

Kingdom of Lesotho

**Sustainable Agriculture and Natural Resource
Management Programme**

PROJECT PERFORMANCE ASSESSMENT



Kingdom of Lesotho

**Sustainable Agriculture and Natural Resource
Management Programme**

Project Performance Assessment

Photos of activities supported by the Sustainable Agriculture and Natural Resource Management Programme

Front cover: Farmer uses sustainable methods of tilling the soil combined with sophisticated planting equipment and modern, environmentally friendly pest controls that are applied to the maize seeds.

©IFAD/Guy Stubbs

Back cover: Women received training in wool classing through the project's training programme at Ntsie woolshed, Mphaki, Quthing District, Lesotho. Correct classing enables farmers to receive the best possible return for their wool at market. Ha Ntsie woolshed was also renovated with funds from the project (left); Tsitsong Community Irrigation Scheme. A dam and weir were built, forming a small reservoir which will feed the irrigation scheme for 37 hectares of land cultivated by 48 farmers. (right)

©IFAD/Barry Mann

This report is a product of staff of the Independent Office of Evaluation of IFAD and the findings and conclusions expressed herein do not necessarily reflect the views of IFAD Member States or the representatives to its Executive Board. The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of IFAD concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The designations "developed" and "developing" countries are intended for statistical convenience and do not necessarily express a judgement about the stage reached by a particular country or area in the development process.

All rights reserved.

©2014 by the International Fund for Agricultural Development (IFAD)

Preface

This is the fourth evaluation of an IFAD-funded operation in the Kingdom of Lesotho. IFAD has been active in Lesotho since 1980, supporting agricultural development by investing a total of US\$60.3 million in eight programmes and projects, with the aim of reducing poverty in the country's rural areas.

The Sustainable Agriculture and Natural Resource Management Programme (SANReMP) was implemented from May 2005 to June 2011 with the overall goal of improving food security, family nutrition and incomes for households in the three southern districts of Mafeteng, Mohale's Hoek and Quthing. The incidence and severity of poverty is higher in these districts than in the rest of the country, particularly due to advanced land degradation.

The programme activities brought about improvements in the production and productivity of crops and livestock in the targeted area, through training of farmers and on-farm demonstrations, along with the distribution of inputs and farm implements. The programme also promoted conservation agriculture and contributed positively towards improving the environmental quality in the three concerned districts, leading to a more efficient use of the existing natural resources. Among the main challenges, a weak monitoring and evaluation system led to a number of difficulties in assessing the programme's impact on rural poverty. In addition, the programme activities were not well integrated in the Government operations due to limited ownership and coordination among the central and district-level institutions.

This project performance assessment was conducted by Mark Keating, Evaluation Officer and lead evaluator, with contributions from consultants, Avraam Louca and Kris Hallberg. An internal peer reviewer from the Independent Office of Evaluation of IFAD – Konstantin Atanesyan, former Senior Evaluation Officer – provided comments on the draft report. Lucy Ariano, former Evaluation Assistant, provided administrative support.

The Independent Office of Evaluation is grateful to the East and Southern Africa Division, the Government of the Kingdom of Lesotho and in-country stakeholders and partners for their insightful inputs at various stages of the evaluation process and the support provided to the mission.



*Kees Tuinenburg
Officer-in-Charge
Independent Office of Evaluation of IFAD*

Mamotlatsi Raleting sells the eggs to the local school and community around her home in the small village of Ha Ntanyele, Mafeteng District, Lesotho. The income is used to supplement her household income. She also has successfully kept broiler chickens during the spring and summer, the initial batch of which were funded by SANReMP.

©IFAD/Barry Mann



Contents

| | |
|--|------------|
| Currency equivalent, weights and measures | ii |
| Abbreviations and acronyms | ii |
| Map of the programme area | iii |
| Executive summary | iv |
| I. Objectives, methodology and process | 1 |
| II. The programme | 2 |
| A. The programme context | 2 |
| B. Programme implementation performance | 5 |
| III. Review of findings by criterion | 8 |
| A. Programme performance | 8 |
| B. Rural poverty impact | 13 |
| C. Other performance criteria | 16 |
| D. Performance of partners | 19 |
| E. Overall project achievement | 20 |
| IV. Conclusions and recommendations | 20 |
| A. Conclusions | 20 |
| B. Recommendations | 21 |
| | |
| Annexes | |
| I. Rating comparison | 23 |
| II. Basic programme data | 24 |
| III. Terms of reference | 25 |
| IV. Methodological note on project performance assessments | 25 |
| V. Definition of the evaluation criteria used by IOE | 34 |
| VI. List of key persons met | 35 |
| VII. Bibliography | 37 |

Currency equivalent, weights and measures

Currency equivalent

Currency unit = Lesotho Loti (LSL)

US\$1 = LSL 8.05

(March 2013)

Weights and measures

1 Kilometer (Km) = 0.62 miles

1 meter (m) = 1.09 yards

1 hectare = 10,000 m² (0.01 km²)

1 hectare = 2.47 acres

Fiscal Year: 1 April - 31 March

Abbreviations and acronyms

| | |
|---------|---|
| ARC | Area Resource Centre |
| COSOP | country strategic opportunities programme |
| IFAD | International Fund for Agricultural Development |
| IOE | Independent Office of Evaluation of IFAD |
| M&E | monitoring and evaluation |
| MAFS | Ministry of Agriculture and Food Security |
| MFLR | Ministry of Forestry and Land Reclamation |
| PCR | project completion report |
| PCRv | project completion report validation |
| PMD | Programme Management Department (IFAD) |
| PPA | project performance assessment |
| SANReMP | Sustainable Agriculture and Natural Resource Management |
| UNOPS | United Nations Office for Project Services |

Map of the programme area

Kingdom of Lesotho

Sustainable Agriculture and Natural Resource Management Programme

Project performance assessment



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.
Map compiled by IFAD | 06-05-2014

Executive summary

1. The Kingdom of Lesotho is a landlocked, mountainous country completely surrounded by the Republic of South Africa, with a population of 2.1 million. It is just over 30,000 km² in size with only about 25 per cent of the country's landmass having agricultural potential and most of it is severely degraded. The economy of Lesotho is based on agriculture – mostly traditional, low input, low output, rain-fed cereal production and extensive animal grazing – manufacturing and mining, and depends heavily on inflows of workers' remittances and receipts from the Southern African Customs Union (SACU). Gross domestic product (GDP) grew 3.7 per cent in 2011 and 4 per cent in 2012. Despite its middle-income status, Lesotho still has one of the highest levels of inequality, with about 60 per cent of the population living below the poverty line of US\$1.50 per day. Lesotho has the third highest HIV adult prevalence rate in the world at 23.6 per cent, according to the 2012 UNAIDS report; specifically, an estimated 360,000 people are living with HIV, of which 38,000 are children. Life expectancy at birth has declined by more than 20 years to 41 years over the past decade.
2. **Programme description.** IFAD has been active in Lesotho since 1980, supporting agricultural development by investing a total of US\$60.3 million in eight programmes and projects (five closed; one completed; two ongoing). Currently the total active portfolio stands at US\$35.2 million, of which IFAD finances US\$18.7 million. The Sustainable Agriculture and Natural Resource Management Programme (SANReMP) was the sixth IFAD-funded project in Lesotho. It was approved by IFAD's Executive Board in December 2004, and implemented over six years, from May 2005 to June 2011. The **overall goal** of the programme was to improve food security, family nutrition and incomes for rural households in the programme area to near, or above the national poverty line. The **programme area** was defined as including three of Lesotho's ten administrative districts, namely Mafeteng, Mohale's Hoek and Quthing, located in the south of the country; the three selected districts account for about 30 per cent of the total population. The **target group** consisted of 88 per cent of the population in the programme area, classified as either landless, below subsistence, subsistence or small-scale farmers operating on less than 2 hectares (ha) of land.
3. The planned programme cost was US\$12 million, including an IFAD loan of SDR 6.8 million, equivalent to US\$10.13 million. The actual total cost was US\$14.29 million, with an additional contribution from the Government of US\$2.3 million.
4. **Programme outputs.** Available performance data is limited to outputs of activities that were supported directly by the SANReMP, such as demonstrations, areas of reseeded rangelands and pastures, number and area of homestead gardens, seed multiplication and nurseries and number of pigs, poultry, rams and bucks that were distributed to beneficiaries. Major programme outputs include: (i) preparation of 25 Community Action Plans (CAPs), covering 222 villages with about 9,300 households; (ii) training of some 7,000 people in field crop, fodder, fruit and vegetable production, pest and disease control, irrigation techniques, animal husbandry, including shearing and wool and mohair classing and community Animal Health Workers (CAHWs) for first-line service and disease reporting, soil and water conservation, rangeland management, post-harvest processing and storage; (iii) assistance to 650 households to establish or improve homestead gardens, including provision of seed of new vegetable varieties and tools; (iv) establishment of 7 community gardens for production of vegetables and fruits; (v) establishment of 3 gravity-fed irrigation systems, covering 37 ha of land; (vi) livestock distribution for enhanced food security and income, including 10,000 dual-purpose chickens (hens and cocks), pigs, sheep, goats and 306 rams and 176 bucks to 35 associations for genetic improvement; (vii) construction of 5 new and rehabilitation of 19 woolsheds; (viii) construction of 95 small dams and ponds and

de-silting of 9 dams for irrigation of homestead gardens and watering livestock; (ix) construction of 108 roof water harvesting tanks to water homestead gardens; (x) construction of stone walls, silt traps and gabions to control the velocity of runoff water and trap the soil; (xi) reseeded of 222 ha of degraded land with grass and planting 51,000 trees to hold the soil together; (xii) formation of 6 new Grazing Associations and revival of 5 others for the proper management and conservation of rangelands; (xiii) establishment of 21 nurseries, owned and operated by individual households and 22 community woodlots; (xiv) construction of 7 new ARCs complexes with office facilities and staff housing and purchase of 9 vehicles and 22 motorcycles to ease transport constraints.

5. **Relevance.** SANReMP objectives were relevant to Lesotho's strategic priorities, IFAD's country strategy and the beneficiary needs. At the same time, there were design deficiencies mostly related to human resource constraints, qualification and skills of staff engaged in extension services, the lack of transport facilities, the quality of existing resource centres and failure to provide any criteria in terms of matching appropriate interventions with the capacity and interest of selected beneficiaries.
6. **Effectiveness.** SANReMP has yielded, overall, mixed results, skewed more on the negative side. On the positive side, the programme offered extensive training of farmers on a variety of subjects, although not very effective, supported the establishment of key-hole and homestead gardens, establishment of irrigation systems, reseeded of pastures and rangelands, and distributed improved seeds, seedlings, poultry, pigs, rams and bucks in combination with inputs and training.
7. **Efficiency.** Crop and livestock enterprises that have potential as market-oriented activities, namely piggery, poultry and vegetable production can be viable and give acceptable returns to farmers, but require substantial outlay of cash to buy commercial inputs, as well as a high degree of skills and commitment on the side of the farmer.
8. **Impact.** Despite the absence of measurable data, SANReMP's impact on agricultural activity, human capital improvement, food security and rural income is evident. The programme has trained, built capacities and imparted knowledge to farmers, producer associations and committees in the use of high value vegetables and fruit trees, increased animal production and improved handling/management.
9. **Sustainability.** SANReMP's core productive activities, including vegetable and fruit production, post-harvest processing and nurseries, broilers, layers, pigs, wool and mohair improvement activities run by individual households or beneficiary associations with commercial orientation have good potential for continuing in the future.
10. **Innovation and scaling up.** SANReMP has introduced a number of innovative activities, e.g. low-pressure, gravity-fed irrigation systems, fruit production, pasture reseeded, shearing sheds and training of wool and mohair shearers, classers and CAHWs with good potential for replication and scaling up at community and individual level.
11. **Gender equality and women's empowerment.** Gender equality and women's empowerment was not a focus area for SANReMP and was not mainstreamed in programme activities in any of its stages (from inception to completion). Thus, the high 60 per cent participation of women in the programme's activities did not comprise a programme target. It simply reflected the prevailing situation in the country where women are highly active in the daily running and the survival of the households.

Main recommendations

12. **Institutional framework should ensure ownership at all levels.** Although, programme implementation was carried out by established government institutions, ranging from the local chiefs, district administrators to the various ministries and agencies in Maseru, the SANReMP was not well integrated in government operations due to poor ownership and poor coordination amongst the central and district-level institutions. Efforts made to integrate land and water activities with crop and livestock production had limited success due to poor coordination between the MAFS and the MFLR. In order for an innovative framework to work, it should be accompanied by appropriate support and capacity-building for all the stakeholders and be continuously followed up.
13. **Cost-sharing and beneficiary contributions must be clearly defined, enforced and recorded.** In order to ensure the sustainability of services following programme completion, it is advisable to institute cost sharing principles and user fees from the outset of implementation, to the extent feasible. The enforcement and the keeping of records for beneficiary contributions assist farmers to take ownership and responsibility for the assets they receive. The strict application of full cost recovery for services may encourage beneficiaries to form groups or associations to facilitate the provision of services.
14. **Future IFAD operations in Lesotho should support market linkages and value chain approach.** Marketing under the SANReMP was touched upon very slightly, mostly in connection with the wool and mohair growers associations. Future IFAD-funded projects need to provide institutional support for various marketing activities at several levels including assistance to farmers, farmer groups and entrepreneurs for establishment via credit and initial operation of marketing associations of agricultural produce or purchase of inputs, private small and medium scale processing plants and quality testing. Development interventions that support market linkages and the value chain approach can bring closer the rural entrepreneurs and PFIs and stimulate diversification and investments that would lead to availability of market produce and the strengthening of rural enterprises.
15. **Rural financial services.** The lack of short- and medium-term finance is a serious constraint to the access of inputs on which increased productivity is largely dependent. Landless and poor farmers need to rely on credit opportunities for on-farm investments and off-farm income generation. The absence of a credit component from SANReMP design exacerbated the lack of cash for the poor beneficiaries and discouraged any on-farm and off-farm investments. Therefore, the availability of a rural financial services delivery system is an important tool for poverty reduction.
16. **IFAD visibility.** SANReMP productive resources were spread too thinly so that programme visibility was not easily seen. IFAD's activities in Lesotho are not well-known to the programme beneficiaries and clients, let alone the general public. In future, IFAD's operations in Lesotho could benefit from a more proactive communications and dissemination activity and resources should be invested in a manner that would enhance the IFAD visibility in the country.

Kingdom of Lesotho

Sustainable Agriculture and Natural Resource Management Programme

Project Performance Assessment

I. Objectives, methodology and process

1. Since 1980, IFAD has supported agricultural development in the Kingdom of Lesotho by investing a total of US\$60.3 million in eight programmes and projects (five closed, one completed and two on-going) with the aim of reducing poverty in the country's rural areas. Currently, the total active portfolio - which includes the Rural Financial Intermediation Programme (RUFIP) and the Smallholder Agriculture Development Project (SADP) co-financed with the World Bank - stands at US\$35.2 million, of which IFAD finances US\$18.7 million.
2. **Objectives.** Pursuant to the IFAD Evaluation Policy,¹ the Independent Office of Evaluation (IOE) undertakes project completion report validations (PCRVs) and project performance assessments (PPAs) for selected projects. Specifically, the purpose of PPAs is to assess the results and impact of IFAD-funded projects and generate relevant findings and recommendations that will improve the design, implementation and impact of future IFAD-funded interventions.
3. **Methodology.** The PPA was carried out applying the evaluation methodology outlined in the IFAD Evaluation Manual² and in the Guidelines for PCRVs and PPA. As a general rule, given time and resource constraints, PPAs are not expected to undertake quantitative surveys and, as such, necessarily rely on data available from the programme monitoring and evaluation (M&E) system and the programme completion and supervision reports. In addition to a desk review, a PPA undertakes further data collection activities, including a country visit and interviews at IFAD headquarters, in order to provide a more comprehensive assessment of programme performance.
4. **Process.** Before the PPA, the PCRV, a desk review prepared by IOE provides initial evaluative findings and highlights the key issues to be assessed. Based on the PCRV findings and other reviews, the lead evaluator identifies key issues and information gaps to be focused on during the country visit and, accordingly, prepares a list of key evaluation questions to be addressed by the PPA.
5. The PPA mission to Lesotho³ took place during 6-16 March 2013. The PCRV proposed that the specific focus for this PPA be effectiveness, efficiency, rural poverty impact, and gender equality and women's empowerment. Meetings were held in the capital city of Maseru with the Ministry of Agriculture and Food Security (MAFS), the Ministry of Forestry and Land Reclamation (MFLR), the Ministry of Finance, the Ministry of Development Planning, staff of the former programme management unit, as well as with representatives of other development agencies. Field visits were carried out to the three programme districts, namely: Mafeteng, Mohale's Hoek and Quthing. The preliminary PPA findings were presented at a wrap-up meeting organized by the Government on 15 March 2013 at the Ministry of Development Planning, chaired by the Ministry's Deputy Principal Secretary.
6. Based on desk review findings and data collected in the country, the PPA report was subsequently drafted by, and peer reviewed within, IOE. Meanwhile, comments

¹ IFAD's Evaluation Policy can be found at: <http://www.ifad.org/pub/policy/oe.pdf>

² Available on the following link: <http://www.ifad.org>

³ The mission comprised Mr. Mark Keating, Evaluation Officer, IOE and Lead Evaluator for this PPA and Mr. Avraam Louca, Lead Consultant.

were received from an external specialist,⁴ who focused on enhancing the rigor of the evaluation methodology applied.

7. The draft report was also shared with IFAD's Eastern and South Africa Division and the Government of Lesotho, and their valuable comments were taken into account when finalizing the report.

II. The programme

A. The programme context

8. **Background.** The Kingdom of Lesotho is a landlocked, mountainous country completely surrounded by the Republic of South Africa. It is just over 30,000 km² in size, with only about 25 per cent of the country's landmass having agricultural potential and most of it is severely degraded. About 82 per cent of the total population of 2.1 million lives in rural areas. The economy of Lesotho is based on agriculture – mostly traditional, low input, low output, rainfed cereal production and extensive animal grazing - manufacturing and mining, and depends heavily on inflows of workers' remittances and receipts from the Southern African Customs Union (SACU). The majority of households subsist on farming. Employment consists mainly of female workers in the apparel sector, the male migrant labor - primarily miners in South Africa for 3 to 9 months, and employment in the Government of Lesotho. Almost 50 per cent of the population earns income through informal crop cultivation or animal husbandry, with nearly two-thirds of the country's income coming from the agricultural sector.
9. Lesotho's economy⁵ remained resilient in the face of the global financial crisis. Gross Domestic Product (GDP) grew 3.7 per cent in 2011 and 4 per cent in 2012. Lesotho ranks 158th out of 169 in the United Nations Human Development Index (2012). Despite its middle-income status, Lesotho still has one of the highest levels of inequality (Gini coefficient of 0.66 per cent), with about 60 per cent of the population living below the poverty line of US\$1.50 per day. Lesotho has the third highest HIV adult prevalence rate in the world at 23.6 per cent, according to the 2009 UNAIDS report; specifically, an estimated 360,000 people are living with HIV, of which 38,000 are children. Life expectancy at birth has moved by more than 20 years to 41 years over the past decade.
10. The government development goals are reflected in its "Vision 2020" issued in 2002, and on the Poverty Reduction Strategy for 2004/05–2006/07 as a first step towards the implementation of Vision 2020. It presents employment creation and improving agricultural production and food security as the first and second priority in a list of eight priorities. The strategies for agriculture in the Poverty Reduction Strategy are: (i) adopting appropriate farming practices, including crop diversification and introduction of improved technologies; (ii) developing appropriate irrigation, especially low-cost, gravity-fed systems that the poor can sustain; (iii) incorporating agro-forestry practices into farming systems; (iv) strengthening and decentralizing extension services at area level; (v) ensuring an efficient land tenure system; (vi) encouraging appropriate animal husbandry and fodder production; (vii) enhancing marketing; and (viii) improving disaster preparedness for emergency food distribution to most vulnerable groups. The National Strategic Development Plan (NSDP) approved in March 2012 re-affirms the Government's commitment to the objectives of fiscal consolidation, economic diversification, infrastructure and human development.
11. **Programme description.** The Sustainable Agriculture and Natural Resource Management Programme (SANReMP) was the sixth IFAD-funded project in Lesotho. It was approved by the IFAD Executive Board in December 2004, and implemented over a six-years period, from May 2005 to June 2011. The

⁴ Ms. Kris Hallberg.

⁵ World Bank: Lesotho Overview, updated June 2014.

programme's rationale was to place appropriate emphasis on investments in agriculture, underpinned by a participatory planning process, as the most suitable approach to sustainable rural poverty reduction.

12. The **programme area** was defined as including three of Lesotho's ten administrative districts, namely Mafeteng, Mophale's Hoek and Quthing, located in the south of the country; the three selected districts account for about 30 per cent of the total population. The incidence and severity of poverty in these three districts is higher compared to the rest of the country due, among others, to advanced land degradation. The **target group** consists of 88 per cent of the population in the programme area, classified as either landless, below subsistence, subsistence or small-scale farmers operating on less than 2 hectares (ha) of land, on average.
13. The **selection criteria**⁶ for participating village communities, particularly with regard to land and water conservation activities, included: a proportion of de jure woman-headed households; remoteness from access roads; lack of access to complementary social infrastructure; extent of land degradation; the size of land holdings; livestock numbers per household; the lack of inhibiting social conflicts; and the commitment and willingness of beneficiary households to formulate and implement sound land-use plans. No figure was given in the Appraisal Report regarding the estimated number of direct beneficiaries. The Post-Appraisal report indicates that the programme was to benefit approximately 94,857 poor rural households, of which at least 18,200 were expected to take up productive activities promoted under the programme.
14. The **overall goal** of the programme was to improve food security, family nutrition and incomes for rural households in the programme area to near, or above the national poverty line. This was to be achieved by meeting the specific objective of securing a sustained increase in agricultural production and productivity through investment to: (i) promote the effective delivery of core support services responsive to the needs and priorities of poor rural households; (ii) promote agricultural diversification and intensification with due attention to sustainable natural resource use and management; (iii) strengthen institutional capacity of the decentralized district administrations as the focal points for programming, implementation, monitoring and evaluation; and (iv) empower local communities through the participatory community-action planning process.
15. **Programme components.** SANReMP investments were organized along three components: Agricultural Diversification and Intensification, which included improved crop and livestock production; Improved Land and Water Management, focusing on soil and water conservation; and Local Capacity-building, focusing on strengthening government support services in the three programme area districts. table 1 shows the financial weight attributed to each component.

⁶ See [EB 2004/83/R.19/Rev.1](#)

Table 1

Programme cost by component

| Component | Appraisal budget | | Disbursed | |
|---|------------------|------------|---------------|--------------|
| | US\$ '000 | % | US\$ '000 | % |
| A. Agricultural diversification and intensification | 2 527 | 21 | 2 681 | 18.8 |
| B. Land and water management | 1 162 | 10 | 1 049 | 7.3 |
| C. Local capacity-building | 8 326 | 69 | 10 563 | 73.9 |
| Total | 12 015 | 100 | 14 293 | 100.0 |

16. Notably, the heavy investment under local capacity-building (component C) was to create capacity for future service delivery for sustainability purposes. It was assumed that programme beneficiaries would continue to receive support following programme closure, thus being able to realize incremental benefits from improved crop and livestock production activities. Local capacity-building absorbed 73.9 per cent of the total actual expenditure compared to 69 per cent allocated during programme design, followed by Agricultural Diversification and Intensification with 18.8 per cent, and Land and Water Management with 7.3 per cent of total expenditure. The expenditures for local capacity-building are broken down into: construction of Area Resource Centres (ARCs) equal to 42 per cent; staff training 8 per cent; other local capacity-building activities 11 per cent; pay roll costs 19 per cent; and other programme operating costs 20 per cent. Notably, the most expensive operation was the construction of ARCs. In light of the important role played by agriculture, livestock and crops in household incomes, the allocation of funds to agricultural activities was notably very low.
17. **Programme financing.** The sources of programme funds are shown in table 2. The disbursement of the IFAD loan proceeds was 95 per cent of the SDR 6.8 million loan-amounts. The project completion report (PCR) notes that loan disbursement could have attained the 100 per cent mark if the Government treated the programme coordination and management unit (PCMU) staff as technical assistance, as provided for by the post-appraisal report, which means that these costs would have been eligible for IFAD loan financing. The actual total cost was US\$14.29 million, with an additional contribution from the Government of US\$2.3 million.

Table 2

Sources of programme funds

| Financier | Appraisal | | Disbursed | |
|---------------|---------------|------------|---------------|--------------|
| | US\$ '000 | % | US\$ '000 | % |
| Government | 1 687 | 14 | 3 992 | 27.9 |
| IFAD loan | 10 129 | 84 | 10 300 | 72.1 |
| Beneficiaries | 198 | 2 | 0 | 0 |
| Total | 12 014 | 100 | 14 293 | 100.0 |

18. There were three amendments to the Loan Agreement during implementation, specifically in 2008, 2009 and 2010. The first amendment concerned the change from programme supervision by the Cooperating Institution – UNOPS - to direct supervision by IFAD. The second amendment regarded changes in the IFAD

Procurement Guidelines, and the third amendment concerned the reallocation of funds between expenditure categories following the MTR.⁷

19. **Implementation arrangements.** Programme implementation was carried out by The MAFS for component A and by the MFLR for component B. As for component C, both ministries were responsible for its implementation. At central level, a Programme Management Committee was entrusted with the overall direction of the Programme, while a PCMU was in charge of disbursement, monitoring and everyday decision-making. At district level, the relevant sectoral departments were responsible for activities in the field, to be coordinated through a District Implementation Committee.

B. Programme implementation performance

20. **Agricultural Diversification and Intensification.** Training and on-farm demonstrations for about 1,400 farmers were organized to improve the production of field crops, under Traditional Rain-fed Farming (TRF) and conservation farming. The focus was on sorghum, maize, beans, potatoes, manure and fertilizer use, cropping calendar, and pest and disease control. About 300 farmers have been trained in fodder production for livestock supplementary feeding, and were given seeds (sorghum, alfalfa, grass, barley), with about 144 hectares reportedly put under fodder crops. One group in Quthing currently produces seed potato successfully and independently.
21. About 450 farmers have been trained in fruit production, on orchard site selection, tree management, pest and disease control, and fruit harvesting. Part of the farmers trained also received tree seedlings and about 6,500 fruit trees have been planted, mainly peach, apple and pear trees, and also some apricots and cherries. Some trees have died mainly due to lack of water and there are signs of nutrient deficiencies and poor management in some areas; yet, overall, the survival rate has been good. Choice of a suitable location, water availability and selection of interested and capable farmers seem to be key success factors. New fruit varieties are claimed to taste better and one farmer has taken the initiative to propagate these trees, by setting up his own nursery.
22. Nearly 600 farmers have been trained in organic farming of vegetables. Most rural households depend on homestead gardens for their vegetables, and some 650 households have been assisted to establish, or improve, homestead gardens, including provision of seed and tools. New varieties were introduced and farmers were encouraged to diversify their vegetable production. More than 600 such gardens, averaging 0.1 ha in size, are productive but normally not fully cropped. Lack of soil analysis has affected results in some places. Farmers buy their own seed and continue vegetable production, mainly for home consumption, with limited surplus quantities being sold. Seven community gardens for the production of vegetables and fruits have also been established, of which three are still operational. Social conflict and lack of maintenance seem to be the main reasons that lead to abandonment.
23. Three irrigation systems have been established, one gravity fed irrigation scheme covering 37 ha of land owned by 48 farmers, and two small systems to provide water to community gardens of about 0.5 ha each. One of these irrigated gardens is operating successfully and has encouraged some members to individually

⁷ Funds that had not been used under *Category IV. Studies and Technical Assistance*, and also part of the unallocated funds, were transferred to *Category I. Civil Works* (about US\$400,000) and to *Category II. Goods* (about US\$1million). The reallocation to Category I was necessary for the construction of Area Resource Centres (ARCs), which turned out to be much more expensive than foreseen in the programme design. The reallocation to Category II was made to finance increased inputs for community-based activities, the cost of importing expensive improved rams and bucks for associations from South Africa, renovation and furnishing of woolsheds, increased reseeding efforts and roof water harvesting tank construction, and equipment for the ARCs and to support the work by Agricultural Assistants. Some activities that could have been charged under Category I were charged under Category II, such as construction of four woolsheds, the Tsitsong Irrigation Scheme in-field systems, and selected soil and water conservation activities.

venture into commercial, market-oriented production, while the other is not in use due to social conflict. The investments are relatively high, but a reliable water supply is important and these systems have a potential demonstration effect. About 300 farmers have been trained in irrigation techniques and crop production under irrigation.

24. Training in post-harvest processing and storage (drying, Indian pickle, chutney and jam production) has been carried out to reduce wastage of produce and increase shelf life, for some 500 members of village-based nutrition groups. This activity was later broadened to include baking, knitting and sewing. Equipment was provided under the programme, and farmers continue to use the technologies.
25. Some on-station and on-farm trials have been carried out under the agricultural research sub- component, but the activities were slow to take off. It was anticipated that a research strategy specific for the southern districts would be prepared, and that research findings would enhance the programme's activities during the last few years of implementation, yet this feature has not been achieved.
26. Equipment was bought for livestock registration, marking and surveillance, but was never used and this activity did not take off. Close to 1,200 farmers have been trained in improved animal husbandry and livestock distribution and pass-on was carried out in order to provide households with productive assets for enhanced food security and income. Training should have been carried out first, but was often undertaken after distribution. Nearly 600 households received 10,000 dual-purpose chickens (hens and cocks). About 170 households received pigs and another 40 through pass-on, in principle one pig per household, although in practice some households received several animals. There have also been approximately 50 recipients of layers, 100 recipients of broilers, 50 sheep recipients and 40 goat recipients. Record keeping by these farmers is critical but usually weak, and there is a need for further training and follow-up. Some pass-on of animals to second-level recipients has taken place, but far below the requirements and this system has been fraught with problems.
27. Concerning wool and mohair improvement, 306 rams and 176 bucks were distributed to 35 associations for genetic improvement. This is important yet difficult to achieve when the genetic resources are spread thinly: not enough rams/bucks were distributed to cover the ewe/goat population of the individual associations. Six new woolsheds have been constructed and another 19 rehabilitated, all of which are operational. Training of 75 shearers has been conducted, and more should be trained as proper shearing significantly affects the quality and value of shorn wool and mohair. Proper wool classing can improve clip preparation, packaging and consignment; to this end, 80 wool and mohair classers have been trained.
28. Community animal health workers (CAHWs) have been introduced to improve first-line service and disease reporting: 73 have been trained and provided with a kit. The programme did not succeed in establishing a reliable drug supply where CAHWs can buy new drugs. The programme constructed three dip tanks and rehabilitated four, but this activity was discontinued as a result of a change in approach to use injectable drugs. Livestock Improvement Centre premises were also constructed at ARCs for the provision of animal health services, and six crush pens for livestock handling during treatment and vaccination.
29. **Land and water management.** The planned benchmark survey was not completed: the contract with a consultant was cancelled due to non-performance and MFLR staff did not have the necessary capacity to take on this task. More than 800 farmers were trained in soil and water conservation. Topics covered included extension basics, soil and water management, range management and rehabilitation of degraded areas. In Mafeteng, farmers also had a demonstration on

small dam construction, so to be able to construct their own ponds. Herders and traditional initiation instructors were trained in gully reclamation methods. Some capacity-building activities, especially in combination with support to local associations and committed local leadership, is showing positive results.

30. A total of 95 small dams and ponds have been completed, and another nine dams were de-silted. The dams were constructed for irrigation of homestead gardens and for watering livestock, but the majority are being used for livestock. This initiative attracted much attention, especially in Mafeteng due to the water scarcity in the district.
31. A total of 108 roof water harvesting tanks have been constructed, the majority of which are used exclusively to water homestead gardens. While many tanks run at low capacity, they are consistently used to produce vegetables and fruits. In order to have the roof water harvesting tanks properly constructed, nearly 140 builders have been trained in tank construction techniques. Altogether, 15 community water tanks were constructed for irrigated fruit and vegetable production.
32. Both structural and biological measures have been implemented to curb land degradation, as pilot activities. To rehabilitate gullies, the construction of stone walls, silt traps and gabions was undertaken to control the velocity of runoff water and trap the soil. Grass and trees were planted to rehabilitate gully walls and hold the soil together on the gully bottoms. Overall, 222 ha of degraded land have been reseeded with grass, and 51,000 trees were planted to hold the soil together.
33. Under range management, about 400 ha were reseeded to improve degraded rangeland and nearly 900 people were trained in rangeland management, nearly twice the original target. Six new Grazing Associations were formed, and five others were revived and retrained for the proper management and conservation of rangelands. In some areas good recovery of the rangeland is noticeable, while in others there is very little improvement.
34. More than 200 people were trained in establishing and managing nurseries and woodlots. They established 21 nurseries, owned and operated by individual households. Most of the nurseries produce seedlings for woodlots. A total of 22 community woodlots have been established, with on average 20,000 trees and survival rates ranging from 10-85 per cent. One pole treatment unit was established and operated by a group of 30 farmers. Beekeeping was introduced as a demonstration on utilization of forest resources. Training in beekeeping was conducted for 69 people and currently there are 39 operational beekeeping units.
35. **Local capacity-building.** In total, 25 Community Action Plans were prepared, covering 222 villages with about 9,300 households. These plans gave direction to the programme, especially during the initial years.
36. The effort to increase the capacity of technical staff in the districts has been mainly through short courses, for district-level subject-matter specialists, area technical officers and agricultural assistants. Topics included: disease control in crops, vegetable production, irrigation, fruit tree management, animal husbandry, basic veterinary practices, wool classing, and beekeeping. Results have been limited: systematic training needs an assessment to determine what skills gaps do exist, and what types of training are of critical importance; notably, such an assessment was not carried out. Most training activities consisted of one-off training courses without field practice and without follow-up or refresher courses. Moreover, the basic qualifications of some staff members did not match the requirements of their positions and responsibilities, which represents a weak basis for skills enhancement through in-service training. A high level of staff transfers has also been a serious problem.
37. Seven new ARCs complexes have been constructed, two in Mafeteng District, three in Mohale's Hoek District and two in Quthing District. There have been

considerable delays in the construction; notably, the programme had intended to construct 14 new ARCs, whereas funds available for construction were sufficient for only seven ARCs. Each complex includes office facilities and staff housing, and five of the ARCs have been staffed and operational for some time. The SANReMP also provided office furniture, equipment, and at least one motorcycle per ARC. To ease the transport constraints, in total nine vehicles and 22 motorcycles have been made available to the three districts.

III. Review of findings by criterion

A. Programme performance

Relevance

Programme objectives. The stated goal of SANReMP regarding improvement of food security, family nutrition and incomes for households in the programme area has been highly relevant to the needs of the rural people throughout the implementation period. The SANReMP was conceptualized in a context of recurrent famine caused, mainly, by drought that severely affects agricultural production, as well as by land degradation that undermines the productive capacity of the land on which many rural households depend for their crop and livestock activities. Thus, the programme design included agricultural diversification and intensification, as well as rehabilitation and reclamation of degraded land, in line with the 1999 country strategic opportunities programme (COSOP). The deterioration of agricultural infrastructure and rural economy, exacerbated by damages in crops, roads and housing from floods, hailstorms, rock slides and strong winds that recurrently hit Lesotho, underlined the relevance of the programme objectives and made the need for IFAD to assist in food production and income increase more apparent.

38. The programme was developed taking into consideration: (i) the experience of the previous IFAD-financed programme - the Sustainable Agricultural Development Programme for Mountain Areas (SADPMA), (ii) the consistency with the IFAD country strategy in supporting projects and programmes driven by beneficiary participation both in design and implementation; (iii) the Government's Poverty Reduction Strategy for 2004/05–2006/07; and (iv) the Lesotho Food Security Policy of April 2005. The key investment areas were also coherent with the Government development goals reflected in its "Vision 2020", aiming at improving food security by means of increased agricultural productivity and the creation of employment opportunities in rural areas.
39. **Programme design.** The PPA concurs with the PCR findings that the SANReMP design was highly relevant in the context of key constraints in the agricultural sector, as well as with the national policy framework to address the core problem of low productivity of crops and livestock, and contribute to the rehabilitation of degraded lands and sustainable resource management. Most of the programme resources were directed at capacity-building for effective delivery of decentralized, district-based services to rural households; however, the allocation of funds to agriculture, crop and livestock activities was rather low, especially in light of the role played by agriculture in household incomes. Concerning participatory planning, the programme was designed to provide beneficiaries with pre-packaged activities to choose from, rather than identifying and addressing local constraints, a fact that subsequently led in some cases to a low degree of ownership.
40. The programme design failed to pay due attention to the critical issues of human resources constraints, qualification and skills of staff engaged in extension services, as well as the lack of transport facilities and the quality of existing resource centres. In addition, the absence of a credit component in the programme design did exacerbate the lack of cash for poor beneficiaries to undertake any on- and off-farm investments.

41. **Targeting.** Programme design estimated an overall 95,000 households, over three quarters of the overall population in the three districts, excluding only the better-off households. The design did not provide a figure in terms of direct beneficiaries, which led the PCMU in taking 95,000 as the overall objective. A figure of 18,200 households was given in the post-appraisal report for direct beneficiaries of crop interventions, but there was no corresponding figure for livestock interventions, while the expected beneficiaries of land and water conservation were expressed as '68 villages'. The mid-term review report, considering the ambiguities between the figures reported in different documents, provided a rough computation of around 25,000 households as the figure for direct programme beneficiaries. The PCR estimated the number of direct⁸ beneficiaries to be 6,700, of whom 3,000 crop related, 1,400 livestock related, and 2,160 natural resources management (NRM)-related; the number of indirect⁹ beneficiaries is estimated at 11,000 (of whom 6,340 livestock and 4,260 NRM-related), totalling 17,700 programme beneficiaries. The Programme design did not provide any criteria in terms of matching appropriate interventions with the capacity and interest of selected beneficiaries, particularly the below-subsistence households that has led in some cases to unsustainable activities.
42. Despite the design deficiencies related to the critical issues of human resource constraints, qualification and skills of staff engaged in extension services and the lack of transport facilities, as well as the weaknesses in the targeting of below-subsistence households that lacked the basic level of resources and skills required by the programme interventions, the SANReMP relevance is rated satisfactory (5), which is higher than the rating (4) provided by the IFAD Programme Management Department (PMD), as it addressed the real needs of the poor rural target group.

Effectiveness

43. **Component A: Improving crops and livestock production.** The component aimed at improving the production and productivity of crops and livestock in the programme area through training of farmers and on-farm demonstrations, together with the distribution of inputs and farm implements by the district extension service. However, there is no evidence that SANReMP has been effective in improving production of field crops under TRF or conservation farming systems, including fodder production. The programme has been moderately effective in improving horticultural production. This includes vegetable production in homestead gardens; vegetable production in community gardens, with or without irrigation; and fruit production by individual farmers and in community gardens. Not all interventions are sustainable and there is no reliable production data, but up to 1,400 farmers - direct programme beneficiaries - are continuing to produce fruits and vegetables, buy inputs using their own resources, consume fresh and sometimes processed produce, and sell some surplus production. An impact study¹⁰ commissioned by the Government in 2011 found that 94 per cent of the interviewees have grown vegetables in homestead gardens, with cabbage, rape, spinach, beetroot, carrots and tomatoes, accounting for 78 per cent of the production. The training of farmers was not very effective as it took place, mostly, in classrooms and lacked field experience. Irrigation development and post-harvest processing of agricultural produce was also included. Although several feasibility studies were carried out, only three irrigation schemes were established, two for community gardens and one group-based for 48 farmers, covering 37 ha. Seed multiplication for potatoes and the production of vegetable seedlings have been,

⁸ Those people who have individually received direct benefits from the Programme, in the form of inputs (seed, seedlings, fertilizer, animal feed, construction materials), productive assets (animals, tools, irrigation system, water harvesting system, beehive) or training that is relevant for their production activities (crop husbandry, animal husbandry, soil and water conservation, sustainable resource management).

⁹ Those people who are members of an association or who have access to a facility that has been established, rehabilitated or revived with the assistance of the programme, and that is delivering or will in the future deliver relevant services.

¹⁰ Impact Assessment and Evaluation of Selected Programme Investments, SANReMP, October 2011.

overall, effective for the first year of production only. According to the PCR, there was not a clear relationship between planning of field activities and the identified constraints; the seedling production process was abandoned because of conflicts within the extension service. Recommendations formulated by the MTR for improving the TRF were not taken up.

44. Livestock production primarily aimed at improved meat and fibre production by sheep and goats. Various types of livestock, poultry, pigs, rams and bucks, were distributed in combination with inputs and training. At least 200 farmers received animals through pass-on; the related records reviewed by the PPA Team are incomplete. SANReMP has not succeeded in establishing an effective pass-on system for the livestock distribution. While the principle may be sound, there were problems with the modalities and the number of additional farmers who would benefit from improved livestock production as a result of pass-on. In all cases, the animals meant an increase in livestock production, although no quantitative data is available apart from the numbers of animals distributed. The PPA agrees with the PCR that the livestock registration and marking is an activity of national importance, not only as a solution to stock theft, but also for breeding and disease control purposes; however, implementation of this task did not take place, despite the procurement of equipment. The PPA also noted that the innovative livestock package, which combined construction of better designed woolsheds or rehabilitation of existing woolsheds along with the training of 75 shearers and 80 classers, contributed to the improvement of animal handling, the quality of wool and mohair, and the efficiency of woolshed operations. In the absence of breeding records, and in line with direct observations by the PPA Team, the evaluation raises some doubts about the effectiveness of the distribution of rams and bucks aimed at improving the genetic make-up of the sheep and goat populations. Efforts were made to improve animal health services through the training of 73 community animal health workers (CAHWs) and investments in dipping tanks and veterinary kits to treat basic livestock diseases. The establishment of the planned Veterinary Drugs Revolving Fund to help farmers to access veterinary supplies was not materialized. The capacity of Wool and Mohair Growers Associations and associated woolsheds was strengthened, so that these key players in the value chain for wool and mohair can deliver better quality services and products. Stakeholders were of the opinion that these interventions, in combination with improved animal health services, already resulted in reduced mortality and time savings, increased productivity of the animals and improved quality of wool and mohair. However, there is no evidence that the programme attempted to increase the productivity of flocks/herds rather than the flock size in order to avoid further degradation of the grazing lands.
45. The programme has attempted to facilitate the development of a research strategy, but this was not achieved largely due to human resource constraints in the Department of Agricultural Research (DAR). The post-appraisal report specified that the bulk of the research would be undertaken by non-governmental organizations (NGOs), which has not taken place. Similarly, a contract signed with the National University of Lesotho (NUL) was abandoned because of disagreement on finances. On-station, as well as participatory farmer-managed research concerning the comparison of different varieties of potatoes, corn and fodder has been carried out and technical reports produced.
46. Implementation of the crops and livestock production component relied on an extension service which proved to be weak. Additional weaknesses comprised the poor linkage between research and extension, the lack of active involvement at national level, and the failure to engage non-state actors as service providers, which affected negatively the introduction of new or improved approaches and technologies.

47. The PPA concurs with the PCR that “there is practically no quantitative data available on actual adoption of technologies, actual changes in crop and livestock production, or actual changes in household income from the programme’s M&E system”. The M&E function remained weak notwithstanding recommendations provided by supervision reports and the MTR for improvements in this regard.
48. **Component B: Land and water management.** Soil and water conservation measures included gully reclamation and water harvesting, using small dams, ponds, head tanks and roof water harvesting tanks. A total of 95 small dams and ponds have been completed, and another nine dams were de-silted for irrigation of homestead gardens and for watering livestock, the majority being used for livestock. Community consultations resulted in the demarcation of areas for controlled grazing, and sometimes pasture reseeding. Rangelands that have been reseeded in areas where there are operational Grazing Associations and where the Chiefs are exercising the necessary authority are thriving. Grazing plans are available and regular monitoring is carried out to ensure that the range is not depleted. The communities report a decline in the incidence of wildfires set to rangelands, and more respect for excluded areas. Overall, 222 ha of degraded land have been reseeded with grass, and 51,000 trees were planted to combat soil erosion, and some 400 ha was reseeded to improve degraded rangeland. However, no data is available on replication or how this affects livestock production. The extensive beneficiary capacity-building (some 900 persons) and the establishment of 22 village woodlots and 21 individual tree nurseries meant to serve the purpose of erosion control, provision of firewood, upgrade grazing areas and raise crop and livestock production. Indeed, the 21 fruit tree and woodlot nurseries generate employment and income for the 30 families involved, and fruit tree seedlings are being sold in the local market at good prices. Beekeeping was introduced as a demonstration on the utilization of forest resources, with the training of 69 people and the establishment of 39 operational beekeeping units.
49. The PCR reports that SANReMP activities have been viewed as separate from, and as additional to, mainstream land and water management activities implemented directly under the MFLR. Efforts made to integrate land and water activities with crop and livestock production had limited success due to poor coordination between the MAFS and the MFLR. Feedback provided by programme stakeholders to the PPA mission is generally consistent with these findings. Mechanisms for the maintenance and refurbishing of structures that are damaged or destroyed are weak, and sustainability is not assured.
50. **Component C: Local capacity-building.** The SANReMP intended to strengthen the capacity of Government staff and communities to jointly identify problems and priorities, define appropriate solutions and projects, and implement the resulting development initiatives, through the compilation of Community Action Plans. The PCR informs that capacity-building in participatory community planning did take place and resulted in the preparation of 25 Community Action Plans, which covered 222 villages and some 9,300 households; however, the review and analysis of local problems was weak and the technical, financial and marketing aspects were missing, a fact that led to unviable activities. Requirements for community contribution were not clearly spelled out or enforced, undermining the sense of ownership and responsibility of beneficiaries.
51. The extension service in the districts was fairly weak due to poor training, poor supervision, low staff morale, lack of transport, and limited technical back-stopping capacity. The linkages with headquarters were weak, while only six out of 22 extension areas had an office, staff housing and storage facilities. In-service training courses were used as the main vehicle for improving staff capacity, while the districts were provided with some transport facilities and equipment, and seven new ARC complexes were constructed. District Veterinary Clinics were planned for but not established. The approach to capacity-building, using mainly one-off short

training courses, was not very effective. For many staff members the basic qualifications and skills level did not match the requirements of their position.

52. In several instances, the SANReMP achieved the targeted delivery outputs. However, there is limited information available on the rural poverty reduction effects on smallholder and poor households. The overall programme effectiveness is assessed as moderately satisfactory (4), in line with the rating by PMD.

Efficiency

53. **Efficiency of productive investments.** The PPA concurs with the PCR that the assessment of the efficiency of programme investments related to productive activities shows mixed results. The PCR considers the total direct investment costs reasonable, at less than US\$500 per direct beneficiary; notably, it is unclear how this figure has been determined. The total expenditure for Component A and Component B divided by the PCR estimated total number of 6,700 direct beneficiaries gives a figure of US\$528 per beneficiary. However, the expenditures include activities that will, over time, benefit more people (members of wool and mohair associations, grazing associations) which would reduce the cost per beneficiary. The total expenditure for the entire programme divided by the estimated 17,700 total number of direct and indirect beneficiaries gives a cost of US\$775 per beneficiary. Under Component C, some of the training costs could have been lower: there was a tendency of paying hotels and other training venues for the anticipated number of trainees, even when up to 30 per cent of them would not turn up. The PCR casts doubts as to whether fair competition has taken place, in view of the striking similarities that have been noticed between amounts provided for in the budgets and the quotations received from service providers, i.e. caterers and training venues. In general, responsive bids during procurement have often been over budget, and the procurement function under the programme has been weak in ensuring that value for money was obtained. High-cost activities per beneficiary included: US\$15,000 for tree nurseries; US\$4,000-5,000 for group-based irrigation schemes; US\$1,800 for bee keeping units; and US\$1,400 for roof water harvesting tanks.
54. **Efficiency of civil works.** The construction of seven ARCs comprised an investment totalling US\$4.3 million, an amount considered to be very high. The total number of facilities quoted in the post-appraisal report (paragraphs 99 and 100) is 37. However, the cost tables are not consistent with the main report and provide for construction and rehabilitation of 24 facilities at a total cost of US\$2.7 million for civil works, excluding equipment. The reason cited by the PCR for the discrepancy between budget estimates and actual construction costs is that the Government of the Kingdom of Lesotho standards for public buildings, in terms of design and construction materials, had to be followed in line with the Building Design Services in the Ministry of Public Works. The importation of sandstone from Berea to Mafeteng, Mophale's Hoek and Quthing for construction of the ARCs has not only contributed to the footprint and aesthetic quality of the facilities, but also to increasing the costs due to the long distances travelled to bring the materials to the construction sites. For example, the most appropriate material for the construction of the ARC in Ramosothoane, which is located on the mountains, would have been the dark basaltic rock commonly used for school buildings which is abundantly available in the area.
55. **Economic rate of return.** The period of analysis for the programme's economic rate of return (ERR) was taken as 20 years. Full incremental benefits were assumed to be achieved by year 11 and sustained until year 20, with continued support from the extension service. An ERR of 17.3 per cent for the programme was thus determined. The PCR argues that a realistic calculation of the ERR is not possible for SANReMP, mainly because there is practically no quantitative data available on actual adoption of technologies, actual changes in crop and livestock production, or actual changes in household income.

56. Notwithstanding this fact, PCR re-calculations, based on the estimated numbers of total beneficiaries, as well as on data available in official reports and observations of results in the field, suggest that the actual economic return for the programme is more likely to be between a negative 5.3 per cent and a positive 7.0 per cent. The SANReMP post-appraisal report depicts four scenarios for potential benefits as follows: (i) best-case scenario, where all 17,700 direct and indirect beneficiaries increase production; (ii) 50 per cent increase in production for all 17,700 beneficiaries; (iii) production increases only for the 6,700 direct beneficiaries; and (iv) worst-case scenario, where only the 6,700 direct beneficiaries have 50% increase in production. Hence, ERR estimates range from 16.9 per cent for the best-case to 7.0 per cent for the second-case, 3.5 per cent for the third-case and 5.3 per cent for the worst-case scenario.
57. The financial analysis for crop and livestock enterprises that have potential as market-oriented activities, namely piggery, poultry and vegetable production, suggests that such activities can be viable and provide acceptable returns to farmers. However, these activities require substantial outlay of cash to buy commercial inputs, as well as a high degree of skills and commitment on the side of the farmers. The experience under SANReMP is that the majority of the beneficiaries, especially subsistence and below-subsistence farmers, did not possess the necessary resources and skills to make these more demanding activities a full success.
58. The loan provided to the Government of Lesotho for SANReMP became effective five months following IFAD's Executive Board approval, which is faster than IFAD's global average (12.3 months). Notably, there were no extensions of the loan closing date. At mid-term, the programme reached a disbursement rate of 57 per cent, while at programme closing the rate was 95 per cent. The PCR also notes that procurement was generally slow, although this fact did not affect greatly programme implementation.
59. Based on the above, the rating of the overall programme efficiency is moderately unsatisfactory (3).

B. Rural poverty impact

60. The measurable evidence on rural poverty impact is limited. The programme's monitoring and evaluation system did not cater for relevant detailed data, e.g. household income, animal (wool, mohair, meat) and crop/fruit tree yields per household, beneficiary employment. The performance data reported by the PCR is limited to outputs of activities that were supported directly by the programme, such as demonstrations, areas of reseeded degraded rangelands and pastures, number and area of homestead gardens, seed multiplication and nurseries and number of pigs, poultry, rams and bucks that were distributed to beneficiaries. Records and data from beneficiary activities are generally lacking, making the assessment of the programme progress and achievements problematic. The majority of indicators included in the programme's logical framework, particularly those of second and higher level programme results and outcomes that reflect real impact, are missing from the PCR.
61. In the context of the SANReMP, a baseline survey was conducted in 2005, based on 579 randomly selected households; then, between July-August 2011 an impact assessment study was conducted, based on 136 SANReMP beneficiaries. The impact study does not link its data to the baseline survey and does not offer quantitative analysis, comparing the before-and-after programme situation. Furthermore, the impact study did not make use of control group data. Neither the PCR nor the impact study provide any quantitative data or analysis on any of the five domains on which IFAD-funded projects /programmes are likely to have an impact on rural poverty, that is, household income and assets, human and social

capital and empowerment, food security and agricultural productivity, natural resources, the environment and climate change, and institutions and policies.

62. The absence of measurable data does not imply that SANReMP did not achieve impact. The programme's contribution to agricultural activity, human capital improvement and rural income was evident. The PPA mission confirmed through many interviews the visibility and importance of the programme's footprint. Further impact evidence (indication) is presented below.
63. **Household income and assets.** There is evidence that the programme has contributed to an increase in the number of livestock per beneficiary household. The impact assessment survey of 2011 reports that the interviewed beneficiaries owned, on average, 5.3 cattle, or 34 sheep, or 22-23 goats, or 2.1 horses, or 2.3 donkeys, or 2-3 pigs or 12 chicken as opposed to an average of 4 cattle, 9 sheep, 9 goats, 1-2 horses, 2 donkeys, 1-2 pigs and 7-8 chicken in 2005. The impact assessment survey reports, also, that there has been an increase in the percentage of people owning gas stoves and radios, ranging from 25.6 and 49.0 per cent respectively in 2005 to 57.1 and 75.6 per cent in 2011; also, access to land has risen from 86 per cent in 2005 to 88.9 per cent in 2011. There has also been a notable impact in terms of quantity and quality of wool and mohair produced which is reflected in income increases and on the level of farmers' satisfaction. In particular, farmers in close proximity to the constructed woolsheds indicated that they no longer had to travel long distances to take their animals for shearing. During the mission's field visits, programme beneficiaries confirmed that they had an increase in their income deriving from the sales of vegetables, eggs, chicken, pigs, wool and mohair. It is worth noting that household income should improve in subsequent years with anticipated yields from new fruit tree establishments, vegetables and other high-value crops, and from the up-grading and improved nutrition of livestock.
64. Given the incomplete evidence, the rating for household income and net assets is rated moderately satisfactory (4).
65. **Human and social capital and empowerment.** Human assets are capital 'embodied' in people and include the nutritional status, health and knowledge of people. The programme has supported the enhancement of capacities of community committees and beneficiary associations (Village Water and Health Committees, Grazing Associations, Range Management Associations and Wool and Mohair Growers Associations) through the participatory community planning; it has also fostered linkages amongst producers and government staff, and key players in value chains. Group formation is a process of educating and encouraging members to work together to take advantage of economic opportunities. People learn about business and social interaction. The gains of these groups extend beyond a project/programme period, as members build relationships and trust that help them interact both socially and in business. The fact that the capacity of Wool and Mohair Growers Associations and the Grazing Associations was strengthened, and that these are now providing farmers with technical advisory services and market linkages, is a firm step towards rendering these services embedded and sustainable. The programme has trained, built capacities and imparted knowledge to farmers in the use of high value vegetables and fruit trees, and improved the handling/management of animals. Beneficiaries are also benefitting from better access to water through the construction of roof water harvesting tanks.
66. The PPA noted that capacity-building activities have promoted to some degree the empowerment and active engagement in social and economic decision making of associations' management committees and its members. This in turn has led to better production standards and technologies, strengthening the institutional supply chain set up, and to the social development of rural households. These

achievements show in part a positive impact of the programme on social capital and empowerment of the poor to exploit potential economic opportunities.

67. Based on the above, the rating for human and social capital empowerment is rated moderately satisfactory (4), in line with the rating provided by PMD.
68. **Food security and agricultural productivity.** The SANReMP has contributed to improving the production and productivity of crops and livestock in the programme area through training of farmers and on-farm demonstrations, along with the distribution of inputs and farm implements. The programme's support in the establishment of homestead /keyhole gardens and the large number of distributed fruit tree seedlings should eventually lead to a sustained increase in agricultural production and/or productivity with significant impact in the livelihood conditions for the rural poor in the disadvantaged areas. The PPA field observations identified strong anecdotal evidence that household food security has benefited from programme activities, particularly fruit trees, crops, vegetables, poultry, pigs and sheep and goats.
69. The PCR provides evidence taken from the 2011 impact assessment survey, mainly percentages on beneficiary opinions, about the extent to which SANReMP has made a difference to improved household food security and incomes. Amongst the 87 per cent of the interviewees who were found to be aware of what SANReMP was, the majority indicated that they have benefitted by being supplied with livestock (28 per cent), or by receiving garden tools (26 per cent), or by making a profit through selling pigs, chickens, and eggs (14 per cent). The PCR concludes that the beneficiaries rated, overall, their food security situation very positively, and felt that SANReMP has helped them to increase crop and livestock production, with the impact on livestock production being rated higher than the impact on crop production.
70. Overall, the rating for this criterion is satisfactory (5).
71. **Natural resources, the environment and climate change.** Measures implemented by the programme to reclaim gullies and degraded areas, rehabilitate pastures and rangelands in the various agro-ecological zones, and establish community woodlots have promoted conservation agriculture and contributed positively towards improving the environmental quality in the programme area. By harvesting and storing water for use by the different interest groups, and by improving overall rangelands, pastures and fodder production, the programme has achieved some positive impact on direct increase of soil fertility, reduced soil erosion and on improving farmers' awareness on protecting natural resources and the environment. It has also achieved to some extent some positive impact on strengthening smallholders' capacity to integrate various natural resource management modalities, leading to a more efficient use of the existing natural resources. The focus of the programme on promoting diversity of livelihoods has enabled the target group, to some extent, to respond more resiliently to challenges of climate change.
72. The rating for the natural resources, the environment and climate change criterion is moderately satisfactory (4).
73. **Institutions and policies.** Programme implementation was carried out by established government institutions, mainly staff from the MAFS for Component A and staff from the MFLR for Component B, whilst both Ministries were responsible for the implementation of activities under Component C. The programme has not created any new institutions, with utmost consideration given to the use of all available local, districts and central institutions and their cadres, ranging from the local chiefs and district administrators to the various ministries and agencies in Maseru. The responsibility for SANReMP implementation was decentralized, with the District Agricultural Officers (DAOs) and the district coordinators of the MFLR

acting as programme managers at district level. Furthermore, the programme supported and strengthened numerous associations and committees to provide a variety of services to their members and serve their interests in a collective fashion, notwithstanding the fact that SANReMP was not well integrated in Government operations due to poor ownership and poor coordination amongst the central and district-level institutions.

74. The rating of the institutions and policies is moderately satisfactory (4), higher than the moderately unsatisfactory (3) self-rating by PMD.
75. **Overall rating for rural poverty impact.** The overall rating for rural poverty impact, accorded by this PPA, is moderately satisfactory (4), same as self-rating by PMD.

C. Other performance criteria

Sustainability

76. Given the general lack of quantitative data, the PCR does not provide an overall assessment of sustainability, but suffices to provide a 'learned guess' on whether or not individual activities covered by the programme will have an opportunity of being sustainable in the future. Overall, the PPA concurs with the PCR that several programme interventions may, in fact, be not sustainable.
77. **Economic sustainability.** In terms of uptake or replication of improved crop husbandry, the PCR states that such activities are not sustainable. The same is true for most of the group-based activities. Out of the seven community gardens, only three were operational at programme completion. With regard to irrigation schemes, only one is expected to continue operations, although maintenance of such scheme is to be provided by the related farmers' organization, which the PCR recognizes as being weak. On the other hand, vegetable and fruit production, post-harvest processing and nurseries run by individual households appear to have a higher degree of continuing in the future.
78. With respect to livestock, raising dual purpose chicken appears to be a sustainable activity; however the actual sustainability of dual purpose chicken 'enterprises' established under SANReMP is low. Broilers, layers and pigs have potential for success as commercially-oriented activities only for those farmers whose selection included adequate consideration of capacity and motivation. The wool and mohair improvement activities, which increased efficiency of clip preparation and reduced marketing costs, have good potential for sustainability. There is evidence that farmers will increasingly start developing the skills to enter into higher value crops and marketing chains, and farming will begin to move from being generally subsistence-oriented to become increasingly business-oriented.
79. With regard to the newly constructed ARCs, being of good quality, these should last for some time; however the PPA mission noted that the related operation and maintenance systems are weak, a fact that will eventually affect sustainability.
80. **Institutional sustainability.** The programme has not created any new institutions and therefore, the risk of institutional sustainability is not a major issue. On the contrary, use was made of all available local, district and central institutions and their cadres. Programme implementation was carried out by staff from the MAFS for Component A, and by staff from the MFLR for Component B, whilst both Ministries were responsible for implementation of activities under Component C. As previously stated in the report, the responsibility for SANReMP implementation was decentralized, with the District Agricultural Officers (DAOs) and the district coordinators of the MFLR functioning as programme managers at district level. Government staff did not take full ownership of the programme as this was understood as a separate, donor-funded programme, not well integrated in government operations, which resulted into poor coordination amongst the central and district-level institutions.

81. **Social sustainability (Empowerment).** The programme has supported the enhancement of capacities of community committees and beneficiary associations (Grazing Associations, and Wool and Mohair Growers Associations) through the participatory community planning processes and fostered linkages amongst producers and Government staff, and value chain actors. Capacity-building for the Grazing Associations and Committees was in the form of workshops and study tours to associations in other parts of Lesotho that are still showing institutional strength and resilience. The training included ecological and social issues associated with range management; it also included a component of book keeping, introducing the trainees to range and livestock management as a business. For the Grazing Associations that are registered, the next step is to obtain a Form C for the rangeland which would give to them title and authority over the land demarcated for use by the Grazing Association. The fact that the capacity of Wool and Mohair Growers Associations and the Grazing Associations was strengthened, and that these are now providing farmers with technical advisory services and market links, is a firm step towards rendering these services embedded and sustainable. By making investments in the construction of new, and the rehabilitation of, existing woolsheds, which includes a basic market linking infrastructure, the programme has emphasized the notion of beneficiary ownership, thus creating public interest in their long-term continuity.
82. **Environmental sustainability.** Measures implemented to reclaim gullies, rehabilitate grazing land in all the agro-ecological zones, promote conservation agriculture and harvest and store water for use by the different interest groups contributed positively towards improvement of the environment in the programme area. Rangeland reseeding and implementation of structural measures to reduce erosion and sedimentation have potential to improve the quality of the rangelands and contribute to the increase in the vegetation cover and the biomass, hence the build-up of the soil depth and moisture holding capacity of the soil. Their sustainability will much depend on how capacity-building activities have sensitized communities. Sustainability increases where farmers see direct benefits, whereas activities seen as public works have a lower degree of sustainability. Reseeding of degraded areas is more sustainable on land that is managed by Grazing Associations than in open communal grazing areas. The stress of the programme on promoting diversity of livelihoods enables the target group to respond more resiliently to the challenges of climate change. Sustainability is further ensured by strengthening the smallholder capacity in the integration of various natural resource management modalities, which leads to a more efficient use of the existing natural resources. The programme contributes to environmental sustainability by ensuring that all programme activities and inputs are screened from an environmental perspective by the relevant authorities.
83. **Exit strategy.** The fact that the Wool and Mohair Grower Associations and the Grazing Associations are now providing farmers with technical advisory services and market links is a firm step in rendering these services embedded and sustainable. Training of the extension service staff, including agricultural assistants, area technical officers and subject-matter specialists, was carried out to increase their technical competence so that they can be more effective in implementing SANReMP activities and continue to provide effective services to the target group following programme completion.
84. **Overall rating for sustainability.** The rating for sustainability is moderately satisfactory (4), higher than the moderately-unsatisfactory (3) self-rating by PMD.
- Innovation and scaling up**
85. The programme introduced a number of innovative approaches with mixed results. PPA mission noted that irrigated agriculture is a priority for Government, given the poor performance of rainfed agriculture. Under SANReMP, two approaches of small-scale irrigation have been tried: setting up two small irrigation systems to provide

water for community gardens of about 0.5 ha each; and one larger scheme covering 37 ha for production by individual farmers. One of the two community gardens is showing success, and the larger scheme, using gravity-fed sprinklers, is operational. The introduction of low-pressure, gravity-fed irrigation systems in the districts, is an innovation which has a potential for replication and scaling-up at community and individual level.

86. Fruit production in Lesotho is still in its infancy, as most fruits are imported from the Republic of South Africa. The programme has introduced new varieties for fruit production and has trained farmers in fruit tree management. The results have been mixed, showing problems in some activities (water, nutrients, management), and promising results in others. Conservation farming is another innovative technology introduced by the programme; however, evidence of uptake is minimal.
87. Roof water harvesting tanks are not a new concept in IFAD-funded operations, and under SANReMP they have been promoted as an integral part of the homestead farming system, in particular for horticultural production. This intervention could be scaled up, but requires further development. The establishment of tree-seedling nurseries with programme support and their operation as privately-owned enterprises has been a reasonably successful new approach. This concept should also be developed further and be scaled up.
88. Pasture reseeding on a larger scale, as an integrated approach with community participation and with a strong element of capacity-building, is a new approach. Ensuring that the entire communities understand the benefits of better quality grazing areas, and accept maintenance measures to be enforced through continuous monitoring of the condition of the pasture and the types of grazers, could also be considered for scaling up.
89. According to PPA mission observations, the livestock package, which combines construction of better designed shearing sheds, or rehabilitation of existing woolsheds, with the distribution of rams and bucks to associations for genetic improvement, along with the training of shearers and classers, is a very successful innovation. This has the potential to improve animal handling during shearing, the quality of wool and mohair, and the efficiency of woolshed operations, lowering costs and increasing returns. Similarly, the training of community animal health workers (CAHWs) in combination with supplying them with an initial kit has been an innovation, with indications that these people make a positive difference as first-line animal health service providers.
90. The PPA rating for this criterion is moderately satisfactory (4), same as the self-rating by PMD.

Gender equality and women's empowerment

91. Gender equality and women's empowerment was not a focus area for the SANReMP. There exists in Lesotho¹¹ a distinct division of labour between men and women based on culture, which the programme has not attempted to change so as to increase the involvement of women in activities other than those culturally acceptable. Under customary law, women cannot conclude legally binding contracts without the consent of a male relative. The programme only ensured that women had equal opportunity for access to the knowledge and technology disseminated and to programme resources.
92. The PCR reports that an estimated 60 per cent of the direct beneficiaries were women, of which 54.3 per cent were engaged in crop-related activities, 28.7 per cent in livestock-related activities, and 17.0 per cent in NRM-related activities. The gender break-down of indirect beneficiaries is not available. Indeed, women were mostly involved in the implementation of activities, that are culturally acceptable to

¹¹ Post-appraisal report.

them, such as homestead gardens, poultry, piggery, water harvesting, handicrafts. This exceptionally high percentage of women participation cannot be considered intentional, as the programme has not made any express effort to achieve it. It simply reflects the prevailing situation in the country where women are highly active in the daily running and the survival of the households. The PPA mission witnessed in its field visits the higher participation of women than men in group beneficiary meetings. The PPA mission was also informed that women comprised a high percentage of the membership of grazer and other associations, including their management committees, although related statistics were not available.

93. The rating of this criterion is moderately satisfactory (4), in line with the self-rating by PMD.

Key points

- **Relevance** – SANReMP objectives were relevant to Lesotho’s strategic priorities, IFAD’s country strategy and the beneficiary needs. At the same time, there were design deficiencies, mostly related to human resource constraints, qualification and skills of staff engaged in extension services, the lack of transport facilities, the quality of existing resource centres and failure to provide any criteria in terms of matching appropriate interventions with the capacity and interest of selected beneficiaries.
- **Effectiveness** – SANReMP has yielded, overall, mixed results, skewed more on the negative side. On the positive side, the programme offered extensive training of farmers on a variety of subjects, although not very effective, supported the establishment of key-hole and homestead gardens, establishment of irrigation systems, reseeded of pastures and rangelands, and distributed improved seeds, seedlings, poultry, pigs, rams and bucks in combination with inputs and training.
- **Efficiency** – Crop and livestock enterprises that have potential as market-oriented activities, namely piggery, poultry and vegetable production can be viable and give acceptable returns to farmers, but require substantial outlay of cash to buy commercial inputs, as well as a high degree of skills and commitment on the side of the farmer.
- **Impact** – Despite the absence of measurable data, there is evidence of some degree of impact on agricultural activities, human capital improvement, food security and rural income. The programme has trained, built capacities and imparted knowledge to farmers, producer associations and committees in the use of high value vegetables and fruit trees, increased animal production and improved handling/management.
- **Sustainability** – SANReMP’s core productive activities, including vegetable and fruit production, post-harvest processing and nurseries, broilers, layers, pigs, wool and mohair improvement activities run by individual households, or beneficiary associations with commercial orientation, have some potential for continuing in the future.
- **Innovation and scaling up** – SANReMP has introduced a number of innovative activities, e.g. low-pressure, gravity-fed irrigation systems, fruit production, pasture reseeded, shearing sheds and training of wool and mohair shearers, classers and CAHWs with potential for replication and scaling up at community and individual level.
- **Gender equality and women’s empowerment** – Gender equality and women’s empowerment was not a focus area for SANReMP and was not mainstreamed in programme activities in any of its stages (from inception to completion). Thus, its high 60 per cent score of women participation in the programme’s activities is quite remarkable.

D. Performance of partners

94. **IFAD.** The Fund designed a programme which was in line with the policies and strategic objectives of the Government of Lesotho as well as with the COSOP of 1999. However, closer attention should have been devoted to the country context, particularly the capacity of Government, central and district staff, to successfully implement the programme. As of July 2008, IFAD assumed the responsibility of direct supervision of SANReMP and has been effective in providing the necessary

supervision support on a yearly basis and timely resolution of disbursement issues. At the same time, IFAD should have provided a larger degree of support to resolve the poorly performing M&E system, as well as other implementation issues. The PPA mission concurs with the rating of moderately satisfactory (4) for IFAD performance accorded by PMD.

95. **Government.** The PPA concurs with the PCR assessment that the main cause for the poor programme performance has been a lack of ownership: the SANReMP, although entirely dependent on government institutions for implementation, was nevertheless viewed as a separate, donor-funded programme not well-integrated in Government operations. Notably, there was a lack of support between the districts and higher level entities, and between the districts and staff in the field. The performance of the Department of Agricultural Research has been below expectations. Various research and demonstration activities have been carried out, including some on-station and other on-farm in the districts; however there have not been any research results that have enhanced SANReMP implementation. The required full-fledged commitment by staff at all levels that is a necessary condition for success was not always present in SANReMP implementation due, among others, to frequent staff transfers and the involvement of key staff in other Government programmes. The Programme Management Committee - the highest coordinating body - held regular meetings and the Government of the Kingdom of Lesotho target contribution was exceeded by about US\$2.3 million, which reflects serious commitment by the Government to the programme; however, it has not been effective in resolving key coordination issues, such as poor involvement of the Department of Agricultural Research, low performance of the Ministry of Home Affairs, and disagreement between the MAFS and the MFLR, regarding approaches to land and water management. There have been, also, significant delays in the procurement process, the submission and the quality of financial statements, the preparation of satisfactory Annual Work Plan and Budgets and the disbursement of funds at the district level. The PPA rates government performance moderately unsatisfactory (3).

E. Overall project achievement

96. Available performance data is limited to outputs of activities that were supported directly by the SANReMP, such as demonstrations, areas of reseeded rangelands and pastures, number and area of homestead gardens, seed multiplication and nurseries and number of pigs, poultry, rams and bucks that were distributed to beneficiaries. Records and data from beneficiary activities are generally lacking, making the assessment of the programme progress and achievements problematic. Based on the assessments of the three core programme performance criteria (relevance, effectiveness and efficiency), the programme has yielded, overall, mixed results, skewed more on the negative side. Poor implementation performance by central and district-level institutions appears to have been caused, among others, by lack of ownership, with SANReMP being viewed as a separate, donor-funded programme that was not well-integrated in government operations. Overall rating for SANReMP performance by this PPA is moderately satisfactory (4).

IV. Conclusions and recommendations

A. Conclusions

97. **Successful implementation requires ownership and proactive and committed Management and improved staff capacity at all levels.** National level coordination mechanisms and district level management should provide guidance to the programme, and be proactive in ensuring well-integrated implementation of programme components, addressing issues that cause slow progress with the implementation of planned activities at field level. Successful implementation requires: (i) a good understanding of the programme on the part of implementers, the objectives, strategies, expected results, and the role they

have to play; (ii) ownership and technical competence on aspects of crop and livestock production to provide effective support to farmers; (iii) adequate resources and mobility; and (iv) a proactive management.

98. **Market-oriented production and market linkage require more attention.** Higher investments, for example in water supply or piggery, require higher returns and cash income to recover the investment costs and be able to pay for inputs and other operational costs. Interventions and production systems should be selected based on the viability of enterprises, taking into account location, access and affordability of inputs, market access and the capacity of beneficiaries. For crops, the focus should be on year-round production of higher-value crops. A broader set of possible livestock interventions should be considered at the design stage.
99. **Serving a diverse target group requires carefully differentiated interventions.** Targeting can be carried across the spectrum of the target group, including landless and (below) subsistence farmers. However, the more variation there is within the target group, the more complicated the implementation becomes, as programme interventions must match the level of resources, skills, and interest of the different segments of the broader target group. Under SANReMP, most interventions were standard and not carefully matched to the correct beneficiaries. The focus on (below) subsistence households therefore became one of the major issues of SANReMP, and as a result many activities were not sustained. The most successful activities have been those that were identified by individuals or the community themselves; those where people were already trying to improve production by themselves before receiving external support; activities that are part of the existing farming system or that can easily blend with the existing farming system; and activities that demonstrate positive results within a short period of time.
100. **M&E remained weak throughout programme implementation.** There has practically been no quantitative data available on actual adoption of technologies, actual changes in crop and livestock production, or actual changes in household income from the programme's M&E system. The majority of indicators included in the programme's logical framework, particularly those of second and higher level results and outcomes that reflect real impact were not used, nor followed up.

B. Recommendations

101. **Institutional framework should ensure ownership at all levels.** Although programme implementation was carried out by established government institutions, ranging from the local chiefs, district administrators to the various ministries and agencies in Maseru, the SANReMP was not well integrated in government operations due to poor ownership and poor coordination amongst the central and district-level institutions. Efforts made to integrate land and water activities with crop and livestock production had limited success due to poor coordination between the MAFS and the MFLR. In order for an innovative framework to work, it should be accompanied by appropriate support and capacity-building for all the stakeholders and be continuously followed up.
102. **Cost sharing and beneficiary contributions must be clearly defined, enforced and recorded.** In order to ensure the sustainability of services following programme completion, it is advisable to institute cost sharing principles and user fees from the outset of implementation, to the extent possible. The enforcement and the keeping of records for beneficiary contributions assist farmers to take ownership and responsibility for the assets they receive. The strict application of full cost recovery for services may encourage beneficiaries to form groups or associations to facilitate the provision of services.
103. **Future IFAD operations in Lesotho should support market linkages and value chain approach.** Marketing under the SANReMP was touched upon very slightly, mostly in connection with the wool and mohair growers associations.

Analysis of market opportunities should be carried out before investing in production systems, and training on business and marketing aspects should complement production-oriented training. Long-term success requires not only improved on-farm productivity but also opportunities for farmers to have access to, and compete in, output markets. Future IFAD supported interventions need to provide institutional support for various marketing activities at several levels, including assistance to farmer groups, members of groups or entrepreneurs for establishment and initial operation via credit of marketing associations of agricultural produce or purchase of inputs, private small and medium scale processing plants, equipped with storage facilities and quality testing. Development interventions that support market linkages and the value chain approach can stimulate diversification and investments that would lead to availability of market produce and the strengthening of rural enterprises. They would, further, bring closer the rural entrepreneurs and PFIs and would contribute to the development of efficient schemes that will incorporate technical support, financing, management and quality control.

104. **Rural financial services.** The lack of short- and medium-term finance is a serious constraint to the access of inputs on which increased productivity is largely dependent. Landless and poor farmers need to rely on credit opportunities for on-farm investments and off-farm income generation. The absence of a credit component from SANReMP design exacerbated the lack of cash for the poor beneficiaries and discouraged any on-farm and off-farm investments. Therefore, the availability of a rural financial services delivery system is an important tool for poverty reduction.
105. **IFAD visibility.** SANReMP productive resources were spread too thinly so that programme visibility is not easily seen. Local capacity-building absorbed 73.9 per cent of the total actual expenditure, followed by Agricultural Diversification and Intensification with 18.8 per cent and Land and Water Management with 7.3 per cent of total expenditure. The most expensive operation of the programme was the construction of ARCs that absorbed some 31 per cent of total programme costs. Given the role played by agriculture in household incomes, the allocation of funds to agricultural activities, livestock and crops, was definitely low; furthermore, these meagre resources were dispersed in a rather large programme area. IFAD's activities in Lesotho are not well-known to the programme beneficiaries and clients, let alone the general public. In future, IFAD's operations in Lesotho could benefit from a more proactive communication and dissemination strategy, and resources should be invested in a manner that would enhance IFAD visibility in the country.
106. **Effective M&E system is a key success factor.** An effective M&E system needs to feed continuously programme management with operational, financial and other information on programme performance in order to take timely appropriate management decisions. Lack of monitoring data makes it difficult to determine what progress is made against the work plans; and poor data capture and progress reporting in the field results in many gaps on the data on programme results. Developing efficient and effective monitoring systems should begin at programme start-up, with the help of external specialists. Baseline and impact studies must be conducted in a timely fashion and be clearly interlinked. District staff should be provided appropriate training, including record keeping and report writing, as well as on requirements regarding data collection, analysis and submission.

Rating comparison

| <i>Criteria</i> | <i>IFAD-PMD rating^a</i> | <i>PPA rating^a</i> | <i>Rating disconnect</i> |
|---|------------------------------------|-------------------------------|--------------------------|
| Programme performance | | | |
| Relevance | 4 | 5 | 1 |
| Effectiveness | 4 | 4 | 0 |
| Efficiency | 3 | 3 | 0 |
| Project performance^b | n.a. | 4 | n.a. |
| Rural poverty impact | | | |
| Household income and assets | 4 | 4 | 0 |
| Human and social capital and empowerment | 4 | 4 | 0 |
| Food security and agricultural productivity | 5 | 5 | 0 |
| Natural resources, environment and climate change | 4 | 4 | 0 |
| Institutions and policies | 3 | 4 | 1 |
| Rural poverty impact^c | 4 | 4 | 0 |
| Other performance criteria | | | |
| Sustainability | 3 | 4 | 1 |
| Innovation and scaling up | 4 | 4 | 0 |
| Gender equality and women's empowerment | 4 | 4 | 0 |
| Overall project achievement^d | 4 | 4 | 0 |
| Performance of partners^e | | | |
| IFAD | 4 | 4 | 0 |
| Government | 3 | 3 | 0 |
| Average net disconnect | | | 0.21 |

^a Rating scale: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory; n.p. = not provided; n.a. = not applicable.

^b Arithmetic average of ratings for relevance, effectiveness and efficiency.

^c This is not an average of ratings of individual impact domains.

^d This is not an average of ratings of individual evaluation criteria but an overarching assessment of the project, drawing upon the rating for relevance, effectiveness, efficiency, rural poverty impact, sustainability, innovation and scaling up, and gender.

^e The rating for partners' performance is not a component of the overall assessment ratings.

Basic programme data

| | | | Approval (US\$ m) | | Actual (US\$ m) | |
|---|---|--|-------------------------------------|-----|-----------------------------------|-------|
| Region | East and Southern Africa | Total project costs | 12.0 | | 14.29 | |
| Country | Kingdom of Lesotho | IFAD loan and percentage of total | 10.1 | 84% | 9.8 | 72.1% |
| Loan number | 641-LS | Borrower | 1.7 | 14% | 3.9 | 27.9% |
| Type of project (subsector) | Agricultural development | Cofinancier 1 | n.a. | | | |
| Financing type | E ^a | Cofinancier 2 | | | | |
| Lending terms ^b | Highly concessional | Cofinancier 3 | | | | |
| Date of approval | 2 December 2004 | Cofinancier 4 | | | | |
| Date of loan signature | 17 December 2004 | Beneficiaries | 0.2 | 2% | n.a | n.a. |
| Date of effectiveness | 23 May 2005 | Other sources: | None | | | |
| Loan amendments ^c | 16-July 2008 10-August 2009 08-October 2010 | Number of beneficiaries: (if appropriate, specify if direct or indirect) | 17,700 rural households (HH) | | Direct: 6,700 Indirect: 11,000 | |
| Loan closure extensions | None | Cooperating institution | UNOPS (till July 2008) ^d | | | |
| Country programme managers | 2 ^e | Loan closing date | 31 December 2011 | | 31 December 2011 | |
| Regional director(s) | I. de Willebois | Mid-term review | | | February 2008 | |
| Project completion report reviewer | M. Keating | IFAD loan disbursement at project completion (%) | | | 95% | |
| Project completion report quality control panel | A-M. Lambert K. Atanesyan | Date of project completion report | | | January 2012 | |

Source: Report and Recommendation of the President EB 2004/83/R.19/Rev.1; Project Completion Report, January 2012; Project Status Report (PSR); Project Portfolio Management System (PPMS).

^a IFAD-initiated and exclusively financed: financing from IFAD and domestic sources, including government, local private sector, local NGOs and local financial intermediaries.

^b There are four types of lending terms: (i) special loans on highly concessional terms, free of interest but bearing a service charge of three fourths of one per cent (0.75%) per annum and having a maturity period of 40 years, including a grace period of 10 years; (ii) loans on hardened terms, bearing a service charge of three fourths of one per cent (0.75%) per annum and having a maturity period of 20 years, including a grace period of 10 years; (iii) loans on intermediate terms, with a rate of interest per annum equivalent to 50% of the variable reference interest rate and a maturity period of 20 years, including a grace period of 5 years; (iv) loans on ordinary terms, with a rate of interest per annum equivalent to one hundred per cent (100%) of the variable reference interest rate, and a maturity period of 15-18 18 years, including a grace period of three years.

^c The first amendment concerned the change of programme supervision from Cooperating Institution (UNOPS) to IFAD direct supervision; the second amendment concerned changes in the IFAD Procurement Guidelines; the third amendment concerned the re-allocation of funds between expenditure categories.

^d In 2008 IFAD introduced direct supervision and managed the supervision arrangements until project closure.

^e Mr J. Gicharu (2004-2007); and Ms F. Nakai (2007-January 2012).

Terms of reference

I. Background

1. The Independent Office of Evaluation of IFAD (IOE) will undertake a project performance assessment (PPA) of the Sustainable Agriculture and Natural Resource Management Programme (SANReMP) in Lesotho in 2013. In general terms, PPAs are project-level evaluations aiming at: (i) Providing an independent assessment of the overall results of projects; and (ii) Generating findings and recommendations for the design and implementation of ongoing and future operations within the country.
2. A PPA is conducted as a next step following a project completion report validation (PCRv), with the aim of providing additional evidence on project achievements and validating the conclusions of the project completion report (PCR). Both PCRvs and PPAs are conducted by IOE. PCRvs essentially consist of independent desk reviews of PCRs, and other available and relevant project documentation. A PPA includes a country visit to complement the PCRv findings, and to fill any knowledge and information gaps identified in the PCRv.
3. **Country context.**¹ Lesotho is a small mountainous, landlocked country with a population of about two million people. The land area is 30,000 sq. km, with only about 25 per cent of the country's landmass having an agricultural potential and most of it is severely degraded.
4. Since 1980, there has been good economic growth in general, with a gross domestic product growth rate of 3.7 per cent in 2011 and 4 per cent in 2012. The economy of Lesotho mainly relies on agriculture, manufacture and mining, and depends heavily on inflows from workers' remittances and from the Southern Africa Customs Union (SACU). At the same time, despite its middle-income status, Lesotho still has one of the highest levels of inequality, with about 60 per cent of the population living below the poverty line of US\$1.5 per day. Moreover, Lesotho has the third highest HIV rate among adults in the world, at 23.6%. According to UNAIDS 2012 estimates, 360,000 people are living with HIV, of which 38,000 are children. Life expectancy at birth has declined by more than 20 years to 41 years over the past decade.
5. **Programme overview.** The Sustainable Agriculture and Natural Resource Management Programme (SANReMP) was the sixth IFAD-funded project in Lesotho. It was approved by the IFAD Executive Board in December 2004, and implemented over a six-years period, from May 2005 to June 2011. The programme's rationale was to place appropriate emphasis on investments in agriculture, underpinned by a participatory planning process, as the most suitable approach to sustainable rural poverty reduction.
6. The overall goal of SANReMP was to improve food security, family nutrition and incomes for households in the programme area.² More specifically, the purpose of the programme was to secure the sustained increase in agricultural production and productivity through investments that shall: (i) promote the effective delivery of core support services responsive to the needs and priorities of poor rural households; (ii) promote agricultural diversification and intensification with due attention to sustainable natural resource use and management; (iii) strengthen institutional capacity of the decentralized district administrations as the focal points for programming, implementation, monitoring and evaluation; and (iv) empower local communities through Participatory Community Planning (PCP) processes.

¹ <http://www.worldbank.org/en/country/lesotho/overview>

² The programme area was defined as the administrative districts of Mafeteng, Mohale's Hoek and Quthing, in the south of the country.

7. As per design, the programme consisted of the following components and sub-components:
 - (i) Agricultural diversification and intensification (21 per cent of total programme costs), including: (a) improved crop production; (b) improved livestock production; and (c) agricultural research;
 - (ii) Land and water management (10 per cent of total programme costs), including: (a) participatory community planning; (b) soil and water conservation; and (c) improved range management.
 - (iii) Local capacity-building (69 per cent of total programme costs), including: (a) district support services; (b) community development; (c) extension strengthening; and (d) district offices.
8. Programme implementation was carried out by governmental institutions, namely selected staff from the Ministry of Agriculture and Food Security (MAFS) and from the Ministry of Forestry and Land Reclamation (MFLR). The responsibility for the SANReMP implementation was decentralized, with the District Agricultural Officer (DA) and the District Coordinator (DC) of the MFLR as programme managers at district level. At national level, a Programme Management Committee (PMC) has been responsible for overall direction and coordination of the programme. The Programme Coordination and Management Unit (PCMU) in Maseru was responsible for the flow of funds and internal controls to ensure the effective utilization of the programme resources.

II. Scope and methodology

9. The PPA exercise will be undertaken in accordance with IFAD's Evaluation Policy,³ Evaluation Manual⁴ and Guidelines for PCR/PPA.⁵
10. **Scope.** In view of the time and resources available, the PPA is generally not expected to undertake quantitative surveys or to examine the full spectrum of project activities, achievements and drawbacks. Rather, it will focus on selected key issues. The PPA will take account of the preliminary findings of the PCR/PPA based on a desk review and interviews at IFAD headquarters. During the PPA mission, additional evidence and data will be collected to verify available information and conduct an independent assessment of performance and results.
11. **Evaluation criteria.** In line with the evaluation criteria outlined in IOE's Evaluation Manual (2009), added evaluation criteria (2010)⁶ and Guidelines for PCR/PPA (January 2012), the key evaluation criteria applied in this PPA will include:
 - (a) **Relevance**, which is assessed both in terms of alignment of project objectives with country and IFAD policies for agriculture and rural development and the needs of the rural poor, as well as project design features geared to the achievement of project objectives.
 - (b) **Effectiveness**, which measures the extent to which the project's immediate objectives were achieved, or are expected to be achieved, taking into account their relative importance.
 - (c) **Efficiency**, which indicates how economically resources/inputs are converted into results.
 - (d) **Rural poverty impact**, which is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions. Five impact domains are employed to generate a

³ <http://www.ifad.org/pub/policy/oe.pdf>

⁴ http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf

⁵ http://www.ifad.org/evaluation/process_methodology/doc/pr_completion.pdf. See annex IV for an extract from the guidelines, "Methodological Note on Project Performance".

⁶ Gender, climate change and scaling up. See annex II of the document found on the following link: <http://www.ifad.org/gbdocs/eb/ec/e/65/EC-2010-65-W-P-6.pdf>

composite indication of rural poverty impact: household income and assets; human and social capital and empowerment; food security and agricultural productivity; natural resources, environment and climate change; and institutions and policies.

- (e) **Sustainability**, indicating the likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.
 - (f) **Innovation and scaling up**, assessing the extent to which IFAD development interventions have introduced innovative approaches to rural poverty reduction and the extent to which these interventions have been (or are likely to be) replicated and scaled up by government, private sector and other agencies.
 - (g) **Gender equality and women's empowerment**. This criterion is related to the relevance of design in terms of gender equality and women's empowerment, the level of resources committed, and changes promoted by the project.
 - (h) **Performance of partners**, including the performance of IFAD and the Government, will be assessed on an individual basis, with a view to the partners' expected role and responsibility in the project life cycle.
12. **Data collection**. The PPA will be built on the initial findings of the PCRV. For further information, interviews will be conducted both at IFAD headquarters and in Lesotho. During the in-country work, additional primary and secondary data will be collected in order to reach an independent assessment of performance and results. The methods deployed will consist of individual and group interviews with programme stakeholders, beneficiaries and other key informants and resource persons, and direct observations. The PPA will also make use – where applicable – of additional data available through the programme's monitoring and evaluation (M&E) system. Triangulation will be applied to verify findings emerging from different information sources.
13. **Stakeholders' participation**. In compliance with the IOE Evaluation Policy, the main programme stakeholders will be involved throughout the PPA. This will ensure that the key concerns of the stakeholders are taken into account, that the evaluators fully understand the context in which the programme was implemented, and that opportunities and constraints faced by the implementing institutions are identified. Regular interaction and communication will be established with the East and Southern Africa Division (ESA) of IFAD and with the Government. Formal and informal opportunities will be explored during the process for the purpose of discussing findings, lessons and recommendations.

III. Evaluation process

14. In brief, the PPA will involve five phases: preparation; field mission; report-writing and quality assurance; comments and revision; and communication and dissemination.
15. **Preparation**. The lead evaluator is responsible for preparing the terms of reference (TORs) of the PPA and managing the evaluation process. The PCRV and further desk review provide initial findings and identify key issues to be investigated by the PPA. The draft PCRV will be peer-reviewed within IOE, and thereafter submitted to ESA for comments before the PPA mission leaves for Lesotho.
16. **Field mission**. The PPA field mission is scheduled for 6-16 March 2013. The evaluation team will interact with the Government, local authorities, NGOs, programme staff and clients (beneficiaries), and collect information from the

programmes' M&E system and other sources. At the end of the mission, a brief will be provided to partner ministry(ies), followed by a wrap-up meeting in Maseru, to summarize the preliminary findings and discuss the key strategic and operational issues to be considered in the PPA report.

17. **Report-drafting and quality assurance.** At the conclusion of field visit, a draft PPA report will be prepared and subsequently submitted to IOE internal peer review for quality assurance. [indicate peer reviewers?]
18. **Comments by ESA and the Government.** The PPA report will be shared with ESA and thereafter with the Government for comment. IOE will finalize the report following receipt of the Government's comments and prepare the audit trail.
19. **Communication and dissemination.** The final report will be disseminated among key stakeholders and the evaluation report published by IOE, both online and in print.

IV. Key issues for investigation

20. Based on desk review, a number of issues which would benefit from the PPA mission have been identified. These issues are proposed below but may be adjusted in the process based on the ESA comments on the draft PCRV or emerging issues based on additional information:
 - (a) **Effectiveness.** The PCR highlighted that the programme's monitoring data and impact study lacked of quantitative data on changes in production or yield levels. In addition, there is no evidence that the SANReMP has been effective in improving production of field crops under traditional rainfed farming or conservation farming systems, including fodder production. Reports only indicate small areas that were used for demonstrations, without data on uptake or replication. Over the years, missions found little or no result during field visits. Therefore, it would be worthwhile addressing this issue and obtain, if possible, updated information on this aspect.
 - (b) **Efficiency.** The PPA will assess the efficiency of programme investments for productive activities and civil works, as well as the programme's economic rate of return.
 - (c) **Rural poverty impact.** In the context of the SANReMP, a baseline survey was conducted in 2005, based on 579 randomly selected households; then, between July-August 2011, an impact assessment study was undertaken, based on 136 SANReMP beneficiaries. The impact study did not link its data to the baseline survey and did not offer a quantitative analysis, comparing the before-and-after programme situation. Neither the PCR nor the impact study have provided any quantitative data or analysis on any of the five domains on which IFAD-funded projects/programmes are likely to have an impact on rural poverty (household income and assets; human and social capital and empowerment; food security and agricultural productivity; natural resources, the environment and climate change; and institutions and policies). Therefore, the evaluation mission will focus, among others, in searching for evidence and updated information in order to assess the programme's impact mainly to agricultural activity, human capital improvement and rural income.
 - (d) **Gender equality and women's empowerment.** Gender equality and women's empowerment was not a focus area for the SANReMP. At the same time, the PCR reported that an estimated 60 per cent of the direct beneficiaries were women. The PPA will assess whether, how and to what extent the project may have contributed to gender mainstreaming and women's empowerment.

V. Evaluation team

21. Mr. Mark Keating, IOE Evaluation Officer has been designated as lead evaluator for this PPA and will be responsible for delivering the final report. He will be assisted by Mr. Avraam Louca (IOE consultant), who will participate in the PPA mission. Ms Lucy Ariano, IOE Evaluation Assistant, will provide research and administrative support.

Methodological note on project performance assessments

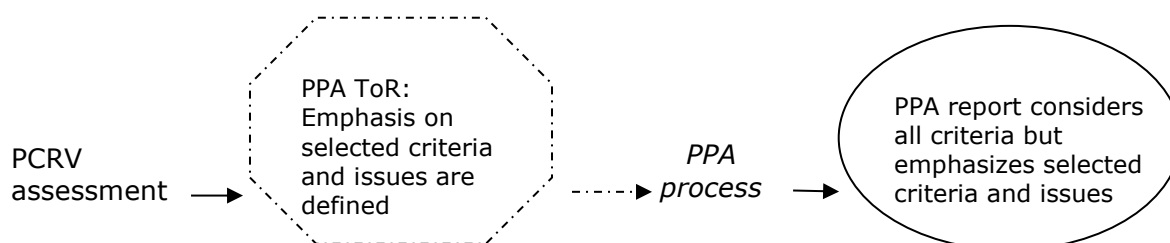
A. What is a project performance assessment?¹

1. The project performance assessment (PPA) conducted by the Independent Office of Evaluation of IFAD (IOE) entails one mission of 7-10 days² and two mission members.³ PPAs are conducted on a sample of projects for which project completion reports have been validated by IOE, and take account of the following criteria (not mutually exclusive): (i) synergies with forthcoming or ongoing IOE evaluations (e.g. country programme or corporate-level evaluations); (ii) major information gaps in project completion reports (PCRs); (iii) novel approaches; and (iv) geographic balance.
2. The objectives of the PPA are to: assess the results and impact of the project under consideration; and (ii) generate findings and recommendations for the design and implementation of ongoing and future operations in the country involved. When the PPA is to be used as an input for a country programme evaluation, this should be reflected at the beginning of the report. The PPA is based on the project completion report validation (PCR/V) results, further desk review, interviews at IFAD headquarters, and a dedicated mission to the country, to include meetings in the capital city and field visits. The scope of the PPA is set out in the respective terms of reference.

B. Preparing a PPA

3. Based on the results of the PCR/V, IOE prepares brief terms of reference (ToR) for the PPA in order to sharpen the focus of the exercise.⁴ As in the case of PCR/Vs, PPAs do not attempt to respond to each and every question contained in the Evaluation Manual. Instead, they concentrate on the most salient facets of the criteria calling for PPA analysis, especially those not adequately explained in the PCR/V.
4. When preparing a PPA, the emphasis placed on each evaluation criterion will depend both on the PCR/V assessment and on findings that emerge during the PPA process. When a criterion or issue is not identified as problematic or in need of further investigation, and no additional information or evidence emerges during the PPA process, the PPA report will re-elaborate the PCR/V findings.

Scope of the PPA



¹ Extract from the PCR/V and PPA Guidelines.

² PPAs are to be conducted within a budget ceiling of US\$25,000.

³ Typically, a PPA mission would be conducted by an IOE staff member with the support of a consultant (international or national). An additional (national) consultant may be recruited if required and feasible within the evaluation budget.

⁴ Rather than an approach paper, IOE prepares terms of reference for PPAs. These terms of reference ensure coverage of information gaps, areas of focus identified through PCR/Vs and comments by the country programme manager, and will concentrate the PPA on those areas. The terms of reference will be included as an annex to the PPA.

C. Evaluation criteria

5. The PPA is well suited to provide an informed summary assessment of project relevance. This includes assessing the relevance of project objectives and of design. While, at the design stage, project logical frameworks are sometimes succinct and sketchy, they do contain a number of (tacit) assumptions on mechanisms and processes expected to generate the final results. At the post-completion phase, and with the benefit of hindsight, it will be clearer to the evaluators which of these assumptions have proved to be realistic, and which did not hold up during implementation and why.
6. For example, the PPA of a project with a major agricultural marketing component may consider whether the project framework incorporated key information on the value chain. Did it investigate issues relating to input and output markets (distance, information, monopolistic power)? Did it make realistic assumptions on post-harvest conservation and losses? In such cases, staff responsible for the PPA will not be expected to conduct extensive market analyses, but might consider the different steps (e.g. production, processing, transportation, distribution, retail) involved and conduct interviews with selected actors along the value chain.
7. An assessment of effectiveness, the extent to which a project's overall objectives have been achieved, should be preferably made at project completion, when the components are expected to have been executed and all resources fully utilized. The PPA considers the overall objectives⁵ set out in the final project design document and as modified during implementation. At the same time, it should be flexible enough to capture good performance or under-performance in areas that were not defined as an objective in the initial design but emerged during the course of implementation.
8. The PPA mission may interview farmers regarding an extension component, the objective of which was to diffuse a certain agricultural practice (say, adoption of a soil nutrient conservation technique). The purpose here would be to understand whether the farmers found it useful, to what extent they applied it and their perception of the results obtained. The PPA may look into reasons for the farmers' interest in new techniques, and into adoption rates. For example, was the extension message delivered through lectures? Did extension agents use audio-visual tools? Did extension agents engage farmers in interactive and participatory modules? These type of questions help illustrate *why* certain initiatives have been conducive (or not conducive) to obtaining the desired results.
9. The Evaluation Manual suggests methods for assessing efficiency, such as calculating the economic internal rate of return (EIRR),⁶ estimating unit costs and comparing them with standards (cost-effectiveness approach), or addressing managerial aspects of efficiency (timely delivery of activities, respect of budget provisions). The documentation used in preparing the PCRV should normally provide sufficient evidence of delays and cost overruns and make it possible to explain why they happened.
10. As far as rural poverty impact is concerned, the following domains are contemplated in the Evaluation Manual: (a) household income and assets; (b) human and social capital and empowerment; (c) food security and agricultural

⁵ Overall objectives will be considered as a reference for assessing effectiveness. However, these are not always stated clearly or consistent throughout the documentation. The assessment may be made by component if objectives are defined by components; however the evaluation will try to establish a correspondence between the overall objectives and outputs.

⁶ Calculating an EIRR may be challenging for a PPA as it is time consuming and the required high quality data are often not available. The PPA may help verify whether some of the crucial assumptions for EIRR calculation are consistent with field observations. The mission may also help shed light on the cost-effectiveness aspects of efficiency, for example whether, in an irrigation project, a simple upgrade of traditional seasonal flood water canalization systems might have been an option, rather than investing on a complex irrigation system, when access to markets is seriously constrained.

productivity; (d) natural resources, the environment and climate change;⁷ and (e) institutions and policies. As shown in past evaluations, IFAD-funded projects generally collect very little data on household or community-level impact indicators. Even when impact data are available, both their quality and the methodological rigour of impact assessments are still questionable. For example, although data report significant increases in household assets, these may be due to exogenous factors (e.g. falling prices of certain commodities; a general economic upturn; households receiving remittances), and not to the project.

11. PPAs may help address the "attribution issue" (i.e. establishing to what extent certain results are due to a development intervention rather than to exogenous factors) by:
 - (i) following the logical chain of the project, identifying key hypotheses and reassessing the plausibility chain; and
 - (ii) conducting interviews with non-beneficiaries sharing key characteristics (e.g. socio-economic status, livelihood, farming system), which would give the mission an idea of what would have happened without the project (counterfactual).⁸
12. When sufficient resources are available, simple data collection exercises (mini-surveys) may be conducted by a local consultant prior to the PPA mission.⁹ Another non-mutually exclusive option is to spot-check typical data ranges or patterns described in the PCR by means of case studies (e.g. do PCR claims regarding increases in average food-secure months fall within the typical ranges recorded in the field?). It is to be noted that, while data collected by a PPA mission may not be representative in a statistical sense, such data often provide useful reference points and insights. It is important to exercise care in selecting sites for interviews in order to avoid blatant cases of non-beneficiaries profiting from the project.). Sites for field visits are selected by IOE in consultation with the government concerned. Government staff may also accompany the PPA mission on these visits.
13. The typical timing of the PPA (1-2 years after project closure) may be useful for identifying factors that enhance or threaten the sustainability of benefits. By that stage, the project management unit may have been disbanded and some of the support activities (technical, financial, organizational) terminated, unless a second phase is going forward or other funding has become available. Typical factors of sustainability (political support, availability of budgetary resources for maintenance, technical capacity, commitment, ownership by the beneficiaries, environmental resilience) can be better understood at the ex post stage..
14. The PPA also concentrates on IFAD's role with regard to the promotion of innovations and scaling up. For example, it might be observed that some innovations are easily scaled up at low cost (e.g. simple but improved cattle-rearing practices that can be disseminated with limited funding). In other cases, scaling up may involve risks: consider the case of a high-yield crop variety for which market demand is static. Broad adoption of the variety may be beneficial in terms of ensuring food security, but may also depress market prices and thereby reduce sale revenues for many households unless there are other, complementary activities for the processing of raw products.
15. The PPA addresses gender equality and women's empowerment, a criterion recently introduced into IFAD's evaluation methodology. This relates to the emphasis placed on gender issues: whether it has been followed up during

⁷ Climate change criterion will be addressed if and when pertinent in the context of the project, as most completed projects evaluated did not integrate this issue into the project design.

⁸ See also the discussion of attribution issues in the section on PCRVs.

⁹ If the PPA is conducted in the context of a country programme evaluation, then the PPA can piggy-back on the CPE and dedicate more resources to primary data collection.

implementation, including the monitoring of gender-related indicators; and the results achieved.

16. Information from the PCRV may be often sufficient to assess the performance of partners, namely, IFAD and the government. The PPA mission may provide further insights, such as on IFAD's responsiveness, if relevant, to implementation issues or problems of coordination among the project implementation unit and local and central governments. The PPA does not assess the performance of cooperating institutions, which now has little or no learning value for IFAD.
17. Having completed the analysis, the PPA provides its own ratings in accordance with the evaluation criteria and compares them with PMD's ratings. PPA ratings are final for evaluation reporting purposes. The PPA also rates the quality of the PCR document.
18. The PPA formulates short conclusions: a storyline of the main findings. Thereafter, a few key recommendations are presented with a view to following up projects, or other interventions with a similar focus or components in different areas of the country.¹⁰

¹⁰ Practices differ among multilateral development banks, including recommendations in PPAs. At the World Bank, there are no recommendations but "lessons learned" are presented in a typical PPA. On the other hand, PPAs prepared by Asian Development Bank include "issues and lessons" as well as "follow-up actions" although the latter tend to take the form of either generic technical guidelines for a future (hypothetical) intervention in the same sector or for an ongoing follow-up project (at Asian Development Bank, PPAs are undertaken at least three years after project closure).

Definition of the evaluation criteria used by IOE

| <i>Criteria</i> | <i>Definition^a</i> |
|---|---|
| Project performance | |
| Relevance | The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design in achieving its objectives. |
| Effectiveness | The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance. |
| Efficiency | A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results. |
| Rural poverty impact^b | Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions. |
| Household income and assets | Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value. |
| Human and social capital and empowerment | Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grassroots organizations and institutions, and the poor's individual and collective capacity. |
| Food security and agricultural productivity | Changes in food security relate to availability, access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields. |
| Natural resources, the environment and climate change | The focus on natural resources and the environment involves assessing the extent to which a project contributes to changes in the protection, rehabilitation or depletion of natural resources and the environment as well as in mitigating the negative impact of climate change or promoting adaptation measures. |
| Institutions and policies | The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor. |
| Other performance criteria | |
| Sustainability | The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life. |
| Innovation and scaling up | The extent to which IFAD development interventions have: (i) introduced innovative approaches to rural poverty reduction; and (ii) the extent to which these interventions have been (or are likely to be) replicated and scaled up by government authorities, donor organizations, the private sector and others agencies. |
| Gender equality and women's empowerment | The criterion assesses the efforts made to promote gender equality and women's empowerment in the design, implementation, supervision and implementation support, and evaluation of IFAD-assisted projects. |
| Overall project achievement | This provides an overarching assessment of the project, drawing upon the analysis made under the various evaluation criteria cited above. |
| Performance of partners | This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. It also assesses the performance of individual partners against their expected role and responsibilities in the project life cycle. |
| IFAD | |
| Government | |

^a These definitions have been taken from the OECD/DAC *Glossary of Key Terms in Evaluation and Results-Based Management* and from the IFAD Evaluation Manual (2009).

^b The IFAD Evaluation Manual also deals with the "lack of intervention", that is, no specific intervention may have been foreseen or intended with respect to one or more of the five impact domains. In spite of this, if positive or negative changes are detected and can be attributed in whole or in part to the project, a rating should be assigned to the particular impact domain. On the other hand, if no changes are detected and no intervention was foreseen or intended, then no rating (or the mention "not applicable") is assigned.

List of key persons met

Maseru, Lesotho

Ministry of Finance

Mr Tseliso Nteso, Director Department of Public Debt Management

Ministry of Development Planning

Mr Thabo Ntoi, Deputy Principal Secretary Ministry of Development Planning

Mr Gerard Hoqoa, Economic Planner, Aid Coordination Unit

Ministry of Agriculture and Food Security (MAFS)

Mr Nchemo Maile, Principal Secretary

Mr Liteboho Stepheh Mokubetoana, Deputy Principal Minister

Ms Mantho Motselebane, former Director, Department of Planning and Policy Analysis

Ms Mathoriso Molumeli, Chief Economic Planner, Dept. of Planning and Policy Analysis

Mr Malefetsane Ratsoane, (M&E) Economic Planner

Mr Libeo Monethi, M&E Officer

Ms Mathapelo Letsepe, M&E Officer

Mr Ntitia Tuoane, Acting Director Field Services

Dr Motebang Pomela, Principal of the Lesotho Agricultural College, former SANReMP Coordinator

Ministry of Forestry and Land Reclamation (MFLR)

Mr Scetla Mapaso, Deputy Principal Secretary

Mr Peter Halefele Masipa, Chief Forestry Officer

Mr Reficoe Boose, Director of Conservation

Mr Naleli Maliehe, Principal Range Management Officer

The World Bank, UN House

Mr Macmillan Anyanwu, Senior Operations Officer

Mr Edmund Motlatsi Motseki, Operations Officer

FAO, UN House

Mr Mokitinyane Nthimo, Assistant FAO Representative

Ntlafalang Consultants

Ms Dr Mampho Kotelo-Malaoa, Director

Ms Neo Lebamang-Tau, Consultant

Mr Thembile Matebesi, Consultant

District of Mafeteng

Area Resource Center (ARC) RRIBANENG

Mr Joel Sehloho, District Irrigation Officer (MAFS)

Ms Malikeleli Libeso Thali, Conservation Officer (MFLR)

Mr Lebohang Francis Ntsasa, Agricultural Assistant (MAFS)

Area Resource Sub-center MASEMOUSE

Ms Mampolokeng Maretlane, Farmer, piggery beneficiary

District of Quthing

Area Resource Center Qomoqomong

Mr Masupha Molapo, District Extension Officer, MAFS

Ms Lepato Kepa, District Horticulture Officer, MAFS

Mr Ramahlake Mathaha, District Range Technical Officer, MFLR

Ms Mameo Jone, District Nutrition Officer, MAFS

Mr Matata Lepita, Area Extension Officer, MAFS, Koali Resource Center

Mr Thabo Makama, Area Technical Officer, Crops, Koali, Resource Center

Ms Mamaswatsi Mafela, Area Extension Officer

District of Mohale's Hoek

Ms Lyllian Mahanetsa, District Agricultural Officer, MAFS

Mr Andrew Moletsane, District Livestock Officer, MAFS

Mr Tsebiso Lerotholi, District Crops Officer, MAFS

Mr Mpho Lekhoso, Conservation Officer, MFLR

Bibliography

Programme documents

- International Fund for Agricultural Development (IFAD). Post Appraisal Report, December 2004
- _____. Report and Recommendation of the President, December 2004
- _____/Government of Lesotho/UNOPS. Household Baseline Survey Report (Draft), December 2005
- _____. Mid-Term Review Mission Report, April 2008
- _____. Supervision Report, 2008
- _____. Supervision Report, 2009
- _____. Implementation Support Mission, July 2010
- _____. Implementation Support Mission, November 2011
- Ntlafalang Consultants. Impact Assessment and Evaluation of Selected Programme Investments, SANReMP, October 2011
- Government of Lesotho. Programme Completion Report, January 2012

IFAD strategies and policies

- IFAD. Country Strategic Opportunities Paper (COSOP) Lesotho, 1999
- IFAD Targeting Policy: Reaching the Rural Poor, 2008

General references

- The Economist Intelligence Unit. Lesotho Country Report, 2011
- World Bank. Lesotho Overview, updated June 2014



International Fund for Agricultural Development
Via Paolo di Dono, 44 - 00142 Rome, Italy
Tel: +39 06 54591 - Fax: +39 06 5043463
E-mail: evaluation@ifad.org
www.ifad.org/evaluation
www.ruralpovertyportal.org
 ifad-un.blogspot.com
 www.facebook.com/ifad
 www.twitter.com/ifadnews
 www.youtube.com/user/ifadTV



IFAD Internal Printing Services