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 2. USE LETTER QUALITY TYPE FONT FOR PRINTED TEXT  
 81560

IDENTIFICATION DATA

A. Reporting A.I.D. Unit: Mission or AID/W Office <u>USAID/TOGO</u> (ES# _____)		B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan? Yes <input checked="" type="checkbox"/> Skipped <input type="checkbox"/> Active <input type="checkbox"/> Evaluation Plan Submission Date: FY _____ Q _____		C. Evaluation Timing: Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Pre-Post <input type="checkbox"/> Other <input type="checkbox"/>	
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D. Activity or Activities Evaluated (List the following information for project(s) or program(s) evaluated; if not applicable, list only name of the evaluation report.)					
Project No.	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
693-0227	Togo Rural Institutions and Private Sector Project	'88	9/93	12,000	5,820

ACTIONS

E. Action Decisions Approved By Mission or AID/W Office Director		Name of Officer Responsible for Action	Date Action to be Completed
Action(s) Required			
1. Reallocate Central Liquidity Fund financing.		CUNA/AID	Done
2. Phase-out the producer group development activity in the Zio River region.		CARE	Aug. 92
3. Phase-out assistance to private associations.		CARE	Done
4. Non-traditional/high-value export crop production introduced in Togo.		CARE	On-going
5. Concentrate training activities on higher level associations, and local training organizations in order to be more effective.		CARE	July 92
6. Phase-out assistance to develop micro-enterprises.		CARE	Done
7. Discontinue operation research grants and reallocate these funds.		CARE	Done
8. Establish a fee structure for CARE training activities.		CARE	Done
9. Provided assistance for the development of three agribusinesses.		CARE	Done

APPROVALS

F. Date Of Mission Or AID/W Office Review Of Evaluation: (Month) June (Day) \_\_\_\_\_ (Year) 1991-92

G. Approvals of Evaluation Summary And Action Decisions:			
Name (Typed)	Project/Program Officer	Representative of Borrower/Grantor	Evaluation Officer
	<u>Dennis Panther</u>		<u>John P. Grant</u>
Signature			
Date	<u>21 Jan 93</u>		<u>45-93</u>

A B S T R A C T

H. Evaluation Abstract (Do not exceed the space provided)

The goal of the project is to increase rural incomes by increasing and diversifying agricultural output. The purpose is to expand the participation of Togolese private-sector institutions in agricultural and rural financial markets. The project is being implemented by CARE International, and the Credit Union National Association of North America (CUNA). This mid-term evaluation was conducted by a five person team contracted by USAID/Lome to assess the project's progress toward meeting end-of-project goals, and to recommend any changes for the remainder of the project. The evaluation was based on numerous interviews with project personnel and beneficiaries, and a detailed review of project documents. The major findings and conclusions are:

- The CARE approach to building producer groups has not been effective, as it relies on a heavy infusion of low cost credit to support adoption of new technologies and is therefore unsustainable.
- CARE's baseline data collection system is not adequately established to effectively monitor project impact at the individual and family level.
- The training component has successfully trained 600 trainers, surpassing initial project targets. However, training activities should be more focused toward achieving project goals.
- Small and micro-enterprise development activities are not sustainable using the current credit mechanisms. The evaluation team recommends that this component be discontinued.
- Project funds available for productive credit through FUCEC's Central Liquidity Fund have not been used due to the rapid movement growth and high risk in the agricultural sector.
- The project management team has not effectively coordinated TRIPS activities. Support to the GOT Planning and Programming Service has brought some improvements to their management and coordination capacity.

C O S T S

I. Evaluation Costs					
1. Evaluation Team			Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation				
Dr. Howard K. Kaufman	Winrock		PDC-1406-I-00-0032-00		
Dr. Norman L. Ulsaker	Winrock		PDC-1406-I-00-0032-00		
Dr. Frederick E. Brusberg	Winrock		PDC-1406-I-00-0032-00		
Dr. Galen Hull	Winrock		PDC-1406-I-00-0032-00		
Mr. Graham Owen	Winrock		PDC-1406-I-00-0032-00	Total: \$81,932	
2. Mission/Office Professional Staff			J. Borrower/Grantee Professional		
Person-Days (Estimate) _____		10	Staff Person-Days (Estimate) _____		35

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A.I.D. EVALUATION SUMMARY - PART II

SUMMARY		
J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided) Address the following items:		
<ul style="list-style-type: none"> <li>• Purpose of evaluation and methodology used</li> <li>• Purpose of activity(ies) evaluated</li> <li>• Findings and conclusions (relate to questions)</li> </ul>		<ul style="list-style-type: none"> <li>• Principal recommendations</li> <li>• Lessons learned</li> </ul>
Mission or Office:	Date This Summary Prepared:	Title And Date Of Full Evaluation Report: <b>Midterm Evaluation of Togo Rural Instructions and Private Sector Project</b>

**I. Purpose of the project**

The goal of the Togo Rural Institutions and Private Sector (TRIPS) project is to increase rural incomes by increasing and diversifying agricultural output. The purpose as stated in the PP is to expand the participation of Togolese private-sector institutions in agricultural and rural financial markets.

Specifically, the project is to introduce appropriate technology and increase access to credit to bring about increased farm output. The resulting economic growth should stimulate the formation and growth of off-farm, small and micro-enterprises involved in marketing, processing, and in providing agricultural inputs and services to farmers. In addition, the project is to strengthen the installed capacity of local non-governmental organizations (NGOs) to support and train rural producer groups and entrepreneurs.

The TRIPS project is being implemented by two organizations, CARE International, and the Credit Union of North America (CUNA). In addition, the project supports the Planning and Programming Service (PPS) of the Ministry of Rural Development (MDR) by providing technical assistance for project monitoring and evaluation.

The role of CARE is to:

- promote and strengthen rural producer groups and to provide their members with increased access to credit services;
- strengthen training methodologies and increase the effectiveness of public and private sector extension organizations;
- assist private entrepreneurs to establish and expand business that support agricultural production.

The role of CUNA is to:

- improve the legal and policy framework by encouraging the GOT to adopt legislation and policies that improve the environment for credit union development;
- support the development of the Federation des Unions Cooperatives d'Epargne et du Credit (FUCEC);
- strengthen the credit union movement by expanding the number of credit unions, increasing membership, and training credit union employees and volunteers.

**II. Purpose and methodology of the evaluation**

The TRIPS mid-term evaluation was conducted to assess the project's progress toward meeting its objectives, review the validity of the original project goal, purpose and assumptions, and to recommend any necessary changes for the remainder of the project.

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To conduct the evaluation the five person team relied mainly on interviews and document review. In-depth interviews were held with key persons from CARE, FUCEC, PPS, and AID/Lome. The team also conducted numerous informal, open-ended, information gathering sessions with small groups of farmers, and attended training sessions and meetings of CARE-assisted farmer groups. Finally, all relevant documents were reviewed including previous evaluations, progress reports, socioeconomic studies, and financial data.

### III. Findings and Conclusions

The mid-term evaluation team reported its findings for six project components or functions.

**A. Group Training Methodology and Development** - CARE has been working with agricultural producer groups (GPAs) to improve agricultural economic performance and marketing techniques, increase access to savings and credit services, and strengthen group viability. This component of the project has had limited success and it is unlikely that it will meet end-of-project targets in most areas. Specifically:

- CARE is currently working with 31 farmer groups representing 710 farmers. This is down from 34 GPAs and 934 farmers in 1989 and less than half the 1,700 farmer projected for year three of the project.
- 46 farmer trainers conducted 101 demonstrations over the past year.
- No COOPECs have been created among the farmer groups.
- The technical packages introduced by CARE have not been profitable or sustainable. Their adoption has been encouraged through soft credit terms provided by the project.
- Low input technologies have been well received by the farmers.
- There is an unsustainable (high) extension agent/farmer ratio.

**B. Small and Micro-enterprise Development** - In this portion of the project CARE is to provide assistance to 250 micro and 10 small enterprises, and to create 10 trade associations. While CARE assisted over 250 micro-enterprises during the first two years of the project, it has only worked with one small enterprise to date. At the mid-term 13 active rural trade associations had been formed, but are operating in an unfriendly regulatory and policy environment. Only six have been able to attain legal recognition.

The credit allocated for this component of the project has been slow to be disbursed, and many of those loans that have been made are outstanding. 139 loans have been made and only 79 are listed as being repaid.

**C. Training Component** - CARE's training unit is to spread the project methodology to other private and public-sector development organizations. The unit has successfully met or surpassed many of its end-of-project goals. It is currently working with 11 organization, and has trained over 600 trainers. The unit has not however, established an effective working relationship with FUCEC. In addition, no fee is charged for its training services which skews the local training market, and makes it difficult to assess the organizations' commitment to implement the training it receives. Finally, the funds provided to organizations through the operational research funds to implement the training received through CARE does not allow an accurate assessment of the institutions sustainability.

**D. Credit Union Development and Credit Policy** - The TRIPS project has been supporting the development of FUCEC's Central Liquidity Fund by providing \$494,000 in capitalization, and a Productive Credit Advisor. Although 22 COOPEC now participate in the program, productive credit loans are not being taken out due to uncertain agricultural prices, and the poor growing season in 1990. In addition, problems encountered with the credit component of the Zio River Development Project (693-0226) were carried over into the TRIPS project. CARE turned over the responsibility of the GPA's revolving funds to the members' association and concentrated its training efforts on management of the funds rather than on helping to analyze the GPA's individual credit needs.

**E. CARE's Baseline Data Collection and Socioeconomic Monitoring** - CARE has not established adequate monitoring and evaluation systems to measure project impact at the family and farm level. Monitoring activities are focused on collecting partial agronomic data to track group progress in adapting specified technology. This does not provide sufficient data to assess progress toward meeting project goals. If work with the GPA's is to continue CARE will have to include indicators for measuring project impact on individuals and the sustainability of its interventions.

**F. Program and Planning Services (PPS)** - The project is providing \$1,440,000 to improve PPS's ability to monitor and coordinate the TRIPS project, as well as the other projects for which it is responsible. The technical advisor working with PPS has begun to establish a project information database using computer equipment supplied by the project. The advisor has begun to train PPS staff in the use of computer applications, but more training is needed for the staff to become fully competent. The PPS has not played a significant role in the TRIPS project. This is due in part to both FUCEC's and CARE's limited cooperation with PPS, and its own lack of staff and in adequate organizational development.

#### IV. Recommendations

- CARE's work with the GPAs should be terminated. The current level of resources directed to this component is not justifiable given the results to date.
- Incorporate the group training and model farmer model into activities outside the Zio area.
- CARE should discontinue its provision of credit services to small and micro-enterprises.
- CARE should make an effort to seek legal recognition for the associations it has helped to form.
- CARE's training unit should establish a fee structure.
- CARE should discontinue the operational research fund (training subsidies).
- The goals of those organizations receiving training under the project should conform to those of the TRIPS project.
- Remaining credit funds in the CARE budget should be reallocated to other line items within the project.
- CARE should encourage project beneficiaries to work more closely with FUCEC.
- The training needs of PPS personnel should receive a detailed assessment.

## ATTACHMENTS

K. Attachments (not attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc. from "ongoing" evaluation, if relevant to the evaluation report.)

1. Midterm Evaluation of Togo Rural Institutions and private Sector Project
2. Revised CARE Implementation Plan
3. PP Supplement
4. CUNA PIO/T

## COMMENTS

L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

The report was accepted by OAR/Lome as having completed an extensive analysis of the CARE component of the TRIPS Project.

Due to the complexities of the CARE component, the team was unable to devote the same attention to the SPP and FUCEC components.

The evaluation SOW could have included a sixth member with specific expertise in banking and credit union development to assess progress and make recommendations for accelerating the progress. The productive credit component needs further study.

Analysis of the SPP could have benefited from better expertise in management.

Over all the report was of great assistance to the Mission in formulating some hard decisions and implementating radical changes in the CARE component of the project.