United Republic of Tanzania
Ministry of Agriculture Livestock & Fisheries
Kigoma Regional Secretariat

SUSTAINABLE AGRICULTURE KIGOMA REGIONAL PROJECT SAKIRP

DGD code: 3016473
Navision code: TAN 14 031 11

Acronyms

AAS	Assistant Administrative Secretary
AFM	Administration and Finance Manual
AFO	Administrative and Financial Officer
AGRA	Association for Green Revolution in Africa
AIDS	Acquired Immunes Deficiency Development Syndrome
AMCO	Agricultural Marketing Cooperative Organisation
ANO	Announce of No Objection
ARDI	Agricultural Research and development Organisation
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
ASDP	Agricultural Sector Development Plan
ASDS	Agricultural Sector Development Strategy
BIO	Belgian Investment Organisation
BDSP	Business Development Service providers
BFFS	Belgium Fund for Food Security
BLS	Baseline Survey
BTC	Belgium Technical Cooperation
CAADP	Comprehensive Africa Agricultural Development Programme
CB	Capacity Building
CBO	Community Based Organisation
CBODP	Capacity Building & Organizational Development Plan
CBSV	Cassava Brown Streak Virus
CBTNA	Capacity Building Training Need Assessment
CMO	Implementation Agreement
CMV	Cassava Mosaic Virus
CRDB	Cooperative Rural Development Bank
CSO	Civil Society Organisation
CSP	Chain Service Provider
DADP	District Agricultural Development Plan
DAICO	District Agriculture, Irrigation and Cooperative Officer
DED	District Executive Director
DFP	District Focal Point
DFT	District Facilitation Team
DRC	Democratic Republic of Congo
EPC-LGAP	Enhancement of Procurement Capacity of Local Government Authorities Project
ETR	End Term Review
FANRPAN	Food Agriculture and Natural Resources Policy Analysis Network
FAO	Food and Agriculture Organisation of UN
FEWSNET	Famine Early Warning Systems Network
FO	Farmers Organisation
GAFCO	Good African Food Company
GEWE	Gender Equality and Women Empowerment
GIS	Geographic Information System
GoT	Government of Tanzania
HR	Human Resources
IFAD	International Funds for Agriculture Development
IITA	International Institute for Tropical Agriculture
JGI	Jane Goodall Institute
JLPC	Joint Local Partner Committee
KIYADO	Kibondo Youth Agricultural Development Organisation
LGA	Local Government Authority
LIC	Local investment climate

M&E	Monitoring and evaluation
MATI	Ministry of Agriculture - Training Institute
MEDA	Mennonite Development Association
MFI	Micro finance institution
MIS	Market Information System
MIVARF	Market Infrastructure Value Addition and rural Finance Support Programme
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MTR	Mid Term Review
MVIWATA	Mtandao wa Vikundi vya Wakulima Tanzania
NGO	Non-governmental Organisation
NMB	National Microfinance Bank
NRM	Natural Resources Management
NRM-LED	Natural Resources Management for Local Economic Development
NTA	National Technical Adviser
O&OD	Opportunities & Obstacles for Development
PASS	Private Agriculture Sector Support
PIU	Project Implementation Unit
PO-RALG	President's Office – Regional Administration and Local Government
PPP	Public Private Partnership
PSC	Project Steering Committee
PSO	Private Sector Organisation
RAS	Regional Administrative Secretary
RFT	Regional Facilitation Team
RR	Resident Representative (BTC)
RS	Regional Secretary
RS	Regional Secretariat
RSM	Regional Stakeholder Meeting
SA	Specific Agreement
SACCAS	Saving and Credit Cooperative Association
SACCOS	Saving and Credit Cooperative Organisation
SAKIRP	Sustainable Agriculture Kigoma Regional Project
SIDO	Small Industries Development Organization
TAFSIP	Tanzanian Agriculture and Food Security Investment plan
TBS	Tanzania Bureau of Standards
TCRS	Tanganyika Christian Refugee Service
TFF	Technical and Financial File
TOC	Theory of Change
TOR	Terms of Reference
VC	Value Chain
VCA	Value Chain Assessment
VCD	Value Chain Development
VCDF	Value Chain Development Fund
VCF	Value Chain Finance
VICOBA	Village Community Bank
WRS	Warehouse Receipt System
QFP	Quality Food Products Ltd

1 Intervention at a glance

1.1 Intervention form

Intervention title	Sustainable Agriculture Kigoma Regional Project SAKIRP
Intervention code	TAN 14 031 01
Location	Kigoma Region Tanzania
Sector (CAD codes)	31120: Agricultural development
Total budget	€ 8.000.000 BTC + 800.000 Tz
Partner Institution	MAFC, PMO-RALG / RS
Start date Specific Agreement	25th November 2015
Date intervention start	June 2016
Planned end date of execution period	30th May 2020
End date Specific Agreement	24th November 2020
Target groups	Direct beneficiaries: smallholder farmers, especially women and other chain actors of cassava & beans value chains. Secondary beneficiaries: local chain supporters private & public
Impact[1]	Local economic development and wellbeing of smallholders is improved in Kigoma Region through sustainable agriculture development
Outcome	Smallholders' income is increased and diversified in Kigoma region, especially for women, through pro-poor value chains development.
Outputs	R1: Value chains management and coordination mechanisms are installed and steer cassava and beans value chain development.
	R2: Sound financial mechanisms are developed and financial organisations are strengthened to support value chains development.
	R3: Public and private chain supporters provide effective services to value chains actors.
	R4: Stronger position of small holders, especially women, in the value chain through improved integration and empowerment.
	R5: Improved market access and sustainable trade
Period covered by the report	June - December 2016

1.2 Budget execution

During the inception period Jun – Dec 2016, expenditures focused on project assets (IT and vehicles) and human resources.

euro	Budget	Expenditure		Balance	Disburse-ment rate at the end of 2016
		Previous years	Year covered by report - 2016		
A activities	4,010,000	NA	8,910	4,001,090	0%
Output 1	330,000	NA	4,012	325,988	1%
Output 2	1,750,000	NA	0	1,750,000	0%
Output 3	175,000	NA	1,796	173,204	1%
Output 4	1,145,000	NA	3,102	1,141,898	0%
Output 5	610,000	NA	0	610,000	0%
B ITA's/NTA's	2,054,400	NA	157,242	1,897,158	8%
X Budgetary Reserve	93,050	NA	0	93,050	0%
Z General means	1,842,550	NA	310,039	1,532,511	17%
Total	8,000,000	NA	476,191	7,523,809	6%

1.3 Self-assessment performance

1.3.1 Relevance

	Performance
Relevance	A

Value chain development to alleviate poverty and boost economic development remains high on the national and regional agenda. The new government emphasises value addition in the agricultural sector through local processing and industrialisation. Cassava and beans are important crops cultivated and traded in large volumes (especially cassava) by the majority of smallholder farmers in Kigoma region. The selection of these value chains is sufficiently justified albeit scepticism in the early stages of the project.

In order to maintain the relevance of the project, the following emerging issues will be taken into consideration during the strategic planning:

- Both value chains are dominated by the informal sector with limited scope for growth and capacity to uplift smallholder agriculture. There are almost no lead firms which are crucial according to the value chain development theory.
- Given the institutional anchoring, there is a strong pull towards the local government authorities and a "direct implementation" style; whereas a value chain advocates a facilitation role with more reliance on market dynamics and a competitive private sector to drive value chain transformation.
- The assumption that farmer field schools will be the building blocks for dynamic farmer organisations is not supported by the reality on the ground. There are no functional farmers' support organisations operating in Kigoma region and that poses a challenge from a coordination perspective. Without farmer support organisations attainment of economies of scale will not be as rapid as anticipated at project formulation stage. During the value chain analysis and the ensuing intervention strategy development, the log-frame will be validated and adjusted.

1.3.1 Efficiency

	Performance
Efficiency	B

The project faced a slow start with delays in recruitment and procurement of core consultancies. The project faced problems with the recruitment of technical staff as Kigoma is not seen as an attractive duty station. The delays in the recruitment of NTA's recruitment and procurement mean that the inception phase will most likely extend to June 2017 while, originally, it was meant to run for only 9 months instead of a full year.

1.3.3 Effectiveness

	Performance
Effectiveness	B

SAKIRP is still in the inception phase. So far, no results have been realised.
With the information from the value chain assessments and market surveys, the project will adjust and refine its strategies in order to achieve its outcomes. The identification of risks and mitigation efforts is high on the agenda of the inception phase. Given the modest levels of bean production and the disease risk in cassava, support to the production node remains important and cannot be totally left out of the intervention package Central government bans on food exports can entirely disrupt results of the cassava value chain as 90% of marketable volume is exported to neighbouring countries. As those challenges have been identified in an early stage, mitigation efforts will be developed during the formulation of the strategic plan.

1.3.4 Potential sustainability

	Performance
Potential sustainability	B

The Kigoma regional context is dominated by refugee support activities and many aid agencies are targeting the same implementing partners and beneficiaries that the SAKIRP project would want to work with. As a consequence, and because of the humanitarian aid situation, there is a risk that hard commercial requirements for investments and capacity building will be diluted due to the prevailing preference for subsidies and free hand-outs. The local contribution concept will improve ownership and financial & economic sustainability. Ownership by the private sector (farmers, aggregators, processors and traders) still needs to be developed. The informal private and farming sector does not provide for an institutional framework that can easily absorb and sustain project interventions after closure. The policy support is more enabling and sufficiently adapted to support project objectives. The good export opportunities of cassava in Burundi and Rwanda are related to temporary events. In Burundi, the political instability is no incentive for local production. In Rwanda, the production collapsed after an outbreak of cassava brown streak virus. The Rwandese government is working on mitigation efforts. It is expected that by 2020/21 Rwanda will be self-sufficient for cassava again. Current farming methods of cassava have a negative impact on the last miombo forest in open areas and on soil erosion.

1.4 Conclusions

1.	SAKIRP is in the start-up phase. Efforts focused on the set up of the programme: procurement, recruitment, office space, induction meetings, launching core consultancy tenders and establishing a network of reliable partners and the collection of secondary data. Albeit practical odds, all technical staff were recruited and tenders of essential consultancies (value chain assessments, market assessments in EA) launched and finalised. These studies are the basis for developing the competitiveness strategies, the intervention strategy and plan, validate the log-frame and develop the monitoring and evaluation framework in 2017-Q2. SAKIRP had a slow start and the inception phase will take longer than 9 months. Factors contributing to the slow start were: staff recruitment had to be done twice, re-advertisement of market tenders, the preparations and notice periods that are required for public procurement, the value chain approach as a new concept and the lack of a formalised private sector in Kigoma
2.	In Kigoma region, farmer field schools are few and they have been dormant waiting for the next round of ASDP funding. The TFF assumption that FFS are the essential building blocks for strong farmers' organisations does not hold ground. A systematic assessment of the existing producer groups and SACCOs (market orientation, management, social coherence, leadership, risk mitigation) will identify the most reliable partners and the capacity gaps.
3.	More and more agricultural and SME programmes are coming to Kigoma region (AGRA, World Vision, UNDP, Gatsby fund, BIO, MEDA, GAFCO). The basket fund for agriculture targeting local governments is supposed to start as well in 2017. The question of regional/ district coordination to improve synergies and avoid overlap becomes crucial. An agreement with Local Investment Climate/ Danida was reached with delegation of functional tasks for the cassava value chain. It is expected that similar arrangements can be reached with other projects.
4.	From donors (AGRA, LIC) and districts, there is still a strong demand that the programme gets involved in agricultural production. Production might not be enough and the bottlenecks for the productivity of the whole value chain might still be at the production node. This will be assessed during the baseline survey.
5.	Important risks are: government bans on food exports as 90% of Kigoma cassava is exported to East African neighbours; cassava production collapse due to cassava brown streak virus while no tolerant varieties have been released; the informal actors that have limited growth capacity and no commitment to development of smallholder agriculture.

National execution official	BTC execution official
Name: Robinson Wanjara Signature:	Name: Steven Hollevoet Signature:

REGIONAL AGRICULTURAL DEVELOPMENT OFFICER KIGOMA REGION

PROGRAM ADVISER SAKIRP P. O. Box 24, KIGOMA

2 Results Monitoring[1]

2.1 Evolution of the context

2.1.1 General context

The agricultural production in the 2016-17 season is predicted to be very poor. The late and below-average rainfall in Kigoma (and other areas in NW, NE and central Tanzania) has already resulted in significant crop loss. Maize has been wilting at tasseling stage and cassava germination was often only 50 %. FEWSNET estimates production losses of >50% in the country and predicts food insecurity in the northeast, northwest, and central transition areas. Poor households are likely to turn to markets earlier than normal and opt for less preferred foods, such as cassava. Food prices are atypically high in northern and central Tanzania but not (yet) in Kigoma. The rainfall in Eastern Burundi is also disappointingly low. Agricultural production in Rwanda is expected to be better.

There are approximately 232,000 refugees in Kigoma region. The influx of refugees from Burundi is about 500 people per day. WFP food rations are anticipated to be reduced by 50% because of funding limitations. UNHCR is considering cash hand-outs to refugees which will create a market for food products around the refugee camps. In the past, Kigoma businesses were not able to tap into the very lucrative WFP tenders because of the strict procurement requirements. Refugees provide cheap labour that allows Kigoma farmers to expand their crop acreage.

Export bans on food commodities because of drought and the food security concerns have impacted on the market dynamics in Kigoma. The price of dried cassava drops from 500 to 150 Tsh/kg as a consequence of government export ban pronouncements. Price distortions related to export bans are a disincentive to trade, disrupt private sector investments and the income of smallholder farmers. It is estimated that 90 % of the dried cassava produced in Kigoma region is exported to Burundi, Rwanda and Uganda. Very little is consumed locally (local residents prefer maize *ugali* – exporting cassava does not impact on local food security) and the markets of Mwanza and Dar es Salaam are too far away. Research evidence shows that open borders are the best for food security and rural poverty alleviation.

Diseases reduced cassava production by 60% in Rwanda in the 2014/2015 agricultural season. This has created a good market for Kigoma cassava in the short term. In the medium term, Kigoma risks also being affected by the same diseases if no stricter phyto sanitary procedures are respected.

Recently, a lot of publicity was given to large Chinese investments in cassava processing plants in the coastal belt of Tanzania. These export-oriented plants will change the agro-business landscape in the SE of the country and provide new markets for smallholder farmers. They fit in well with the Tz industrialisation policy and are pointers to the future international commercialisation of agriculture in Tanzania and the more prominent role of agro-processing in driving agricultural value chains.

The new government is clamping down heavily on poor financial management, fraud and corruption and lack of workplace discipline. In an effort to make the local government authorities more dynamic, the entire senior leadership was reshuffled. The new leadership is very dynamic but, sometimes, lacks the civil service experience. The government will intensify on-going measures to control better fiscal resources including public procurement and tax collections. Government agencies have the instruction to do preferential sourcing from parastatals. These measures together with the cost-saving approach have an impact on the outlook of the private sector in Tanzania. The plan to move the government to Dodoma will change the market dynamics of Kigoma agricultural commodities in the long-term.

Belgian development aid is undergoing a major restructuring exercise that will impact on the practical execution modalities for new agreements. The Belgian Technical Cooperation will be overhauled and get a new mandate in 2018. With the Syrian refugee crisis in Europe, anti-terror requirements and youth unemployment, there is a lot of pressure for budget cuts in other departments.

[1] Impact refers to global objective, Outcome refers to specific objective, output refers to expected result

2.1.2 Institutional context

SAKIRP is anchored in the Kigoma Regional Secretariat. This is relevant for a bilateral project and offers opportunities for networking with local government authorities and the collaboration with new agricultural projects. On the other hand, the major partner of a value chain project is the private sector. The private sector is, unfortunately, very informal and hardly organised in Kigoma region.
In line with BTC procedures, the steering committee is the governance oversight body. The ministry of finance, agriculture, local government are represented in the steering committee. The RAS Kigoma is the chairperson. The steering committee requested to co-opt a representative with an agribusiness background and mandate. The institutional linkage with agro-businesses and farmers' organisations will need attention in the future. The regional stakeholders meeting and the value chain innovation platforms are important for shaping and validating plans and budgets of the projects.

2.1.3 Management context: execution modalities

Personnel recruitment took longer than planned as Kigoma is not seen as an attractive duty station for Tanzanian talent. The full team of technical advisers was only available on 1st January 2017. These staffs are on the project payroll. The Project Coordinator is provided by the Regional Secretariat. The entire team is based in Kigoma town making monitoring of village and district activities a challenge. It is proposed to attach a junior assistant for M&E. He will be funded directly by BTC Belgium. Some administrative staff will be shared with the future BTC water project in Kigoma. There are more opportunities for resource sharing between the BTC projects in Kigoma (water, natural resources, and agriculture) to generate cost efficiencies. Essential project assets (furniture, vehicles, IT equipment) were procured. Offices are provided by the Regional Secretariat and the Tanganyika Basin Authority. Given the number of NTAs more offices are required and the request was submitted to the RAS. The Project Coordinator will retire in 2017-Q2. An early appointment of his replacement will allow for a proper handover and transitional process.

SAKIRP follows the financial management and procurement regulations of the donor (*regie* management). Tanzanian staff is being familiarised with those procedures. The project is using a cashless financial system based on Mpesa. The steering committee met once in line with the requirements to approve the budget and plan for the inception phase.

The M&E framework will be developed in 2017-Q2 after the value chain assessment, the strategic planning and validation of the log frame.

2.1.4 Harmo context

<u>Harmonisation</u>
More and more agricultural and SME programmes are coming to Kigoma region (AGRA, World Vision, UNDP, Gatsby fund, BIO, MEDA, GAFCO). The basket fund for agriculture targeting local governments is supposed to start as well in 2017. The challenges of poverty alleviation are important and more funding is required. However, there are challenges of absorption capacity as the same organisations and producer groups are targeted. The regional/ district coordination to improve synergies and avoid overlap becomes crucial and will need support. SAKIRP has systematically reached out to new projects to come to collaboration agreements. An agreement with Local Investment Climate/ Danida was reached to delegate functional tasks for the cassava value chain. It is expected that more similar agreements will be reached. The project was presented during the regional stakeholders meeting in Oct 2016 and the regional consultative council in Dec 2016.

<u>Ownership</u>
Value chain development is targeting the private sector which is highly informal in Kigoma region. The ownership by value chain actors (traders, farmers, aggregators and processors) will need to be developed. Key interventions for the private sector will require local contribution which is an important tool to enhance ownership and identify core priorities. Community contribution will, however, slow down implementation and increase the need for monitoring.

SAKIRP is anchored in the regional administration but targeting the private sector. This will lead to different expectations, from local stakeholders (especially local governments), that are not necessarily in line with the TFF. Ownership by individual districts will vary in function of the link with project results, commitment, staff availability and allowance expectations.

SAKIRP does not use government regulations for financial management and procurement. This was a deliberate choice made during the formulation in order to promote efficiency and accountability and deal with donor requirements. However, the parallel system reduces ownership by the region and does not support local systems.

2.2 Performance outcome

This section describes progress made at performance outcome level by linking the outputs with the outcome as visualized below:

2.2.1 Progress of indicators

SAKIRP is a project in its inception phase. The M&E framework, indicators and baseline survey will be developed in 2017-Q2.

Outcome: Smallholders income is increased and diversified in Kigoma region, especially for women, through pro-poor value chains development.					
Indicators	**Baseline value 2017**	**Value year N-1**	**Value year N**	**Target year N**	**End Target**
Income of smallholders from cassava and beans – changes over the project period					
% of income of cassava and beans in total family income of smallholder farmers					
Added value in cassava and beans by smallholders					

2.2.2 Analysis of progress made

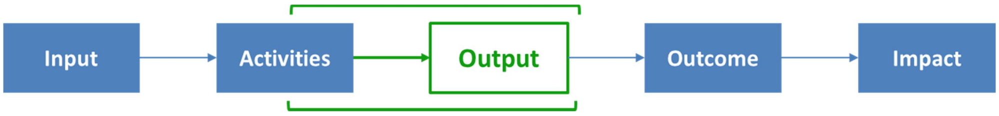
SAKIRP is a starting project; little can be said yet about the achievement of the specific objective.

	Analysis of progress made towards outcome:	
Relation between outputs and the Outcome. (How) Are outputs (still) contributing to the achievement of the outcome:		
Progress made towards the achievement of the outcome (on the basis of indicators):		
Issues that arose, influencing factors (positive or negative):		
Unexpected results:		

2.2.3 Potential Impact

SAKIRP is a starting project little can be said yet about the achievement of the specific objective. The log-frame will be reviewed during the strategic planning workshop and the theory of change exercise.

2.3 Performance output 1: value chain coordination.



2.3.1 Progress of indicators

SAKIRP is a project in its inception phase. The indicators and baseline survey will be developed in 2017-Q2. The indicators below are just indicative.

Output 1: Value chains management and coordination mechanisms are installed and steer cassava and beans value chain development.					
Indicators	**Baseline value**	**Value year N-1**	**Value year N**	**Target year N**	**End Target**
Innovative value chain platforms are functional and rely on local resources : • number of meetings and membership • VC plans/ action points made and implemented • Sector & gender composition platform					
Value chain assessment reports are produced and used for the value chain upgrading					
Value chain strategic plan for both beans and cassava					
M&E framework supported by VC actors					

2.3.2 Progress of main activities

Progress of main activities [2]	**Progress:**			
	A	B	C	D
1. Analysing, mapping and assessing the value chains of cassava and beans		X		
2. Elaborating value chains development strategies and plans		X		
3. Monitoring and evaluating value chains development • Household survey by mobile data collection • Diagnostic survey of farmers organisations (see R4)		X		
4. Lessons learning and capitalizing *(expected to start in 2018)*		X		

[2] A: The activities are ahead of schedule
B The activities are on schedule
C The activities are delayed, corrective measures are required.
D The activities are seriously delayed (more than 6 months). Substantial corrective measures are required.

2.3.3 Analysis of progress made

The participatory value chain assessments and the marketing surveys are the core activities of the inception phase. The tendering process was finalised in December 2016. The 2 value chain assessments will be implemented in Jan – Feb 2017 and the deadline for the final report is the 28th of February 2017. The budget will be overspent by about 10%. The findings will feed into the strategic planning in March 2017. The theory of change methodology will be applied in reviewing the value chain drivers, important assumptions and the risk analysis. The original SAKIRP log-frame will be validated in March 2017 and a monitoring framework developed. A household survey by mobile data collection will provide the benchmarking of indicators in April- May 2017.The diagnostic survey of farmers' organisations and service providers will complement the household survey and provide data on important indicators. Procurement of value chain assessment and marketing consultancies took considerable efforts given the notice periods and preparations required. The NTA M&E reported in January 2017 and as a consequence the preparations for the M&E framework were delayed.

Stakeholder and steering committee meetings were conducted as planned. They provided a better insight in potential partners, critical drivers in the value chain and market dynamics for cassava and beans. Cassava is basically a secondary crop that is grown as a cash crop (no impact on food security in the region) and is almost exclusively traded with Rwanda, Burundi and Uganda. Bean production is limited and is destined for domestic markets of Kahama, Mwanza, Dar es Salaam and Dodoma. From donors (AGRA, LIC) and districts, there is still a strong demand that the programme also supports elements of production. Production might not be enough and constitute an early bottleneck for the productivity of each value chain. The validity of this claim will be assessed during the baseline survey.

More and more agricultural and SME programmes are coming to Kigoma region (AGRA, World Vision, UNDP, Gatsby fund, BIO, MEDA, GAFCO). The basket fund for agriculture targeting local governments is also expected to start in 2017. The challenges of poverty alleviation are important and more funding is required. However there are equally problems of absorption capacity as the same organisations and producer groups are targeted. SAKIRP has been very pro-active to reach out to new projects and look into the question of regional/ district coordination to improve synergies and avoid overlap. An agreement with Local Investment Climate/ Danida was reached with delegation of functional tasks for the cassava value chain. It is expected that other agreements can be reached

Innovation platforms are an important concept outlined in the TFF and are supposed to drive the value chain development. IITA installed cassava platforms in Kasulu and Kibondo districts. They were characterised by high member expectations and driven by workshop allowances. As a consequence, they stopped functioning once the donor funding ended and members remain bitter about the experience. Widespread research participation and workshop fatigue should be acknowledged in the context of development aid. Finding the right balance between local ownership, mobilising local resources and the need for functional budgets of value chain platforms will not be easy. While establishing credible innovation platforms for beans and cassava, the following factors for success will have to be taken into consideration:

Value chain platforms – factors contributing to success		
Factor – available or not?	Cassava VC	Bean VC
1. Identification of sizeable and broad-based commercial opportunity – technical innovation that will bring substantial benefits to a large number of value chain actors / farmers	Yes	?
2. Integration of private sector firms being critical for generating buy-in and subsequent support for key interventions. Ideally a strong commercial firm takes the lead.	No	Yes
3. Respected and impartial broker,	?	?
4. Low cost approach for the functioning of the platform with mobilisation of local resources	No	?
5. Platform corresponds to a demand of local stakeholders	?	?

The option of integrating the value chain platforms in other forums like the district business councils (currently promoted by LIC) are limited but a linkage can be established.

2.4 Performance output 2: value chain financial services.

2.4.1 Progress of indicators

SAKIRP is a project in its inception phase. The indicators will be developed in 2017-Q2 after the baseline survey. The indicators below are just indicative with no values.

Output 2: Sound financial mechanisms are developed and financial organisations are strengthened to support value chains development.					
Indicators	**Baseline value**	**Value year N-1**	**Value year N**	**Target year N**	**End Target**
Generated investment and loan volume in the selected value chains (number, amount, type loan & clients) and provided by banks and MFIs.					
Loan default rate and impact on collateral fund – current recovery rate					
% increased lending capacities of selected SACCOS and VICOBAS					
Return on equity					
Percentage of total savings that are mobilized by SACCOS and VICOBAS					
Access, use, satisfaction with respect to VC finance					
Quality and approval of VC business plans					
Financial and managerial skills of selected farmer organisations , VICOBAS , SACCOS					
Increase on value of traded commodities through realised direct investments					
Turnover of value chain investment fund					
Value chain finance study and strategy					
Gender and youth access to rural finance					

2.4.2 Progress of main activities

Progress of main activities [3]	**Progress:**			
	A	B	C	D
1 Elaborating and supporting a comprehensive value chain development financing strategy			X	
2 Improving financial products and services for chain actors by banks and improving access to finance by chain actors *(expected to start in 2017-Q4)*				
3 Strengthening technical and managerial capacities of VICOBAs and SACCOS *(expected to start in 2017-Q4)*				
4 Direct investments to support value chain development *(expected to start in 2018)*				

[3]
A: The activities are ahead of schedule
B The activities are on schedule
C The activities are delayed, corrective measures are required.
D The activities are seriously delayed (more than 6 months). Substantial corrective measures are required.

2.4.3 Analysis of progress made

The study of the existing financial services and the development of the VC financing strategy are planned after the value chain assessment in 2017-Q2. The financial study needs to tie in with the outcomes of the value chain assessment. Ideally, the study develops practical financial tools in function of the trade and technology packages that were identified in the value chain assessment and further developed in the SAKIRP strategic plan. The survey will look into existing micro finance systems and local mechanisms to overcome the usual constraints (defaulters, weak economies of scale, high monitoring costs, long borrowing periods and therefore high cost of rural credits,…).The VC strategic plan will focus on 3 axis: banks, microfinance organisations and a special investment fund for innovations and public infrastructure. The TOR will be elaborated in 2017-Q1 and the study conducted in 2017-Q2. In the meantime, financial management and access to credit facilities are important topics during the on-going diagnostic survey of farmers' organisations and SACCOS.

SAKIRP is a relatively small player in the agricultural value chain financing space. In Tanzania, the Master Card Foundation is supporting AGRA, Mercy Crops, KPMG and Opportunity International to develop rural financial services for agricultural inputs through mobile and digital applications. It is important to link up with major actors to access the expertise, get leverage and achieve sustainability. Informal links with PASS, LIC and the NMB were established. NMB has a clear strategy to develop more bankable loans in collaboration with agro input dealers and processors. LIC has 4 million US$ that it wants to invest as shares in agro businesses in Kigoma and Dodoma regions. Cassava processing is the focus for Kigoma. PASS has no need for an additional collateral fund (which is fully covered by Danida and SIDA). As with LIC, the challenges lie in getting bankable business proposals and well developed feasibility plans. BIO intends to focus on Kigoma region. An earlier planned BIO study about micro-finance did not materialise. Meanwhile, the government created the Tanzanian Agricultural Development Bank TADB to overcome the credit problems of the agricultural sector and to facilitate its transformation from subsistence level to commercial farming. TADB has not yet started operations in Kigoma region.

The drought in this agricultural season will drastically increase the loan default rate of micro-finance schemes and affect their viability. This highlights, again, the risks of agricultural credits and the need for insurance schemes. Syngenta is piloting agricultural insurance through a social enterprise – Agriculture and Risk Enterprise – ACRE. The micro insurance is based on rainfall index rather than on the measurement of actual crop losses. A first pilot is set up with World Vision in Kigoma in the 2017 season. The insurance plan is still heavily donor-dependent.

2.5 Performance output 3: chain supporters render effective services.

2.5.1 Progress of indicators

SAKIRP is a project in its inception phase. The indicators will be developed in 2017-Q2 after the baseline survey. The indicators below are just indicative with no values yet.

Output 3: Public and private chain supporters provide effective services to value chains actors.					
Indicators	**Baseline value**	**Value year N-1**	**Value year N**	**Target year N**	**End Target**
Number, type, quality of effective services provided by chain supporters to VC actors					
Quality, access and appreciation of service provision					
Rate of subsidy of service provision					

2.5.2 Progress of main activities

Progress of main activities [4]	**Progress:**			
	A	B	C	D
1.Assessing service needs for chain actors and need for capacity building and supporting models for chain supporters			X	
2. Strengthening chain supporters for sustainable effective service provision to chain actors of selected value chains *(expected to start in 2017-Q4)*				
3. Supporting the Districts and the region to play their role for facilitating VCD		X		

[4] A: The activities are ahead of schedule
B The activities are on schedule
C The activities are delayed, corrective measures are required.
D The activities are seriously delayed (more than 6 months). Substantial corrective measures are required.

2.5.3 Analysis of progress made

During the district induction meetings in September all potential local partners were invited and first contacts established. Diagnostic survey of service providers and partners is already under way, led by the NTA “Gender & Capacity Building.

The value chain assessment will establish an inventory of services needed and inform the development of an inventory of local stakeholders. Calls for proposals will be launched after the strategic planning in 2017-Q3.
First contacts with potential service providers were established: the Gatsby Trust, Match Makers, Kilimo Trust, Moshi Cooperative University, Kilimo Markets, Quality Food Products, TTCIA, MEDA, ARI Ukiriguru, ARI Maruku, Kiyado, Mviwata, Feasible Resources and RERAI.

The majority of potential service providers have an NGO or aid delivery background. There are few private companies given the informal and subsistence nature of agriculture in Kigoma region.

A quick scan of the LGA agricultural departments was done in October 2016. It is a good basis for capacity building plan and contributes to the baseline information. The experience with value chain development is limited. The TORs of the district focal points were developed. They will start working in Jan 2017 and participate in the value chain assessment.

2.6 Performance output 4: smallholder farmers strengthened.

2.6.1 Progress of indicators

SAKIRP is a project in its inception phase. The indicators will be developed in 2017-Q2 after the baseline survey.

Output 4: Stronger position of small holders, especially women, in the value chain through improved integration and empowerment.					
Indicators	**Baseline value**	**Value year N-1**	**Value year N**	**Target year N**	**End Target**
Number of farmers attending FFS meetings					
Value addition by producers for cassava and beans					
No smallholders member of farmers organisation					
Quantity of cassava and beans traded by FOs					
Percentage change in yields per ha					
Price paid to farmers for cassava and beans					

2.6.2 Progress of main activities

Progress of main activities [5]	**Progress:**			
	A	B	C	D
1. Empowering farmers through farmers' field schools and "farmers' business schools" 2. *(expected to start in 2017-Q3)*				
3. Strengthening farmers' organisations and farmers' networks in Kigoma region *(expected to start in 2017-Q3)*				
4. Supporting farmers' organisations for improved *integration and empowerment in the value chains *(expected to start in 2017-Q3)*				

[5] A: The activities are ahead of schedule
B The activities are on schedule
C The activities are delayed, corrective measures are required.
D The activities are seriously delayed (more than 6 months). Substantial corrective measures are required.

2.6.3 Analysis of progress made

Diagnostic survey of farmers organisations is on-going and expected to be finalised in 2017-Q1.
The objectives of the survey are:

1. Identify capacity needs of producer groups so that standard training packages can be developed.
2. Identify potential partners for the implementation and develop first contacts and mutual trust for future collaboration.
3. Develop a baseline and monitoring tool for measuring progress.

Covered topics include: management, profitability, social cohesion, leadership, business orientation, operations, financial management, supply, marketing, risks, enablers and sustainability (gender, environment).

For sustainability reasons SAKIRP will not create its own groups but will build the capacity of the best existing groups. There are a lot of small groups for production and obtaining land from the village government but these have limited leverage. There are many aid-dependent groups created by extension services (with farmer field schools as a typical example). Primary societies for coffee and tobacco are market-oriented and offer economies of scale but have suffered management problems in the past. The best partners would be existing medium sized SACCOS with an agricultural background or primary societies that want to engage in micro finance. Quality Food Products is creating farmer groups for the production of dry beans for export in Kakonko district and organises extension and input credit. This is a feasible model for as long as there is no side selling.

During the last 5 decades, farmer organisations and cooperatives have been massively supported by donors and governments. Albeit strong reasons of economies of scale and increased lobbying capacity, farmer organisations have not really taken off. The track record has not been impressive. Integer leadership and commitment beyond the individual interest remain scarce resources in the smallholder context. SAKIRP should build in the risks in our approach and be prepared for other alternative ways to support farmers effectively. More and more agricultural projects look into the private sector to reach smallholder farmers.

The collaboration with Mviwata was explored for the strengthening of farmers' networks. The Mviwata regional office is not functional. There is hardly any funding and the organisation has no footprint in the districts of Kigoma region. There is a lack of vision what the network should do in Kigoma. There is a big capacity difference as compared to the Mviwata national office. The call for proposals to facilitate farmers' networks was put on a halt till after the SAKIRP strategic plan.

From the field reports it is clear that support for production is still required. Increasing access to improved cassava varieties and increasing bean yields (varieties, crop protection) are essential to the generation of tradable surpluses and improvement of household incomes. Cassava diseases have led to a collapse of yields in the Lake Zone and Rwanda and are a risk for the production in Kigoma too. Bean production is limited by the genetic potential of the popular Kigoma yellow variety. By August the stocks of beans are exhausted and only small volumes are traded. Major markets then need to rely on other supply regions. A small pilot project on community multiplication of cassava cuttings is underway in Kakonko district to compare models of seed multiplication and prepare for the 2017/18 season when SAKIRP should be fully operational. The principle of community contribution was introduced in this pilot initiative.

In the context of ASDP I, farmer field schools were created by the DAICOs for extension purposes. The majority is dormant and waiting for the next ASPS funding round. Their total number is 186.
In stark contrast with the Rwanda experience, they cannot be regarded as strong building blocks for farmers' organisations. The FFS principles remain however valid for on farm extension and action research.

2.7 Performance output 5: marketing & trade.

2.7.1 Progress of indicators

SAKIRP is a project in its inception phase. The indicators will be developed in 2017-Q2 after the baseline survey.

Output 5 : Improved market access and sustainable trade					
Indicators	**Baseline value**	**Value year N-1**	**Value year N**	**Target year N**	**End Target**
Volume of cassava and beans sold by producers - % change					
% change volume of cassava and beans sold by traders					
Number of win-win contracts					
Value added locally for cassava and beans					

2.7.2 Progress of main activities

Progress of <u>main</u> activities [6]	**Progress:**			
	A	B	C	D
1 Conducting market surveys		X		
2 Supporting collectors, processors and traders in value chain development initiatives and facilitate market linkages *(expected to start in 2017-Q4)*				
3 Strengthening the existing market information system(s) for the major crops *(expected to start in 2017-Q4)*				
4 Supporting public infrastructures and sale points *(expected to start in 2018)*				
5 Strengthening advocacy capacities regarding trade issues and other issues within the value chains *(expected to start in 2017-Q4)*				

[6] A: The activities are ahead of schedule
B The activities are on schedule
C The activities are delayed, corrective measures are required.
D The activities are seriously delayed (more than 6 months). Substantial corrective measures are required.

2.7.3 Analysis of progress made

The following tenders for end user markets were procured:

Tender market assessment	Crop	Firm	Cost euro	Deadline report
Rwanda	Cassava & beans	Cible	10.251	31st Jan 2017
Burundi	Cassava	Kilimo Trust	21.532	10th Mar 2017
Uganda	Cassava	Kilimo Trust	25.080	10th Mar 2017
Tanzania	Beans	Fair & Sustainable	18.810	28th Feb 2017

Up to 90% of marketed cassava is channelled to the neighbouring countries (Burundi, Rwanda and to a lesser extent Uganda). The markets for Kigoma beans were identified as Kahama, Mwanza, Shinyanga and Dodoma. The domestic market assessment which is under way will provide additional insights on end markets further afield.

There is a keen interest in the findings of the commissioned market studies in the neighbouring countries. Quality market assessment consultancies proved to be very expensive and out of the range of the original SAKIRP budget. Tough negotiations with Kilimo Trust were undertaken to bring the cost to within reasonable range.

In Kakonko there is the very important experience of Quality Food Products an exporter of dry beans. This is one of the very few formal firms that can play the role of lead company in the value chain development in Kigoma. The company has access to both regional and global markets but its future is clouded by a restructuring process which is underway following its acquisition by GAFCO.
A full-scale engagement and practical collaboration between Quality Food Products and SAKIRP are expected to start in 2017-Q3.

Market information systems for both farmers and other value chain actors are largely informal. Producers rely entirely on agents and have little knowledge of market information beyond the region. Mobile market information systems are not used - even not by extension workers. The market intelligence is not accurate enough to be of relevance. As revenue comes only for SMS fees, there are little incentives for mobile phone operators to invest heavily in regular updates.

Based on secondary data analysis and information coming in from the market assessment consultancies, the project team is already working on competitiveness strategies for each value chain. Competitiveness strategies will be finalised once all market studies have been concluded and their findings synthesised into actionable competitiveness development actions.

2.8 Transversal Themes

2.8.1 Gender

SAKIRP has a strong gender dimension. The overriding principle for the selection of the value chains was the potential impact on gender equity. Beans are a female crop and the income is controlled by women in the households. Several women cultivate cassava and are involved in its processing. The value chain development of cassava and beans is a good vehicle to address gender equity in the households and to improve the productive and community role of women. Women will constitute a significant portion of beneficiaries. Gender equity will influence eligibility criteria and local partners' selection. Service pproviders will be required to factor in an explicit gender perspective in methodologies and approaches for action earning and capacity building. Data collection should be gender segregated and the gender analysis will feature in the value chain development strategy.

2.8.2 Environment and climate change

SAKIRP will fully mainstream the environmental issues in its activities. There are strong linkages between environment and LED and agriculture. With the demographic growth, expansion of agricultural production relies heavily on further cultivation of miombo woodlands in Kigoma region. A lot of cassava cultivation is taking place in miombo forests. Cultivation has often reached the borders of Moyowosi game reserve and forest reserves. Smallholder farmers will encroach wetlands and forest & game reserves in search for free and fertile land. There is strong political pressure to degazet conservation zones and allow agricultural production. In the highlands, there is increased risk of soil erosion. SAKIRP will monitor well the environmental impact of its interventions. Farmer groups cultivating in environmental fragile zones will not be supported. Emphasis will be put on soil & water conservation and proper land use. Ridging along the contours of cassava plots and the association with leguminous crops at the end of the rotation can have an important conservation impact if applied on a regional scale. Cassava is relatively tolerant of poor soil fertility management by smallholder farmers and drought. It is therefore seen as a crop that contributes to the resilience of smallholdings in the context of climate change.

Pesticides are an important factor to increase farm and labour productivity. SAKIRP will advise on the proper use of agricultural inputs to mitigate their environmental damage. The use of fertilizer is not an environmental threat given the very small amounts that are used. On the contrary, the use of fertilizer will allow for a better and faster closed canopy of the crops thereby limiting water runoff and erosion. Fields with well managed soil fertility reduce as well the need for further cultivation of miombo forests and wetlands. Beans are the only leguminous crop in the crop rotation of smallholder farmers in Kigoma and their further promotion will add to nitrogen fixing and maintenance of soil fertility albeit on a limited scale.

With regards to the management of the project, the biggest environmental foot print is the carbon emissions of the flights between Kigoma and Dar es Salaam and Europe for staff, consultants and backstopping. Backstopping by Skype and Whatsapp reduces the need for travel. An additional pollution factor is the use of heavy 4*4 vehicles even on tarmac roads. During procurement, 3 hiluxes were purchased that are more fuel efficient than land cruisers. The use of motorcycles for 1 man missions is encouraged. Establishing a regional transport pool rather than operating individual project cars will further contribute to efficiency. Printing is very much reduced – most data storage and communication is done by ICT. Efficient use of electricity, water and transport will reduce waste and pollution. It is expected that the BTC green procurement guidelines will provide best practices in the future.

2.8.3 Other

Local economic development, markets for the poor, promotion of small and medium enterprises and public-private partnerships are important concept which complement the value chain approach to make economic growth inclusive and provide trade and employment opportunities for the poorer sections of the population.

2.9 Risk management

Identification of risk or issue			Analysis of risk or issue			Deal with risk or issue			Follow-up of risk or issue	
Risk description	Period of identi	Cat	Likelihood	Potential impact	Total	Action(s)	Resp.	Deadline	Progress	Status
JLPC not really effective due to being too much concerned on operational issues and too little on strategic issues	TFF	OPS	Medium	Medium	Medium Risk	Streamline JLPC with only strategic institutions and delegate operational monitoring to Technical committees and to Regional and District Stakeholder Meetings	Project coordination unit	on-going	split steering committee and regional stakeholders meeting helps to off sett operational issues	Terminated
						From the start creating clear comprehension of the members of the JLPC what their mandate and role is.	Project coordination unit, RR	Oct-16	first meeting steering committee dealt with responsibilities and the mandate.	
Tendency of Districts to spread the project activities over too many value chains and areas, which dilutes the quality of outputs in each.	TFF	OPS	Medium	Medium	Medium Risk	Continuous dialogue with districts on strategy of project and reasoning behind strategic choices	Project coordination unit	Jun-17	only 2 value chains selected will keep multiplication of activities in check	Terminated
						Early communication guidelines	Project technical team	Nov-16	clear communication that SAKIRP not local government programme and not all admin units need to be covered	
Tensions among the population on both sides of the border disturb seriously the cross border trade	TFF	OPS	Medium	Medium	Medium Risk	Develop market strategies which are not only focused on the cross border trade but also on the market of other regions in Tanzania	ITA marketing	Jul-17	civil unrest in Burundi has consequences for the trade there but creates markets around the refugee camps. Refugee and seasonal labour from Burundi are essential for crop expansion in Kigoma	In progress

Identification of risk or issue			Analysis of risk or issue			Deal with risk or issue			Follow-up of risk or issue	
Risk description	Period of identi	Cat	Likelihood	Potential impact	Total	Action(s)	Resp.	Deadline	Progress	Status
Insufficient attention for the gender dimension in VC activities	TFF	DEV	Medium	Medium	Medium Risk	Top down accountability for integrating gender at all phases of the programme and at all levels of the PIU	NTA Gender	ongoing	gender NTA recruited , TOR value chain assessment gender specific	In progress
Delays of implementation at District level linked to administrative and technical bottlenecks	TFF	OPS	Medium	Medium	Medium Risk	Provide technical and administrative assistance to Districts to influence bottlenecks, calling on their accountability and on the support through JLPC	DEDs districts project coordination	ongoing	many activities are implemented in regie, diagnostic survey of potential partners ongoing	In progress
						Variety of partners including private sector and civic society	PIU	Jul-17		
Delays in contracting service providers due to bureaucratic procedures at region and district for procurement and tendering	TFF	OPS	Medium	Medium	Medium Risk	Centralize as much procurement as possible for service contracts, but keep a close eye on performance based payments	Procurement officer		BTC tendering procedures are followed as the project is managed in regie. BTC tender procedures require also time and resources	In progress
						Procurement is according to Belgian legislation	IFO			
Mistrust among value chain actors (e.g. private - public sector) and not having the willingness to collaborate	TFF	OPS	Medium	Medium	Medium Risk	Have an approach from the beginning of the dialogue between actors to create trust and engagement and ensuring the capacity of facilitators for this	Project team		SAKIRP has been reaching out private sector. Mistrust is there given taxation regime and difficulties to obtain licenses. Mistrust expands equally to development projects that are seen as fat cats.	In progress

Identification of risk or issue			Analysis of risk or issue			Deal with risk or issue			Follow-up of risk or issue	
Risk description	Period of identi	Cat	Likelihood	Potential impact	Total	Action(s)	Resp.	Deadline	Progress	Status
Resistance in LGA to contract nonstate service providers with the necessary know-how and expertise	TFF	OPS	Medium	Medium	Medium Risk	Involve LGA fully in the assessment of the need for services and support by the chain actors and the assessment of performance of service providers (including the public sector)	PIU	Jul-17	Directive of presidency that government agencies in the first place do business with other state actors is a setback to better engage the private sector	In progress
						Advocate during the project implementation consequent the principles of Value for Money.	PIU	Jul-17	ongoing + competitive procurement and call for proposals	
Implementation modalities of other donor funded projects are only facilitating micro-projects and therefore possibly disrupting a VCD approach	TFF	OPS	Medium	Medium	Medium Risk	Establish good communication and coordination platforms with other projects/agencies who have interventions linked to the selected value chains	PIU	Jul-17	SAKIRP has reached out to other programmes in pro-active way to avoid duplication and use as much as possible existing modalities	In progress
Service providers do not continue after the end of the project due to lack of core funding	TFF	DEV	Medium	Medium	Medium Risk	Involve different type of service providers and facilitate long-term partnership with more permanent local service providers with a view to continue the collaboration and service provision after the project end.	Project technical team	ongoing	action expected in 2017-q4 after identification and selection of value chain service providers	In progress
						make sure service provision takes local purchase power into consideration	BDSP	recurrent		
The inability to open "special accounts" for the project as per Execution Agreement, leads to a cumbersome fund flow system	TFF	FIN	Medium	Medium	Medium Risk	Use of the District development or miscellaneous account needs careful monitoring to ensure funds are earmarked for project and not allocated to other	Financial team	2016-Q2	specific agreement provides for project implementation in "regie" that allows for efficiency but reduces ownership by LGA	Terminated

Identification of risk or issue			Analysis of risk or issue			Deal with risk or issue			Follow-up of risk or issue	
Risk description	Period of identi	Cat	Likeliho od	Potential impact	Total	Action(s)	Resp.	Deadline	Progress	Status
						sectors				
						Use of alternative accounts by transferring money through M-pesa	Financial team	2016-Q2	specific agreement provides for project implementation in "regie"	
Ineffective control of financial information at District and Regional level and questionable reliability and inconsistency in report data	TFF	FIN	Medium	Medium	Medium Risk	Prepare PIM and AFM Manual in an early stage and provide orientation and training and guidance in its use	Financial team	recurrent	draft PIM to be approved by JLPC 18/10/2016	In progress
						Provide administrative backup from PIU to districts to help improve quality of reporting	Financial team	recurrent	pending implementation	
						Organize regular financial audits (internal and external) and deal with issues through management reports	Financial team	recurrent	annually	
Delays of implementation at project level due to difficulties to find and retain the right HR	Q3 2016	OPS	Medium	High	High Risk	Paying attention to retention potential	PIU & RR	recurrent		New
						Expedite the recruitment of partners		recurrent		
Food export bans of the government while main cassava markets of Kigoma region are in neighbouring countries	inception phase	DEV	High	High	Very High Risk	organise/ link with farmer lobby groups - communicate evidence based research on food security	PIU	recurrent	pending	New
						liaise with Kigoma MPs	PIU	recurrent	pending	
						sensitize RC and district leadership	PIU	recurrent	issue brought up in RRC of Nov 2016	

Identification of risk or issue			Analysis of risk or issue			Deal with risk or issue			Follow-up of risk or issue	
Risk description	Period of identi	Cat	Likeliho od	Potential impact	Total	Action(s)	Resp.	Deadline	Progress	Status
Few dependable local partners for the implementation of SAKIRP activities in Kigoma region and reliable organisations already fully engaged with their own plans	inception phase	DEV	Medium	High	High Risk	mobilize partners from outside the region - allow for national call for proposals	PIU	2017-Q4		New
						screen for best local partners during inception phase and value chain assessment	PIU	2017-Q3	diagnostic survey ongoing	
Many more agricultural programmes that target the same local partners will create an absorption capacity problem of donor funding	inception phase	DEV	High	Medium	High Risk	strengthen coordination mechanisms region for agricultural sector	PIU	recurrent	issues raised during induction meeting new leaders at region	New
						coordination agreements with other agricultural programmes	PIU	recurrent	agreement signed with LIC/DANIDA for cassava processing	
Bean output is limited and might not justify an exclusive market approach	inception phase	DEV	Medium	Medium	Medium Risk	assess production output beans during value chain assessment	consultants	2017-Q1	important consideration during the VCA	New
						include improved but locally adapted bean varieties and crop husbandry in value chain development	DFP-NTA FFS	2017-Q4	important consideration during the VCA	
Trade in Kigoma is dominated by the informal sector with limited growth potential and interest to develop smallholder agriculture	inception phase	DEV	Medium	Medium	Medium Risk	assess capacity of informal sector for value chain development	DFP-NTA markets	2017-Q3	important consideration during the VCA	New
						promote Kigoma as investment destination for formal exporters of agricultural commodities	DFP-NTA markets	2017-Q3		
Cassava brown streak virus disease is not contained and reduces cassava	inception phase	DEV	High	High	Very High Risk	training farmers & extension workers on CBSV identification and quarantine	DAICOS - DFP-NTA FFS - partners	2017-Q4	important consideration during the VCA	New

Identification of risk or issue			Analysis of risk or issue			Deal with risk or issue			Follow-up of risk or issue	
Risk description	Period of identi	Cat	Likelihood	Potential impact	Total	Action(s)	Resp.	Deadline	Progress	Status
production considerably						introduction of cassava varieties that have double tolerance: CMD & CBSV	DAICOS - DFP-NTA FFS - partners	2017-Q4	important consideration during the VCA	

3 Steering and Learning

3.1 Strategic re-orientations

Important underlying assumptions in the TFF that will need verification during the value chain assessment and diagnostic surveys are the following:

- Farmer field schools as building blocks for strong farmers' organisations. In Kigoma region, farmer field schools are few and they have been dormant waiting for the next round of ASDP funding. A systematic assessment of the existing producer groups and SACCOs (market orientation, management, social coherence, leadership, risk mitigation) will identify the most reliable partners and the capacity needs gaps.
- There sufficient tradable bean volumes and no agronomic support is required. It looks that household surplus beans are exhausted by August.
- SAKIRP can rely on a network of local partners that will establish consortia with specialised service providers from other regions in Tanzania. The reality on the ground is that there are few effective organisations with a good outreach working in Kigoma. The few that exist are already fully occupied with the implementation of their existing plans and have limited interest in taking another project on board. The new upcoming agricultural projects will all struggle with the same absorption capacity as similar service providers are targeted.

3.2 Recommendations

Recommendations	**Actor**	**Deadline**
1. Speed up procurement of the consultancy for the analysis of the financial systems in Kigoma region and the formulation of a value chain financial strategy.	PIU	2017 Feb
2. Include private sector actor in steering committee.	JLPC	2017-Q2
3. Expand the search for implementing partners beyond the borders of Kigoma region	PIU	2017-Q4
4. Look for further synergy between the BTC projects in Kigoma (administrative & gender staff sharing, transport pool, logistics)	RR	2017-Q2
5. Include support to agricultural production as it remains an important bottleneck for trade volumes and smallholder income, is very much in local demand and increases the project visibility.	JLPC	2017-Q2
6. Allow for a multiple track approach of support to farmers organisations beyond farmer field schools – focus rather on primary societies and SACCOS.	PIU	recurrent

3.3 Lessons Learned

Lessons learned	Target audience
1. In Kigoma region, farmer field schools are few and they have been dormant waiting for the next round of ASDP funding. The TFF assumption that FFS are the essential building blocks for strong farmers' organisations does not hold ground. A systematic assessment of the existing producer groups and SACCOs (market orientation, management, social coherence, leadership, risk mitigation) will identify the most reliable partners and the capacity gaps. Farmers' organisations are weak in Kigoma region and will not provide for the driving force of the value chain development.	Steering committee
2. 95% of the cassava produced in Kigoma is exported to Burundi and Rwanda. These markets are temporary because of political unrest (Burundi) or a collapse of the production (Rwanda). A big volume is exported informally to Burundi. Exports of cassava to neighbouring countries do not affect food security in the region as local residents want to eat maize. Awareness on cassava diseases is low while the risk of a cassava brow streak virus outbreak is high. There are no resistant varieties that have been released.	Agricult projects Min Agriculture
3. There is a good market for yellow beans and beans in general. Kigoma production remains low due to out-dated varieties and poor husbandry conditions. The Kigoma yellow variety does not attract a premium payment – on the contrary beans from Kigoma are seen as of inferior quality by Kahama traders. Kigoma yellow has a low yield potential. As a cash crop it is better replaced by yellow varieties released by research institutions.	General
4. Important risks are: government bans on food exports as 90% of Kigoma cassava is exported to East African neighbours; cassava production collapse due to cassava brown streak virus while no tolerant varieties have been released; the informal actors that have limited growth capacity and no commitment to development of smallholder agriculture	Steering committee
5. From donors (AGRA, LIC) and districts, there is still a strong demand that the programme gets involved in agricultural production. Production might not be enough and the bottlenecks for the productivity of the whole value chain might still be at the production node. This will be assessed during the baseline survey.	Steering committee
6. Technical staff recruitment met with a number of obstacles: limited number of candidates that meet the full skill requirements, Kigoma is not seen as an attractive duty station for Tanzanian talent, competitive salaries for qualified personnel the BTC salary scale cannot provide for. The sluggish staff recruitment slows down the activities of the inception phase.	BTC

4 Annexes

4.1 Quality criteria

1. RELEVANCE: The degree to which the intervention is in line with local and national policies and priorities as well as with the expectations of the beneficiaries					
In order to calculate the total score for this quality criterion, proceed as follows: 'At least one 'A', no 'C' or 'D' = A; Two times 'B' = B; At least one 'C', no 'D'= C; at least one 'D' = D					
Assessment RELEVANCE: total score		**A**	**B**	**C**	**D**
			√		
1.1 What is the present level of relevance of the intervention?					
	A	Clearly still embedded in national policies and Belgian strategy, responds to aid effectiveness commitments, highly relevant to needs of target group.			
√	**B**	Still fits well in national policies and Belgian strategy (without always being explicit), reasonably compatible with aid effectiveness commitments, relevant to target group's needs.			
	C	Some issues regarding consistency with national policies and Belgian strategy, aid effectiveness or relevance.			
	D	Contradictions with national policies and Belgian strategy, aid efficiency commitments; relevance to needs is questionable. Major adaptations needed.			
1.2 As presently designed, is the intervention logic still holding true?					
	A	Clear and well-structured intervention logic; feasible and consistent vertical logic of objectives; adequate indicators; Risks and Assumptions clearly identified and managed; exit strategy in place (if applicable).			
√	**B**	Adequate intervention logic although it might need some improvements regarding hierarchy of objectives, indicators, Risk and Assumptions.			
	C	Problems with intervention logic may affect performance of intervention and capacity to monitor and evaluate progress; improvements necessary.			
	D	Intervention logic is faulty and requires major revision for the intervention to have a chance of success.			

2. EFFICIENCY OF IMPLEMENTATION TO DATE: Degree to which the resources of the intervention (funds, expertise, time, etc.) have been converted into results in an economical way					
In order to calculate the total score for this quality criterion, proceed as follows: 'At least two 'A', no 'C' or 'D' = A; Two times 'B', no 'C' or 'D' = B; at least one 'C', no 'D'= C; at least one 'D' = D					
Assessment EFFICIENCY : total score		**A**	**B**	**C**	**D**
			√		
2.1 How well are inputs (financial, HR, goods & equipment) managed?					
	A	All inputs are available on time and within budget.			
√	**B**	Most inputs are available in reasonable time and do not require substantial budget adjustments. However there is room for improvement.			
	C	Availability and usage of inputs face problems, which need to be addressed; otherwise results may be at risk.			
	D	Availability and management of inputs have serious deficiencies, which threaten the achievement of results. Substantial change is needed.			
2.2 How well is the implementation of activities managed?					
	A	Activities implemented on schedule			

√	B	Most activities are on schedule. Delays exist, but do not harm the delivery of outputs
	C	Activities are delayed. Corrections are necessary to deliver without too much delay.
	D	Serious delay. Outputs will not be delivered unless major changes in planning.
2.3 How well are outputs achieved?		
	A	All outputs have been and most likely will be delivered as scheduled with good quality contributing to outcomes as planned.
√	B	Output delivery is and will most likely be according to plan, but there is room for improvement in terms of quality, coverage and timing.
	C	Some output are/will be not delivered on time or with good quality. Adjustments are necessary.
	D	Quality and delivery of outputs has and most likely will have serious deficiencies. Major adjustments are needed to ensure that at least the key outputs are delivered on time.

3. EFFECTIVENESS TO DATE: Degree to which the outcome (Specific Objective) is achieved as planned at the end of year N				
In order to calculate the total score for this quality criterion, proceed as follows: 'At least one 'A', no 'C' or 'D' = A; Two times 'B' = B; At least one 'C', no 'D'= C; at least one 'D' = D				
Assessment EFFECTIVENESS : total score	**A**	**B**	**C**	**D**
		√		

3.1 As presently implemented what is the likelihood of the outcome to be achieved?		
	A	Full achievement of the outcome is likely in terms of quality and coverage. Negative effects (if any) have been mitigated.
√	B	Outcome will be achieved with minor limitations; negative effects (if any) have not caused much harm.
	C	Outcome will be achieved only partially among others because of negative effects to which management was not able to fully adapt. Corrective measures have to be taken to improve ability to achieve outcome.
	D	The intervention will not achieve its outcome unless major, fundamental measures are taken.
3.2 Are activities and outputs adapted (when needed), in order to achieve the outcome?		
	A	The intervention is successful in adapting its strategies / activities and outputs to changing external conditions in order to achieve the outcome. Risks and assumptions are managed in a proactive manner.
√	B	The intervention is relatively successful in adapting its strategies to changing external conditions in order to achieve its outcome. Risks management is rather passive.
	C	The intervention has not entirely succeeded in adapting its strategies to changing external conditions in a timely or adequate manner. Risk management has been rather static. An important change in strategies is necessary in order to ensure the intervention can achieve its outcome.
	D	The intervention has failed to respond to changing external conditions, risks were insufficiently managed. Major changes are needed to attain the outcome.

4. POTENTIAL SUSTAINABILITY: The degree of likelihood to maintain and reproduce the benefits of an intervention in the long run (beyond the implementation period of the intervention).				
In order to calculate the total score for this quality criterion, proceed as follows: At least 3 'A's, no 'C' or 'D' = A ; Maximum two 'C's, no 'D' = B; At least three 'C's, no 'D' = C ; At least one 'D' = D				
Assessment POTENTIAL	**A**	**B**	**C**	**D**

SUSTAINABILITY : total score				√		
4.1 Financial/economic viability?						
	A	Financial/economic sustainability is potentially very good: costs for services and maintenance are covered or affordable; external factors will not change that.				
√	B	Financial/economic sustainability is likely to be good, but problems might arise namely from changing external economic factors.				
	C	Problems need to be addressed regarding financial sustainability either in terms of institutional or target groups costs or changing economic context.				
	D	Financial/economic sustainability is very questionable unless major changes are made.				
4.2 What is the level of ownership of the intervention by target groups and will it continue after the end of external support?						
	A	The steering committee and other relevant local structures are strongly involved in all stages of implementation and are committed to continue producing and using results.				
√	B	Implementation is based in a good part on the steering committee and other relevant local structures, which are also somewhat involved in decision-making. Likeliness of sustainability is good, but there is room for improvement.				
	C	The intervention uses mainly ad-hoc arrangements and the steering committee and other relevant local structures to ensure sustainability. Continued results are not guaranteed. Corrective measures are needed.				
	D	The intervention depends completely on ad-hoc structures with no prospect of sustainability. Fundamental changes are needed to enable sustainability.				
4.3 What is the level of policy support provided and the degree of interaction between intervention and policy level?						
	A	Policy and institutions have been highly supportive of intervention and will continue to be so.				
√	B	Policy and policy enforcing institutions have been generally supportive, or at least have not hindered the intervention, and are likely to continue to be so.				
	C	Intervention sustainability is limited due to lack of policy support. Corrective measures are needed.				
	D	Policies have been and likely will be in contradiction with the intervention. Fundamental changes needed to make intervention sustainable.				
4.4 How well is the intervention contributing to institutional and management capacity?						
	A	Intervention is embedded in institutional structures and has contributed to improve the institutional and management capacity (even if this is not an explicit goal).				
√	B	Intervention management is well embedded in institutional structures and has somewhat contributed to capacity building. Additional expertise might be required. Improvements in order to guarantee sustainability are possible.				
	C	Intervention relies too much on ad-hoc structures instead of institutions; capacity building has not been sufficient to fully ensure sustainability. Corrective measures are needed.				
	D	Intervention is relying on ad hoc and capacity transfer to existing institutions, which could guarantee sustainability, is unlikely unless fundamental changes are undertaken.				

4.2 Decisions taken by the steering committee and follow-up

Decision				Action			Follow-up	
Decision	**Identification period (mmm.yy)**	**Source**	**Actor**	**Action(s)**	**Resp.**	**Deadline**	**Progress**	**Status**
Make selection of 1 candidate amongst proposed list of potential private agro-business representatives by email.	Oct-16	JLPC	JLPC	list proposals submitted to steering committee	JLPC	2017-Q2	decision pending 2017-Q1 next steering committee	OPEN
Inform LIC about the agreement of the functional split for the cassava value chain and make a follow-up of the LIC board	Oct-16	JLPC	JLPC	implemented	PIU	2017-Q2	LIC board meeting sat in Dec 2016 and approved the functional split between LIC and SAKIRP	CLOSED
While respecting the procedures, expedite the signing and implementation of grant agreements.	Oct-16	JLPC	JLPC	value chain assessment will outline requirements for services. The farmer and partner diagnostic survey will identify the best potential partners	PIU	recurrent	value chain assessment and diagnostic surveys ongoing and expected to be finalised in 2017-Q1	OPEN
Meeting with Tanganyika Water Basin Authority to avail office space SAKIRP & water programme so that movement can take place asp	Oct-16	JLPC	JLPC		AFO, TWBA	2016-Q4	pending handing over contractor - now 2/2/2017 + need additional office in regional block to accommodate NTAs	ONGOING
Distribute a copy of the project implementation manual to the participating districts	Oct-16	JLPC	JLPC	adjustments allowances & streamlining other projects in Kigoma region pending	PIU	2017-Q1	pending streamlining allowances	ONGOING
In function of the outcome baseline survey, adjust the TOR of district focal point and share with DEDs of the selected districts before submitting to the next steering committee	Oct-16	JLPC	PIU	TOR of district focal pointsDFPs were dispatched by project coordinator.	PIU	2017-Q2	DFPs participate in value chain assessment. Temporary agreements were made for an initial period Jan-Jun 2017. This will allow for adjustment	ONGOING
Review and approval progress and expenditure report 2016 S2 and provisional plan and budget 2017 by email to allow for more time for the implementation of the baseline so that the final strategic plan can be submitted to the steering committee of May	Oct-16	JLPC	JLPC	draft annual plan and report in progress	PIU	01/02/2017	draft plan and	ONGOING

4.3 Updated Logical framework

The logical framework will be updated after all the information of the value chain assessment, end user market surveys will have been used to develop the strategic plan. The household surveys will provide the benchmarking for the indicators of the log frame.

4.4 MoRe Results at a glance

Logical framework's results or indicators modified in last 12 months?	Will be done in 2017-Q2
Baseline Report registered on PIT?	Not yet – baseline will be conducted 2017-Q1
Planning MTR (registration of report)	2018-Q3
Planning ETR (registration of report)	2020-Q2
Backstopping missions since	Not yet – first backstopping mission in March 2017 with the strategic planning

4.5 "Budget versus current (y – m)" Report

See separate PDF annex – FIT extract .

4.6 Communication resources

The project is still in its inception phase. The only communication resources available now are the general leaflet and posters of the mapped value chain of cassava and beans. The value chain assessments reports will be a milestone and provide a wealth of information for other agricultural projects in the region. There is a strong interest in the practical outcome of the market surveys in Uganda, Burundi and Rwanda. SAKIRP intends to work with the main FM local radio station as a cost effective means of communication.

<u>Tools</u>

- Diagnostic tools for the assessment of farmer and partner organisations
- Questionnaires for market surveys of beans and cassava
- Written tests and interview questions for the selection of technical advisers

<u>Technical specifications</u>
TORs of high quality were developed for the value chain assessment and the market surveys of beans and cassava.