### Central project evaluation - executive summary

### Market Oriented Agriculture Programme (MOAP)

Project title	Market Oriented Agriculture Programme (MOAP)		
Country/region/global	Ghana		
Sector and creditor reporting system code	31110 - Agricultural policy and administrative management (50%), 31120 - Agricultural development (30%), 31162 - Industrial crops/export crops (20%)		
Project number	2015.2088.1		
Commissioning party	German Federal Ministry for Economic Cooperation and Development (BMZ), European Union (EU)		
Lead executing agency	Ministry of Food and Agriculture (MoFA)		
Project value	EUR 22,600,000 (of which EUR 10,000,000 is cofinanced by the EU)		
Project term	January 2017 - 31 March 2021		
Reporting year CPE	2021	Sample year CPE	2018

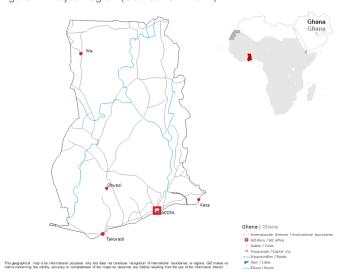
### Context of the project

Since the start of MOAP in 2004, the agricultural sector has been guided by government policies that seek to supply the population with staple foods and modernise and commercialise agriculture. At the time, the value chain development approach was rather new to Ghana. It introduced a shift in strategic focus: from 'production-push' and public-sector dominance toward 'market-pull' and private-sector engagement.

An EU export ban on a handful of Ghanaian vegetables in 2015/2016 related to sanitary and phytosanitary issues alerted stakeholders to the need to improve the quality of production in the horticultural subsector. The project planning (2016) and launch (January 2017) coincided with a change in the ruling national political party. A new minister was appointed as political head of the Ministry of Food and Agriculture (MoFA) and charged with the mandate to pursue new priorities and strategies for the sector. The key government flagship programme is Planting for Food and Jobs, which is bolstered by other measures, such as Planting for Export and Rural Development and the 'One District One Factory' initiative. The overall strategy seeks to reduce the import bill by producing staple foods locally for consumption, increase export rates especially of processed products, and create jobs.

Since the Local Governance Act of 2016, agricultural extension agents at the decentralised level have become staff of the municipal and district assemblies, while also maintaining technical vertical relationships with MoFA regional and national directors.

Figure 1: Project region (Source: GIZ 2021).



### Brief description of the project

The project, which was the fifth MOAP module since 2004, ran from January 2017 through March 2021. Its overall objective was that 'quality production in the agricultural sector is improved'. Five outputs were formulated to achieve the target.

The project used a multi-level, multi-actor approach based on the ValueLinks approach, a methodology for systematic value chain development designed by GIZ. Four selected value chains – pineapple, mango, citrus and vegetables – were promoted starting from market requirements, mainly for export, and extending to production standards and techniques. The capacity development strategy included competency-based training at individual level, organisational development and institutional strengthening of public and private organisations and associations, cooperation within the sector and between VC actors, and enhancement of the political framework conditions.

In 2020, German development cooperation decided to focus on three main sectors (core themes) related to BMZ 2030, so the agricultural sector was closed in March 2021. A new GIZ project, 'Sustainable Employment through Agribusiness (AgriBiz)', started in April 2021.

Figure 2: Project objective/areas of intervention



### Assessment according to DAC criteria

#### Relevance

# Dimension 1: Alignment with policies and priorities

The project's objectives were particularly aligned to the policies and priorities of the donor community and the specific needs of the private sector, namely producers, processors and distributors. Moreover, the prominent value chain development approach is reflected in the government's sector policies and the project has addressed the identified constraints.

# Dimension 2: Alignment with the needs and capacities of the beneficiaries and stakeholders

The alignment with the needs and capacities of market-oriented actors is high, but it is rather low in the case of the vulnerable groups or specific target groups established by the project's design, such as women and young adults. This is a direct – and understandable – consequence of a market focus that favours business-oriented producers over poor smallholders, because the former are the drivers of economic growth. Positive effects are expected to trickle down to the general population through the creation of job opportunities.

The social and environmental dimensions of sustainable development are mentioned within the project's proposal, but are not considered equal to the economic dimension.

### Dimension 3: Appropriateness of the design

The project's design (components and indicators) has not been very helpful to achieve the objectives. Indeed, it has complicated implementation, monitoring and evaluation.

# Dimension 4: Adaptability – response to change

Despite changes in the partner's priorities and a rather disadvantageous project design, the project has not been adapted over the course of several change offers submitted to BMZ.



#### Coherence

#### **Dimension 1: Internal coherence**

The internal coherence of MOAP can be assessed as rather positive.

Complementary interventions have been designed and implemented together with other GIZ programmes (Green Innovation Centres, Competitive Cashew Initiative, Alliance for Product Quality in Africa), with KfW (Outgrower and Value Chain Fund), and with PTB (Quality Infrastructure for Agricultural Exports). The synergies between technical (GIZ) and financial (KfW) cooperation could have been greater if the value chains supported by MOAP had been able to absorb higher volumes of credit to access KfW's Outgrower and Value Chain Fund.

#### **Dimension 2: External coherence**

With regard to external coherence, there has been general coordination among development partners through the Agricultural Sector Working Group (ASWG).

Moreover, selected technical cooperation took place where interests coincided and expertise could be complemented. At the political level, it remains unclear whether coordination among development partners took place.

Existing structures were used where they supported the implementation of the value chain development approach.

No systematic cooperation management based on Capacity WORKS success factors and methods, including a common system for M&E and learning together with the partner institution, was applied.

#### **Effectiveness**

## Dimension 1: Achievement of the (intended) objectives

Of the five module indicators, two were fully achieved, two were partially achieved and one was not achieved.

# Dimension 2: Contribution to achievement of objectives

The contribution analysis on the achievement of objectives concluded that project outputs have contributed to a reduction in EU interceptions related to harmful organisms as a consequence of enhanced quality control at border exit points (hypothesis 1). The improved operability of agricultural infrastructure through joint management by public and private stakeholders (hypothesis 2) could only be observed sporadically in irrigation schemes, where responsibilities have been transferred to water user associations with very limited results in terms of operability. An increase in certified quality production through the promotion of inclusive business models and improved services and techniques for agricultural production and processing (hypothesis 3) could be confirmed in principle. Efforts to achieve improved public-private dialogue in the agricultural sector (hypothesis 4) have led to a more dynamic and proactive private sector, but the public sector still lags behind.

### **Dimension 3: Quality of implementation**

The quality of the technical implementation was regarded as high. However, strategic steering based on a clearly organised monitoring system, using tools for systematic cooperation management, could not be confirmed. The political partner did not participate actively in project monitoring and steering. Learning and knowledge management fell short, as did the exit strategy.

#### **Dimension 4: Unintended results**

The de facto withdrawal of the partner at political level was considered a negative unintended result.



Figure 3: Achievement of the project's objective indicators

Strategic framework for value chain development

0%

Increased income for producer households

Additional job creation

100%

Increased turnover from domestically sold certified products 59%

Reduction in EU quarantine interceptions

100%

#### **Impact**

# Dimension 1: Higher-level (intended) development changes/results

This section is closely related to impact dimension 2, so both dimensions are treated together below.

# Dimension 2: Contribution to higher-level (intended) development results/changes

In the context of the MOAP programme since 2004 and other development partners' efforts, the project has contributed to improving the competitiveness of the horticultural subsector: export rates have gone up (mango), recessions have been cushioned (citrus, pineapple) and new niches have been tapped (organic, peels, vegetables). Also, value has been added; job opportunities have been created, especially for women and young adults; and farmers have been able to increase revenues through improved market access. The public sector has internalised the value chain development approach and is starting to take a more private sector-oriented perspective. Even though publicprivate sector dialogue has not yet been institutionalised, the horizontal and vertical relationships of value chain stakeholders have improved. Increased awareness of food safety and quality issues is expected to become even greater as local voluntary standards gain ground.

# Dimension 3: Contribution to higher-level (unintended) development results/changes

Evidence of positive or unintended impacts with regard to social and environmental dimensions is weak. The supposed trickle-down effect and the

contribution to pro-poor growth need to be further investigated and monitored. The expectation that export-oriented agriculture would contribute to economic growth without having any negative environmental effects appears rather unrealistic.

#### **Efficiency**

Photo 1: Women processing mangoes (Source: GIZ MOAP)



#### **Dimension 1: Production efficiency**

The distribution of inputs with regard to the direct target groups was rather well balanced and mirrored the focus on the private sector. However, a set of critical aspects regarding project internal, GIZ internal and partner-related issues must have had a negative effect on efficiency, including the delayed delivery of services. The main critical aspects concerned integrity issues within the project, rather cumbersome bureaucratic processes at GIZ country office and headquarters, and chronic budget limitations on the partner side that constrained operations.

#### **Dimension 2: Allocation efficiency**

The scaling-up of outcomes faced challenges at national level (vertical) owing to the lack of political backing. While the replication of best practices was observed at local level, horizontal scaling-up cannot be expected to take place without further support.



#### **Sustainability**

### Dimension 1: Capacities of the beneficiaries and stakeholders

The persistence of positive effects created by the project appeared to be a crucial challenge. However, it was assumed that the recent crisis caused by the Covid-19 pandemic has amplified the private sector's rather pessimistic outlook. The public sector in particular was identified as presenting weaknesses due to chronic budget constraints. At end of the project, 30% of the supported plant clinics are not operational. In addition, however, smallholder farmers are at risk of being unable to maintain their certifications and GAPs without assistance, especially if their farmerbased organisation is weak. A similar situation can be assumed for small processors that have neither the cash flow nor the access to finance needed to balance reduced turnovers and profits.

On the other hand, a strong focus on the private sector could reduce risks by distributing ownership and commitment among various actors.

# Dimension 2: Contribution to supporting sustainable capacities

The project has contributed to increasing sustainability through capacity development, especially through competency-based training, and the successful facilitation of arrangements between farmers and off-takers. However, no systematic exit strategy announced against the background of a 12-month extension and the project's phasing-out could be detected.

#### Dimension 3: Durability of results over time

The majority of the supported VCs are linked to export markets. Clearly, demand is highly influenced by consumer preferences and by external shocks like the pandemic. In addition to losing market access because of external effects, farmers also face considerable risks on the production side, including pests and diseases, and unfavourable weather conditions, such as rainfall variability, which have negative effects on yields and production quality.

In conclusion, high risks of exposure related to relatively low coping capacities lead to considerable vulnerability in the horticultural sector,

which needs further assistance in order to sustain its achievements.

### **Overall rating**

Results and ratings reflect the interplay of the predecessor project, the design, the implementation including steering and monitoring, the contributions of the partner and involved stakeholders, and the context and external circumstances.

The project has been implemented under difficult conditions, ranging from a not very beneficial project design and a lack of partnership and steering to internal integrity issues and the worldwide Covid-19 pandemic. These were considered to be the main reasons why the overall rating has not reached a higher level of success.

The weakest spots were found in effectiveness and sustainability, where shortcomings were noted in the design, partner contributions and strategic focus. A strength was observed in the impact criterion, where the project was able to build on previous achievements and contribute to the increased competitiveness of the horticultural sector.

Table 1: Rating of OECD/DAC evaluation criteria

Criteria	Score (Max. 100)	Rating 1 (highly successful) to 6 (highly unsuccessful)
Relevance	73	Level 3: moderately successful
Coherence	70	Level 3: moderately successful
Effectiveness	67	Level 3: moderately successful
Impact	81	Level 2: successful
Efficiency	70	Level 3: moderately successful
Sustainability	67	Level 3: moderately successful
Overall	71	Level 3: moderately successful



As a final remark, the project management of international cooperation in general and the value chain development approach (ValueLinks 2.0) in particular has become so complex that it is increasingly challenging to live up to high expectations in such difficult contexts.

# Conclusions and factors of success and failure

Capacity development: in particular, farmer training is only successful if farmers have the willingness and (financial) ability to adopt newly introduced practices for improved production. This depends mainly on the availability of secure markets. Adoption of GAPs is low where a market is missing or trust between buyers is lacking.

Access to finance: this key impediment could only be addressed very remotely or indirectly since existing initiatives (e.g. OVCF) target only a small category of larger, more established enterprises. Financial products for farmer groups and MSMEs are lacking in Ghana.

Internal processes: internal procedural guidelines would have been helpful to create a coherent procedure, e.g. how to plan and implement training and workshops grounded in a competency-based approach; how to conduct employee appraisals; and repeated reflexions on what needs to change, what needs to be done and how changes can be observed (M&E).

**Cooperation and coordination**: coordination with other GIZ programmes and donors still remains a challenge; public—private sector dialogue was challenging but worthwhile.

Project design and approach: massive support to the public sector is an outdated approach. Demand and market orientation ensure sustainability.

MOAP would have been more successful with a more coherent, more focused, better communicated approach. Indicator formulation must be done with great care to ensure that indicators are realistic.

The following are examples of success factors:

- (Regional and District Departments of Agriculture).
- ☑ Private-sector participation: a vibrant and committed private sector with young, well-educated entrepreneurs and reliable off-takers for smallholder produce.
- Market trends: growing international interest in tropical fruits, organic products and sustainable supply chains for export; a growing middle class in Ghana who demand healthy, safe food.

#### Recommendations

# For GIZ's 'Sustainable Employment through Agribusiness'

Make sure to define and focus the project's approach to achieve complementarity with other projects and development and implementing partners. Build up an integrated M&E system that serves not only to attribute effects and render an account of indicator achievement but also to define areas of strategic observation that are actively used for steering and learning. Consider actively involving a university, research institute or civil society organisation to assist and accompany the project from an external viewpoint. Make use of the Capacity WORKS toolkit to enhance cooperation management. Finally, continue making efforts to re-establish a constructive, trustworthy relationship with MoFA at the political level.

#### For the implementing partner

Even when conditions of cooperation agreements are not satisfactory, look for compromises or delegate project coordination. Systematic collaboration and complementarity across ministries are needed to improve food safety.

Efforts should be increased to enhance data, information and knowledge management as well as access. Increasing the effectiveness of public services is the major challenge, given limited budgets. Thus, focus on reforms to make efficiency gains that could amplify outcomes. In order to find a way out of the budget dilemma, schemes of internally generated funds and performance-based salaries could be trialled and implemented.



# For GIZ country office/headquarters/sectoral department

With respect to Ghana, request the formulation of a BMZ country strategy to sharpen approach and coherence.

Consider options to strengthen the assistance of project managers and project teams to live up to the increasing complexity and administrative burden of managing cooperation projects.

Examples include the timely and lean administration of instruments for private-sector promotion (e.g. matching funds, financing and local subsidy agreements), and the use of management instruments such as M&E tools and Capacity WORKS. Integrity issues regarding project personnel are another relevant topic. Assistance provided by headquarters should aim to reduce the burden on project managers as much as possible.

Approach and methods of the evaluation

The evaluation was divided into two phases. Within the **inception phase** (November 2020 to January 2021), the original terms were modified, key stakeholders were interviewed, the results model was reconstructed and the evaluation design was further developed.

The **evaluation design** was based on the reconstructed results model (theory of change) followed by a contribution analysis of selected intervention hypotheses at outcome and impact levels.

The actual **evaluation phase** took place between February and May 2021. Owing to the ongoing Covid-19 pandemic, the evaluation was semi-remote. Only the local evaluator engaged in onsite field visits and face-to-face interactions with stakeholders.

### **Methods deployed**

Prior to the evaluation mission, three online surveys were administered: for MOAP staff, for MoFA staff and for representatives of the private sector (mainly processors).

The onsite evaluation mission consisted of a seven-day field visit by the local evaluator to selected farmers, district administrations,

processors, a water user association and inspections of agricultural produce at Kotoka International Airport. The perspectives of the main beneficiaries and key stakeholders were gathered through interviews and focus group discussions, both onsite and virtual.

In addition, project documents, further literature and available databases were analysed throughout the evaluation process.



### Rating system

Projects are rated based on the OECD/DAC criteria of relevance, coherence, effectiveness, impact, sustainability and efficiency. Each of the six criteria is rated on a scale of 1 to 100 (percentage system).

The project's overall score is derived from the average points awarded for the individual DAC criteria. The average value for the overall score is rounded according to mathematical convention. All DAC criteria are equally weighted in the overall score. Compared with the predecessor systems (6-point scale, 16-point scale), a 100-point scale has a number of advantages in that it allows for differentiation, is in common use internationally, is easy to understand, and can readily be converted into other assessment systems.

Table 2: Rating and score scales

100-point scale (score)	6-level scale (rating)
92–100	Level 1: highly successful
81–91	Level 2: successful
67–80	Level 3: moderately successful
50–66	Level 4: moderately unsuccessful
30–49	Level 5: unsuccessful
0–29	Level 6: highly unsuccessful

Overall rating: The criteria of effectiveness, impact and sustainability are knock-out criteria. If one of them is rated at level 4 or lower, the overall rating cannot go beyond level 4 even though the mean score may be higher.

Both the assessment dimensions within the OECD/DAC criteria and the determination of the overall score using a points system serve to increase the transparency of ratings while enabling better comparability between individual projects.



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