

Ex post evaluation – Burkina Faso

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Sector: 16050 Multisector aid for basic social services
Programme/Project: Labour-intensive rural road construction HIMO III
 2003 66 146*
Implementing agency: Ecobank (FICOD), formerly BACB



Ex post evaluation report: 2015

		Project A (Planned)	Project A (Actual)
Investment costs (total)	EUR million	4.00	3.76
Counterpart contribution	EUR million	0.30	0.06
Financing**	EUR million	3.70	3.70
of which BMZ budget funds**	EUR million	3.70	3.70

*) Random sample 2015

**) HIMO III received residual funds of EUR 0.02 million from the HIMO II Project; residual funds from HIMO III amounting to EUR 0.02 million were transferred to the FICOD VI project.

Summary: Labour-intensive maintenance of national and local roads in peripheral regions that are largely municipally funded, and execution of further labour-intensive civil engineering works to facilitate drainage and prevent erosion in river valleys. Also, continuation of projects from predecessor programme "Self-Help Fund in the East": Self-Help Fund to implement small projects creating income and boosting production, funding village cooperatives and expanding economic infrastructure. These activities were complemented by measures to raise awareness and provide advice to the target group.

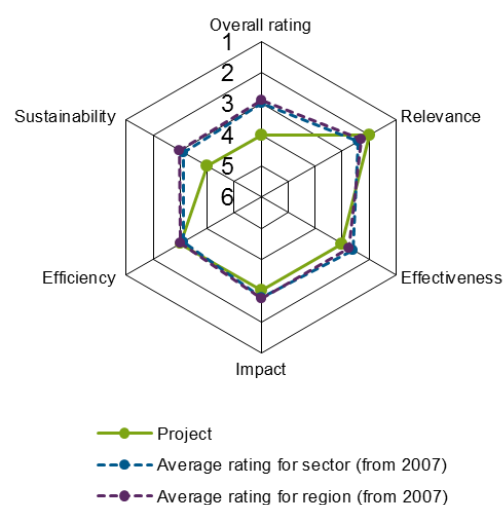
Objectives: The objective of HIMO III was to help reduce poverty and improve the living conditions of the population residing outside Burkinabe agglomerations (ultimate objective), by (i) temporary labour-intensive construction measures, (ii) improved transport links, (iii) better agricultural production opportunities and (iv) better hygiene situation for the target group. The programme objective of HIMO III was to bring about a sustainable improvement and use of simple connecting roads and agricultural areas as well as a sustainable improvement in living conditions in the residential districts. Also, it was expected to create additional employment opportunities, at least temporarily, and suitable maintenance structures for individual projects based on knowledge conveyed by the programme.

Target group: The target group of the HIMO project was the largely poor population in rural areas, including small towns and villages.

Overall rating: 4

Rationale: The labour-intensive rural road construction of the predecessor projects was continued in HIMO III. This was integrated with the building of other infrastructure as well as small income-generating measures from the previous PFA II project. This turned HIMO III into a multi-sector project in the fields of transport, decentralisation and agriculture. The project objectives were only partially achieved at HIMO III, which is due in particular to the vague situation surrounding maintenance for the majority of the infrastructure projects. The sustainability of the infrastructure projects and the village cooperative systems is underwhelming, which means despite some further development of the concept, HIMO III must be rated as unsatisfactory, similarly to HIMO I and II.

Highlights: The project achieved a sub-rating of 2 for "relevance", which is due particularly to the sectoral mix. Nevertheless, the overall rating is 4. The project was unable to establish any lasting structures and therefore failed to convince as regards sustainability.



Rating according to DAC criteria

Overall rating: 4

HIMO III was a multi-sector project with intended impacts in the fields of transport, decentralisation and agriculture. The multi-sectoral design of the project was appropriate only in broad terms, however, as when considered in detail, the different approaches did not interact to a sufficient extent. In some cases, elements of the target group analyses are still insufficiently integrated in the conception process. No reliable measurement of success of the ultimate objectives is possible due to the unspecified definition of the indicators. In HIMO III, the project objectives were only partially achieved. This was due in particular to the unclear maintenance situation for the majority of the infrastructure projects. In view of the inadequate maintenance situation, the sustainability of the measures implemented as part of HIMO III is assessed as unsatisfactory, with the result that HIMO III – as was the case with HIMO I and II – must be assessed as unsatisfactory overall, despite further conceptual development as compared to HIMO I and II.

Relevance

Rural areas play a central role in economic and social development in Burkina Faso. A corresponding prioritisation is firmly anchored in the SCAAD (Stratégie de croissance et accélérée de développement durable, 2011-2015) development strategy. Approximately 80% of the population of Burkina Faso live from agriculture, directly or indirectly. It is the country's most important economic sector and generates almost a quarter of GDP.

The ex-post evaluation (EPE) of projects HIMO I and II showed that the relevance of rural road building must be questioned in sparsely populated rural areas, on the one hand because the majority of the rural population already has rudimentary access to markets and social infrastructure, and on the other because the issue of the sustainability of rural road building remains unresolved. A World Bank study on rural road building supports these findings. For better connectivity of rural households to markets – with the aim of rural development and food security – desirable measures include a mixture of investments in infrastructure, the promotion of agriculture and support for the development of transport solutions for agricultural products in particular. In HIMO III, income-generating measures from the previous project PFA III were integrated and further infrastructure was funded in addition to the rural roads (ground sills (regulating structures which run transverse to the flow direction of a river and which reduce riverbed erosion), drainage systems), resulting in the adoption of a more holistic approach. The resulting combination of several sectors (transport, agriculture, decentralisation) led to a higher relevance of the HIMO III project results compared to the first two phases of the programme. In the case of a consistent focus on the promotion of agriculture, a combination of rural roads, irrigation and village cooperatives would have been a sensible approach. The direction of the project was thus not sufficiently focused. The funded literacy courses for women in addition to the other measures can illustrate this by way of example. Ultimately, the various measures continued to be approaches which were too independent from one another.

The target group of the HIMO project was the largely poor population in rural areas, including small towns and villages. There was no separate target group analysis for HIMO III. As already stated in the EPE of HIMO I and II, the target group analysis for the programme is inaccurate in certain important respects, such as the derivation of the need for rural roads (“cut off from the rest of the world”). When it comes to the important point of sustainable poverty reduction, the increase in agricultural production is discussed only peripherally. In HIMO III at least, rural irrigation is given more weight as a means to increase production. The problem of seasonal unemployment in the agricultural target region is discussed as justification for the labour-intensive implementation of rural road building. In order to solve the core problems (poverty, access to markets), HIMO III was able to contribute more than the previous phases, which primarily focused on rural roads, thanks to the adoption of income-generating measures from PFA III and rural irrigation projects. The target group analysis of the previous project PFA III explained the extremely low social status of women in Burkina Faso. Women were explicitly supported by HIMO III with special classes and access to micro-loans, resulting in the potential for women to greatly benefit from the financed infrastructure.

Donor harmonisation did not take place in the course of HIMO III. A new administrative structure, the FI-COD, was created to implement the HIMO projects. It is questionable to what extent these new structures had to be created or whether there would have been the option to use existing government structures and expand on these in order to achieve greater “alignment”.

The project was integrated into the DC programme “Decentralisation / municipal development”. Despite this classification in the context of decentralisation, the project is more in keeping with the BMZ strategy for rural development.

Relevance rating: 2

Effectiveness

The programme objective of HIMO III was to bring about a sustainable improvement and use of simple connecting roads and agricultural areas as well as a sustainable improvement in living conditions in the residential districts. There were also to be additional employment opportunities created, at least temporarily, and suitable maintenance structures for individual projects based on knowledge conveyed by the programme.

The indicators (1) and (2) listed below were defined at programme appraisal. From today's perspective, it makes sense to supplement these two indicators with an indicator on the utilisation of the infrastructure. This was added under (3). The achievement of the defined project objectives can be summarised as follows:

Indicator	Status PA, Target value PA	Ex post evaluation
(1) At least 30% of construction spending relates to wages for local work.	There is no baseline study.	Not achieved. In 2012, the achievement level of the indicator was 24%. The indicator was thus not fulfilled.
(2) A satisfactory maintenance situation for 75% of final projects after two years of operation.	There is no baseline study.	Partially achieved. In 2012, one year after the project's last measure ended, the achievement level of the indicator was given in the final review as 80%. At the time of the ex-post evaluation, most of the buildings inspected were in a fair condition, though problems arose with maintenance. In addition, some village cooperatives are facing bankruptcy.
(3) Use of the created infrastructure.	There is no baseline study.	There are no concrete figures on the use of the infrastructure, only qualitative statements from the local consultant. These suggest that the infrastructure is put to good use.

The project objectives of HIMO III were achieved only partially. A distinction must be drawn here between the infrastructure measures and the income-generating measures of PFA III. At the time of ex-post evaluation after 4 years of use, all infrastructure projects were still in a usable condition. However, since the life of a simple rural road is only 5-7 years, they are now coming to the end of their life span. However, their

current condition is already evidence of the fact that maintenance has not been carried out at times over the past few years, meaning that their usability will decrease considerably in the coming years.

The income-generating micro-loans from village savings banks are threatened with extinction to some extent, since the repayment rate for micro-loans has fallen steadily and as a result the existing resources are no longer sufficient to grant further micro-loans.

The target labour cost share of 30% for construction work corresponds to the average relative labour costs in the construction sector in sub-Saharan Africa. Because, according to the final review, laterite is required as a surface material for the rural roads in Burkina Faso, and is expensive to procure, material costs rose above the average. If we remove the costs of transporting laterite, the share of 30% of construction spending for local wages would be fulfilled. Thus the value achieved can still be considered good. The labour-intensive form of construction enabled some of the target group to temporarily find employment and thus bring in an income. This was done during the dry season, when temporary unemployment otherwise represents a problem in the agricultural region.

The labour-intensive implementation of HIMO III was able to temporarily increase the income of participating households. It was possible to improve production conditions through the establishment of agricultural areas and surface drainage measures. The provision of micro-loans through village savings banks and user groups had a positive impact as it made it possible to purchase materials for agriculture.

At the local level, there has been only a minor impact in terms of empowering the local level, as the village committees are to some extent not functional, the village cooperatives are faced with bankruptcy and there are insufficient municipal budgets for maintenance of for example the rural roads. The dual objective (work-generating measures, sustainable use) was too ambitious in retrospect and had a negative impact on the sustainable achievement of HIMO III objectives (see Sustainability).

The literacy courses for women were well received. The knowledge acquired cannot be used, however. These courses are examples of the project's overly diverse design, which is not sufficiently integrated.

Overall, the achievement of the objectives is unconvincing. However, as the use of the created infrastructure was achieved at least temporarily, the effectiveness is assessed as just satisfactory.

Effectiveness rating: 3

Efficiency

The randomly tested infrastructure projects were constructed cost-effectively, mostly within the normal local budget. The cost per kilometre of rural road was not quantified at the project appraisal for the HIMO projects. In the evaluation report for the predecessor projects HIMO I and II, the margin of the normal local prices per kilometre of rural road was given as CFA 8-15 million (equivalent to EUR 12,000 - 23,000); due to the roads being designed in the same way, these values were also taken as a guide for HIMO III. Furthermore, at ex-post evaluation, no cost inefficiencies were found in the construction of the ground sills and drainage systems. As regards production efficiency, however, the high administrative and consulting costs amounting to 40% of the total costs stood out. Despite the three-phase character of the project, no efficiency improvements were recorded in this area for HIMO III.

Combining several projects in the FICOD administrative structure led to minor delays in the construction and commissioning of individual measures. Owing to the small scale of the measures it is difficult to make statements on allocation efficiency. The use of the financed infrastructure indicated a sensible investment from the perspective of the users. It remained unclear in some cases, however, to what extent the rural roads meet the specific transport needs of the population and how, generally speaking, the transportation costs for the rural population have developed. In comparison with the EPE of HIMO I and II, no new information has been added that would fundamentally challenge the efficiency of rural road building in these regions. Some HIMO III rural roads are directly linked with arable farms. The rural roads were deliberately built using a labour-intensive method to achieve effects on employment. It is questionable whether this type of construction and the resulting developmental impacts outweigh the benefits of machine construction usable in the longer term.

Both the installed drainage systems and the ground sills are used by the population. The selection of these individual measures appears comprehensible at the ex-post analysis. In terms of the approach, the

somewhat ambiguous reasoning for selecting the individual measures – in particular when it comes to the rural roads – indicates a low allocation efficiency. The sectoral mix of income-generating measures as well as the intensive use of the remaining infrastructure, including of the rural roads to some extent, points to a satisfactory allocation efficiency, however.

There are indications of unsatisfactory allocation efficiency when it comes to the micro-loans. The declining repayment rate of the granted micro-loans indicates on the one hand the fact that the money lent – and therefore also indirectly the project funds to some extent – was used not economically. On the other hand, the low repayment rates meant that sustainable structures were not established and thus the ultimate objective was not achieved.

Overall, the efficiency for HIMO III can be assessed as satisfactory.

Efficiency rating: 3

Impact

The aim of the project was to contribute to poverty reduction and to the improvement of living conditions, in particular amongst the poor rural population. No ultimate objective indicators were formulated for HIMO III.

As a result of the predominantly good usage of the implemented measures, sporadic positive effects can also be assumed at ultimate objective level. In the survey of the user groups, the following effects were noted: the improvement of hygienic conditions and thus of the state of health, protection against floods, connection to the road network and thus access to markets and social services, increased agricultural production as the result of micro-loans, the empowerment of women in the village community as well as temporary employment effects and thus increases in the income of many households in the target region, compensating in particular for seasonal fluctuations in revenue from agriculture.

With regard to better access to markets, easier access to the cotton market was reported as an example, because a lorry from intermediary companies can now drive right into the village where the cotton is produced. It has even been reported that ambulances are now able to access remote villages. In one case a significant increase in the production of agricultural goods and products was reported, as well as an improvement in the opportunity for remote villages to trade.

These statements are not quantifiable. However, it is plausible to assume that a positive contribution was made to reducing poverty here. The ultimate objectives of the HIMO III project are therefore considered to have been achieved, even if only for a short period of time (see Sustainability).

The funding of village savings banks allowed the target group access to loans and increased financial capacities. Nevertheless there is only little evidence of a lasting impact on the ability to “self-help”, as was intended in the project design. The repayment rates of the loans have deteriorated, with the result that a large proportion of village banks are facing bankruptcy and are no longer able to issue new loans. However, there are also individual groups that are able to make their loan repayments successfully and which are still quite functional.

No significant widespread effects have resulted from HIMO III. Many HIMO III measures were aimed at strengthening local administrative levels of the country, while on the other hand an already functioning local level was necessary for the successful and sustainable implementation of many projects.

On the whole the positive effects outweigh the negative, though these are not quantifiable and are more ad hoc.

Impact rating: 3

Sustainability

The population uses all infrastructure financed as part of HIMO III. However, the maintenance of projects and the associated concept of maintenance by user groups and by the municipalities are major weaknesses of the HIMO projects (see also Achievement of the project objective). Although labour-intensive construction generated short-term employment effects, it also resulted in long-term high maintenance and

rehabilitation costs. At municipality level, the revenues are too low to be used to a greater extent for maintenance. The municipalities' own contribution to maintenance has been paid only in exceptional cases. Priority is given to the construction of new infrastructure.

The maintenance committees and beneficiaries of the infrastructure had indeed signalled their readiness – both in the project planning process and after construction – to take over service and maintenance tasks on a regular basis and free of charge, but this was rarely implemented. Self-responsibility for maintenance is highest where the population experiences clear economic improvements thanks to the financed infrastructure, with expanding arable land by means of ground sills being one example of this.

The life span of the rural roads is usually 5-7 years. All rural roads were still passable at the time of evaluation. However, the lack of maintenance works is doing nothing to help combat their gradual decline. The conflict of objectives between sustainable impacts and labour-intensive construction to achieve short-term effects on employment is clear when it comes to the rural roads. No structures which have a positive impact on sustainability could be established. The approach of betting on the involvement of the local population proved to be unconvincing in the ex-post analysis.

As shown above, the village banks and micro-loans for user groups were able to achieve a sustainable impact only to a certain extent.

Given the slow progress of decentralisation, particularly in fiscal matters, the opportunities and incentives for municipalities remain limited in order to maintain the infrastructure of the HIMO programme. The life span of the rural roads, for example, cannot be extended because no structures geared towards sustainability could be established. Therefore, the sustainability is rated as unsatisfactory.

Sustainability rating: 4

Notes on the methods used to evaluate project success (project rating)

Projects (and programmes) are evaluated on a six-point scale, the criteria being **relevance, effectiveness, efficiency** and **overarching developmental impact**. The ratings are also used to arrive at a **final assessment** of a project's overall developmental efficacy. The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

Sustainability is evaluated according to the following four-point scale:

Sustainability level 1 (very good sustainability): The developmental efficacy of the project (positive to date) is very likely to continue undiminished or even increase.

Sustainability level 2 (good sustainability): The developmental efficacy of the project (positive to date) is very likely to decline only minimally but remain positive overall. (This is what can normally be expected).

Sustainability level 3 (satisfactory sustainability): The developmental efficacy of the project (positive to date) is very likely to decline significantly but remain positive overall. This rating is also assigned if the sustainability of a project is considered inadequate up to the time of the ex post evaluation but is very likely to evolve positively so that the project will ultimately achieve positive developmental efficacy.

Sustainability level 4 (inadequate sustainability): The developmental efficacy of the project is inadequate up to the time of the ex post evaluation and is very unlikely to improve. This rating is also assigned if the sustainability that has been positively evaluated to date is very likely to deteriorate severely and no longer meet the level 3 criteria.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") and the sustainability are rated at least "satisfactory" (level 3).