercialized with appropriate support, but a commercialization approach should be commenced early in implementation.
Recommendations

1. Future market-oriented projects should invest early in specialized skills on market development and capacity building of the relevant agencies, and pay close attention to demand fluctuations.

2. Matching grant may be appropriate but alternative rural financing mechanisms should also be explored:
   a. Through linkages with the IFAD-financed Rural Enterprises Programme.

3. Project management issues need to be addressed early and decisively to avoid dilution of the strategic intent and efficiency of the project:
   a. Appropriate implementation structure to enhance the Ministry’s leverage.