

Burkina Faso: Self-Help Fund in the East

Ex-post evaluation

OECD sector	Multisector Aid / 43020	
BMZ project ID	1995 67 082	
Project-executing agency	Direction Générale de la Coopération	
Consultant	DED (cooperation partner)	
Year of ex-post evaluation	2004	
	Project appraisal (planned)	Ex-post evaluation (actual)
Start of implementation	3rd quarter 1996	3rd quarter 1996
Period of implementation	30 months	34 months
Investment costs	EUR 1.89 million	EUR 1.94 million
Counterpart contribution:	EUR 0.1 million	EUR 0.15 million
Financing, of which FC amount (EUR) DED contribution	EUR 1.53 million EUR 0.26 million	EUR 1.53 million EUR 0.26 million
Other institutions/donors involved	DED	DED
Performance rating	3	
Significance / relevance	3	
Effectiveness	2	
Efficiency	3	

Brief Description, Overall Objective and Project Objectives with Indicators

The project ("Projet Fonds d'Autopromotion à l'Est, PFA") involved the establishment of a fund to finance poverty-fighting and income-generating measures in the area of the three former eastern provinces of the country (Gnagna, Gourma and Tapoa, which have by now been subdivided into the additional provinces of Koupalogo, Komandjari and Kompienga), whereby the potential of the people to help themselves was to be exploited as much as possible. The measures financed covered the social infrastructure (construction and rehabilitation of schools and health care facilities) and the economic infrastructure (markets, shops, bank buildings, granaries and wells). In addition, funds for individual loans were made available to the target group. The overall objective of these measures is to improve the living conditions of the mainly poor and rural population. The project objective is the adequate use and implementation of the individual projects and the repayment of the loans. The following indicators were defined to measure the achievement of the project objectives:

- 75% of the final projects are still being continued by the target groups after two years.
- The repayment rate under income-generating measures is 75%.

The project was implemented as an open programme together with the Deutscher Entwicklungsdienst (German Development Service – DED) and has two follow-up phases.

Project Design / Major Deviations from the original Project Planning and their main Causes

The project focuses on the lack of infrastructure and the very restricted access to loans and covers six provinces in the east of the country ("eastern region"). The project comprises the following components:

- the expansion of the social infrastructure (construction and rehabilitation of classrooms, housing for teachers, primary health stations, water supply in connection with individual projects),
- the establishment of economic infrastructure (market places, shops, granaries, the expansion of paths, bridges) and
- the extension of micro-loan funds for agricultural activities and the crafts as well as village-level measures for the rural population. Most of the funds are targeted at women's groups.

The official project-executing agency is the Direction de la Coopération in the Ministry of Finance and Budget. The conceptual and operative implementation was transferred to a small unit located in Fada N'Gourma, the capital of the eastern region.

The conception of the project is based mainly on the self-help competence of the target group. The individual projects are selected on the basis of the proposals presented by the individual groups (in the order of application). Then a study will be prepared in order to establish the need for the proposed measure. The decision will be taken by a supervisory body, on which the implementing unit, the project-executing agency, the regional administration and members of the target group are represented.

The project was mainly carried out as planned. Due to its innovative character the project started with a 9-months pilot phase, which served to plan the measures and sensitise the target group. To ensure a systematic monitoring, evaluations were carried out in the implementation phase and at the very end. This proved to be a very useful approach.

Key Results of the Impact Analysis and Performance Rating

Individual projects in the area of social infrastructure (schools and health stations) are well used and adequately maintained. The final evaluation showed partial weaknesses in the areas of economic infrastructure and micro-loan funds:

- The market place was wrongly designed and, until today, cannot be used efficiently. The promotion of shops and pharmacies benefited mainly private and financially better off persons.
- The instrument of micro-loan funds developed quite successfully, however, interest arrears have continuously increased in the last few years and today amount to 16% of the lending volume. Non-intended use of the loans, handing on of loans to family members, cases of fraud due to social hardship and disagreement within the loan committees were among the causes of this development.

Overall, the project has improved the living conditions and the self-help competence in the eastern region and, thus, laid a basis for the intensification and broad-based application of the measures in the follow-up phases. Unfortunately, the project failed to document these impacts, individually and on the whole, through a systematic monitoring and evaluation. In the course of phase I, measures were implemented in 57 villages of the six programme provinces (973 villages). Phase III, which is currently being implemented covers 93 villages. The infrastructure investments contributed to intensifying the fight against poverty in the eastern region and for the first time offered the opportunity to improve and diversify the income situation by making adequate loan offers.

The micro-loan funds introduced a structural novelty in the project region. However, the project-implementing unit should transfer the monitoring and supervision of the loan funds to a professional institution as soon as possible. In addition, the project helps to strengthen decentralised structures. Today, the eastern region has become one of the priority regions of the cooperation between Burkina Faso and Germany.

Due to the manifold interventions, only a very rough estimate can be made of the size of the target group in phase I. Approximately 20,000 households benefited directly from the project measures - which is slightly more than was estimated upon the project appraisal – and including all benefiting family members, the number of beneficiaries roughly amounts to 100,000 persons. Most of these belong to poor population groups. The access to finance for women (which make up around 80 % of sub-borrowers) is ensured by self-administered groups. This enables them to improve their income in the areas of production, processing and sale of fruit, vegetables, fish and in the fattening and resale of small animals.

The assessment of the achievement of development goals is as follows:

- The project objective, i.e. the use and maintenance of the infrastructure created by the target group and the achievement of an adequate repayment rate for the loans, has been reached, though with certain restrictions and with the repayment problems mentioned above. We assign the project an adequate degree of developmental effectiveness (rating 3).
- The costs of the planned individual measures of the project are adequate. However, a minor part of the infrastructure investments is not profitable (market) or does not meet the needs of the target group (shops/pharmacies). Thus, we classify the project's efficiency as sufficient (rating 3).
- The project contributed to achieving the overall objective. Still, no evidence can be provided for the specific impacts of the project because no corresponding data is available. The participatory implementation approach based on pilot measures has laid the foundation for the broad-based intervention in the eastern region in the follow-up phases. Basically, this conception is still – 10 years later – valid. Therefore, we consider the significance and relevance of the project to be satisfactory (rating 2).

Overall, we rate the project “Self-Help Fund in the East” as having an adequate degree of developmental effectiveness (rating 3).

Lessons learnt

The approach of testing and further developing an innovative conception for a project in the context of a pilot phase and with a relatively small volume of funds has proven to be very useful. Also important are accompanying surveys, which look at the experience gained in similar projects, quickly detect wrong developments and help to correct these developments. For this purpose, the project-executing agency has to be given appropriate monitoring and evaluation instruments.

Legend

Developmentally successful: Ratings 1 to 3	
Rating 1	Very high or high degree of developmental effectiveness
Rating 2	Satisfactory developmental effectiveness
Rating 3	Overall sufficient degree of developmental effectiveness
Developmental failures: Ratings 4 to 6	
Rating 4	Overall slightly insufficient degree of developmental effectiveness
Rating 5	Clearly insufficient degree of developmental effectiveness
Rating 6	The project is a total failure

Criteria for the Evaluation of Project Success

The evaluation of the "developmental effectiveness" of a project and its classification during the ex-post evaluation into one of the various levels of success described in more detail above concentrate on the following fundamental questions:

- Are the **project objectives** reached to a sufficient degree (aspect of project **effectiveness**)?
- Does the project generate sufficient **significant developmental effects** (project **relevance** and **significance** measured by the achievement of the overall development-policy objective defined beforehand and its effects in political, institutional, socio-economic and socio-cultural as well as ecological terms)?
- Are the **funds/expenses** that were and are being employed/incurred to reach the objectives **appropriate** and how can the project's microeconomic and macroeconomic impact be measured (aspect of **efficiency** of the project conception)?
- To the extent that undesired (**side**) **effects** occur, are these tolerable?

We do not treat **sustainability**, a key aspect to consider for project evaluation, as a separate category of evaluation but instead as a cross-cutting element of all four fundamental questions on project success. A project is sustainable if the project-executing agency and/or the target group are able to continue to use the project facilities that have been built for a period of time that is, overall, adequate in economic terms, or to carry on with the project activities on their own and generate positive results after the financial, organisational and/or technical support has come to an end.