

**Support Program**  
**on**  
**Rural and Agricultural Sector Development Phase 2**  
**in**  
**the United Republic of Tanzania**

**Final Report**  
**Executive Summary**

**February 2009**

**JAPAN INTERNATIONAL COOPERATION AGENCY**  
**INTERNATIONAL DEVELOPMENT CENTER OF JAPAN**

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The Support Program on Rural and Agricultural Sector Development Phase 2  
in the United Republic of Tanzania

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## Abbreviations and Acronyms

ACBG:	Agricultural Capacity Building Grant
AEBG:	Agricultural Extension Block Grant
ARDS:	Agricultural Routine Data System
ASCG:	Agriculture Sector Consultative Group
ASDP:	Agricultural Sector Development Programme
ASDS:	Agricultural Sector Development Strategy
ASFT:	Agricultural Service Facilitation Team
ASLMs:	Agricultural Sector Lead Ministries (including PMO-RALG)
ASPS II:	Agricultural Sector Programme Support Phase II
ASR:	Agricultural Sector Review
ASSP:	Agricultural Services Support Programme
A-WG:	Agricultural Sector Working Group (of the Development Partners Group)
BFSC:	Basket Fund Steering Committee
CD:	Capacity Development
CMT:	Council Management Team
CSO:	Civil Society Organization
DADG:	District Agricultural Development Grant
DADP:	District Agricultural Development Plan
DADS:	District Agricultural Development Support
DALDO:	District Agricultural and Livestock Development Officer
DANIDA:	Danish International Development Agency
DASIP:	District Agricultural Sector Investment Project
DC:	District Council
DDP:	District Development Plan
DED:	District Executive Director
DFID:	Department for International Development (UK)
DFT:	District Facilitation Team
DIDF:	District Irrigation Development Fund
DP:	Development Partner
DPG:	Development Partners Group
DPLO:	District Planning Officer
DPP:	Director of Policy and Planning
DSC:	Division of Sector Coordination
EU:	European Union
FAO:	Food and Agriculture Organization of the United Nations
FEWSNET:	Famine Early Warning Systems Network
FASWOG:	Food and Agricultural Sector Working Group
FTC:	Farmers Training Center
GoJ:	Government of Japan
GoT:	Government of Tanzania
GBS:	General Budget Support
HBS:	Household Budget Survey
ICC:	Inter-Ministerial Coordination Committee
IFAD:	International Fund for Agricultural Development
JAM:	Joint Appraisal Mission
JAST:	Joint Assistance Strategy for Tanzania
JICA:	Japan International Cooperation Agency
JIR:	Joint Implementation Review
LGA:	Local Government Authority

LGCDG:	Local Government Capital Development Grant
LGMD:	Local Government Monitoring Database
LITI:	Livestock Industry Training Institute
M&E:	Monitoring and Evaluation
MAFC:	Ministry of Agriculture, Food Security and Cooperatives
MATI:	Ministry of Agriculture Training Institute
MDAs	Ministries, Departments and Agencies
MITM:	Ministry of Industry, Trade and Marketing
MLD:	Ministry of Livestock Development (reorganized into the Ministry of Livestock and Fisheries Development, or MLDF, in February 2008)
MLDF:	Ministry of Livestock Development and Fisheries
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania (=NSGRP)
MoU:	Memorandum of Understanding
MTEF:	Medium Term Expenditure Framework
NACTE:	National Council for Technical Education
NAEPII:	National Agricultural Extension Project II
NALERP:	National Agricultural and Livestock Extension Rehabilitation Project
NALRP:	National Agricultural and Livestock Research Project
NBS:	National Bureau of Statistics
NGO:	Non-Governmental Organization
NSCA:	National Sample Census of Agriculture
NSGRP:	National Strategy for Growth and Reduction of Poverty
O&OD:	Opportunities and Obstacles to Development
OJT:	On-the-job Training
PADEP:	Participatory Agricultural Development and Empowerment Project
P&I:	Planning and Implementation (only used for the name of a thematic working group)
PME:	Participatory Monitoring and Evaluation
PMO-RALG:	Prime Minister's Office - Regional Administration and Local Government
PAF:	Performance Assessment Framework
PlanRep:	Planning and Reporting Database
PRS:	Poverty Reduction Strategy
RADAG:	Rural and Agricultural Development Advisory Group (of JICA)
RAA:	Regional Agricultural Advisor
RLA:	Regional Livestock Advisor
RAS:	Regional Administrative Secretary
RDS:	Rural Development Strategy
RS:	Regional Secretariat
SMART (U):	Specific, Measurable, Accurate, Realistic, Timely (and Useful)
SWAp:	Sector Wide Approach
TA:	Technical Assistance
TIC:	Tanzania Investment Centre
TRA:	Tanzania Revenue Authority
ToR:	Terms of Reference
ToT:	Training of Trainers
TWG:	Thematic Working Group
USAID:	United States Agency for International Development
VADP:	Village Agricultural Development Plan
VDP:	Village Development Plan
WDP:	Ward Development Plan
WFP:	United Nations World Food Programme
WFT:	Ward Facilitation Team

**Exchange Rates**  
**(as of January 2009)**

US\$ 1 = Tsh 1,310.72

US\$ 1 = ¥ 90.44

Tsh 1 = ¥ 0.069

(JICA's Monthly Rates)

# Chapter 1 Introduction

## 1.1 Background

Since the latter half of the 1990s, the Government of Tanzania (GoT) has increasingly adopted the Sector Wide Approach (SWAp) for development. In 2000, following the social sectors, it was applied to the agricultural sector. The Government of Japan (GoJ) has decided to take part in the SWAp and, through consultation with GoT and other Development Partners (DPs), agreed to assume the secretariat for a task force jointly set up for formulation and implementation of the agricultural sector program. The Japan International Cooperation Agency (JICA) thus employed a team of consultants called the Rural and Agricultural Development Advisory Group (RADAG) for the Support Program on Rural and Agricultural Sector Development for the purpose of technically assisting GoT in the SWAp. RADAG Phase 1 (March 2001 – March 2005) helped JICA coordinate with other stakeholders and contributed to the process by sharing the findings of various studies for agricultural development.

GoT prepared the Agricultural Sector Development Strategy (ASDS) and the Rural Development Strategy (RDS) in 2001 through collaboration with DPs. Based on these strategies, it formulated the Agricultural Sector Development Programme (ASDP) Process and Framework Document in 2003. Then it embarked on the implementation of ASDP's local component, the District Agricultural Development Plans (DADPs).

At the time around the completion of RADAG Phase 1, GoT entered into a new era of macroeconomic policy and management. In July 2005, GoT formulated the National Strategy for Growth and Reduction of Poverty (NSGRP), following the Poverty Reduction Strategy (PRS). This strategy aims at increasing productivity, profitability, employment opportunities and food security in the agricultural sector. In June 2006, it produced the Joint Assistant Strategy in Tanzania (JAST) as a medium-term framework for managing development cooperation between GoT and DPs. JAST is based on national and international commitments and initiatives on aid effectiveness, such as the Tanzania Assistance Strategy (2002), the Rome Declaration on Aid Harmonization (2003) and the Paris Declaration on Aid Effectiveness (2005). All DPs are expected to support GoT's development efforts in accordance with JAST, particularly in the direction towards the General Budget Support (GBS).

Under these circumstances, RADAG Phase 2 was started in November 2005. While it was basically continuation of Phase 1, the focus of its activities was shifted to more direct technical support to GoT, as well as capacity development of relevant organizations through collaboration, for the effective and efficient implementation of ASDP with the establishment of the ASDP basket fund and launch of full-fledged implementation in July 2006.

## 1.2 Outline of RADAG Program Phase 2

RADAG Phase 2 is to be implemented for the period from November 2005 to February 2009 based on the agreement with GoT (the Ministry of Agriculture, Food Security and Cooperatives (MAFC)).

**Objectives and Scopes:** The overarching objective of RADAG Phase 2 is to facilitate the effective and efficient implementation of ASDP by carrying out supporting activities in close consultation with the ASDP stakeholders. Its specific objectives are summarized below.

- 1) To support the ASDP implementation process in institutional and operational aspects with focuses on disbursement of DADP funds through the local Government Capital Development Grant (LGDG) system, institutional arrangements and monitoring and evaluation (M&E) systems of ASLMs.
- 2) To assist the establishment of the ASDP Basket Fund and carry out follow-up studies for the

operation of the Fund.

- 3) To facilitate the ASDP implementation process in planning, implementing and M&E at district and field levels, especially for the DADPs.
- 4) To support the capacity building of relevant organizations through joint studies, joint workshops, and other forms of assistance in carrying out tasks necessary for ASDP.
- 5) To disseminate information and knowledge gained in the course of support activities among the ASDP stakeholders.

**Principles:** Japan has been playing a positive role on various fronts of agriculture and rural development in Tanzania as one of the key DPs. Recognizing the vital importance of communication and understanding among stakeholders in the SWAp, the Program takes the views of GoT and other DPs into full consideration in carrying out its support activities with particular attention to the ownership of the government.

### **1.3 Objectives and Structure of the Report**

This is the draft final report of RADAG Phase 2 prepared for the following objectives:

- 1) To describe developments in the ASDP implementation in connection with RADAG's activities during the entire period of Phase 2;
- 2) To summarize activities carried out by RADAG during the said period;
- 3) To examine contributions made by RADAG to the ASDP implementation; and
- 4) To provide suggestions for future implementation of and/or support to SWAp in Tanzania and other Sub-Saharan African countries based on RADAG's experience gained through Phases 1 and 2 (i.e., from March 2001 to February 2009).

The present report consists of 6 chapters. Chapter 2 provides overviews of SWAp and ASDP in both international and Tanzanian contexts, an outline of ASDP framework and major events in the ASDP formulation and implementation process. Chapter 3 presents major activities carried out by RADAG Phase 2, including developments in the process in connection with the activities. Chapter 4 discusses outputs produced by RADAG Phase 2 together with other stakeholders, as well as challenges ahead for ASDP. Chapter 5 reports RADAG's experience and events in supporting the ASDP formulation and implementation. Chapter 6 discusses lessons drawn from the experience and provides practical suggestions for SWAp in Tanzania and other Sub-Saharan African countries. The suggestions are intended for those aid agencies and governments that will be engaged in SWAp in the future.



## Chapter 2 Overviews of SWAp and ASDP

This chapter presents: 1) an overview of SWAp in both general and Tanzanian contexts; 2) an outline of the ASDP framework; and 3) major events in the ASDP formulation and implementation process.

### 2.1 Overview of SWAp<sup>1</sup>

#### 2.1.1 SWAp in General Context

##### (1) Background of SWAp

In the early 1990s, project aid was criticized as donor-driven and unsustainable, which was prevailing particularly in Sub-Saharan Africa. Against this background, the World Bank took up a new approach to development in Africa, namely, the Sectoral Investment Program (SIP).<sup>2</sup> Among bilateral donors, the Danish government/DANIDA was one of the early adopters of SWAp, changing their aid policy toward the Sector Program Support (SPS).<sup>3</sup> These movements were followed first by other European DPs and then by other international lending institutions.

Most DPs, whether multilateral or bilateral, came to share the concern about the project aid. The situation can be summarized as follows. Every donor claims success based on their respective evaluation, but no significant, and sustained, change was brought about in the entire sector. The result is that the majority of the host country remains poor just as they were before. This is referred to as donor-driven and donor-managed “island effect”. Another consideration was given to the proliferation of the project-aid, which yielded huge transaction costs burdening the host government as it had to follow various procedures that had been individually required by each DP.

A new approach, SWAp or the Sector Program (SP), rapidly became dominant in African countries. The donors that have cooperated in various sector programs include DANIDA, DFID, Japan, GTZ, KfW, Italy, the Netherlands, Belgium, Switzerland, Finland, NORAD, the World Bank, AfDB and the EU.<sup>4</sup> By sector, SWAp is most prevalent in social sectors such as health and education, followed by the transportation/road and agriculture sectors.

##### (2) Definition of SWAp/Sector Program and its characteristics

SWAp, or a sector program, can be defined as a process that shares and supports across the sector: 1) a single policy framework; 2) a medium-term expenditure framework; 3) funding, whether internal or external; and 4) monitoring and evaluation; under government-led stakeholder coordination.<sup>5</sup> The process is expected to advance through a government-led stakeholder coordination mechanism. DPs are supposed to support the whole process of the sector management from formulation of a single sector policy and an expenditure framework through funding to M&E.

The ultimate goal of SWAp is that the host government becomes able to develop policy and expenditure frameworks and implement the program on their own. Special emphasis is thus placed on the leadership and ownership of the government in SWAp for the purpose of providing the opportunity for the government to control the development process.

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<sup>1</sup> This section is elaborated based on Fuminori Arai et al., *Basics of Sector Program*, Version 2.1, International Development Center of Japan (IDCJ), July 2005.

<sup>2</sup> World Bank, *Education and Health in Sub-Saharan Africa: A Review of Sector-Wide Approaches*, 2001, p. v.

<sup>3</sup> Ministry of Foreign Affairs/Danida, *The Sector-wide Approach*, Version 2, 2004, p. 6.

<sup>4</sup> Ibid, p. 26.

<sup>5</sup> For the definition of SWA/SP, also see European Commission, Europe Aid Office of Cooperation, *Guidelines for European Commission Support to Sector Programmes*, Version 1.0, February 2003, p. 9.

### **(3) Difference of agricultural SWAp**

SWAp is considered more difficult in the agricultural sector as compared to social sectors for the following reasons.<sup>6</sup>

- 1) The state, or the line ministry, has a smaller, and different role in agriculture than in social sectors (health, education, roads, and water supply).
- 2) The government and DPs disagree on the state role in agriculture.
- 3) The line ministry must work with other parts of the government, which may require more arduous coordination and institutional arrangements.
- 4) Agriculture is more location-specific and, therefore, it would be realistic to implement an area-based program rather than a uniform, sector-wide program that covers the entire country with various agricultural activities.

#### **2.1.2 SWAp in Tanzanian Context<sup>7</sup>**

##### **(1) Impact of the Helleiner Report**

In Tanzania, there has been a significant shift from project aid to SWAp and then from SWAp to GBS. This development dates back to the mid-1990s when aid fatigue, rising corruption and lack of progress in reducing poverty generated strong debate on the effectiveness of aid.<sup>8</sup> “Development Cooperation Issue Between Tanzania and its Aid Donors: Report of the Group of Independent Advisers,” or the Helleiner report,<sup>9</sup> prepared by the Danish government’s assistance in June 1995, as well as the adoption of the Agreed Notes in January 1997, set in motion the process for building a new relationship. The report offered a list of recommendations with respect to ownership, partnership, responsibilities of GoT such as civil service reform, budgetary reform and economic management, social sector strategy, dealing with corruption. They implied radical changes in the relationship between GoT and DPs in order to enhance the effectiveness of external assistance, i.e., the need for GoT to lead the development process.

##### **(2) Shift toward basket funding and budgetary support**

A significant change in aid policies has been seen in many areas in Tanzania. DPs have moved to basket funding for a range of programs. They include the PRS, Local Government Reform Programme, Health Sector Reform Programme and Public Financial Management Reform Programm.

The World Bank has strongly supported this trend and moved progressively from basket funding to budget support funding. Most of the Bank’s adjustment programs were in the form of budget support including the Programmatic Structural Adjustment Credit and Poverty Reduction Support Credit. Among bilateral DPs, DFID is ahead of others in this type of funding. GoT also prefers GBS to other aid modalities. The JAST finalized in November 2006 places emphasis on a further shift to GBS.<sup>10</sup>

## **2.2 Outline of ASDP Framework**

Under the PRS, GoT formulated the Agricultural Sector Development Strategy (ASDS) in October 2001 and the Agricultural Sector Development Programme (ASDP) in March 2003. The objectives, components and institutional arrangements of the ASDP are as follows.

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<sup>6</sup> Mick Foster et al., “Sector Programme Approaches: Will They Work in Agriculture?”, *Development Policy Review*, 2001, 19 (3), pp. 321-338.

<sup>7</sup> This section is elaborated based on Kenji Yamada, “Future Direction of Aid Modalities in Africa”, Discussion Paper, JICA-RADAG, March 2002.

<sup>8</sup> United Republic of Tanzania, *Tanzania Assistance Strategy*, January 2002, p. 6.

<sup>9</sup> Gerry K. Heilleiner et al., “Development Cooperation Issue Between Tanzania and its Aid Donors: Report of the Group of Independent Advisers”, June 1995.

<sup>10</sup> United Republic of Tanzania, *Joint Assistance Strategy for Tanzania (JAST)*, November 2006, pp. 16-17.

**(1) Objectives (as indicated in the ASDS)**

- 1) To create an enabling and conducive environment for improving the productivity and profitability of the agricultural sector.
- 2) To increase farm incomes in order to reduce rural poverty and ensure households food security.

**(2) Sub-programmes and components**

The ASDP is implemented at three levels: 1) district level through DADPs; 2) national level, including zones; and 3) cross-cutting issues, reflected as Sub-programme A, B and C, respectively, as shown in Table 1. Indicatively, 75% of the total budget is to be allocated to Sub-programme A, following the decentralization-by-devolution policy.

**Table 1: ASDP Sub-programmes and Components**

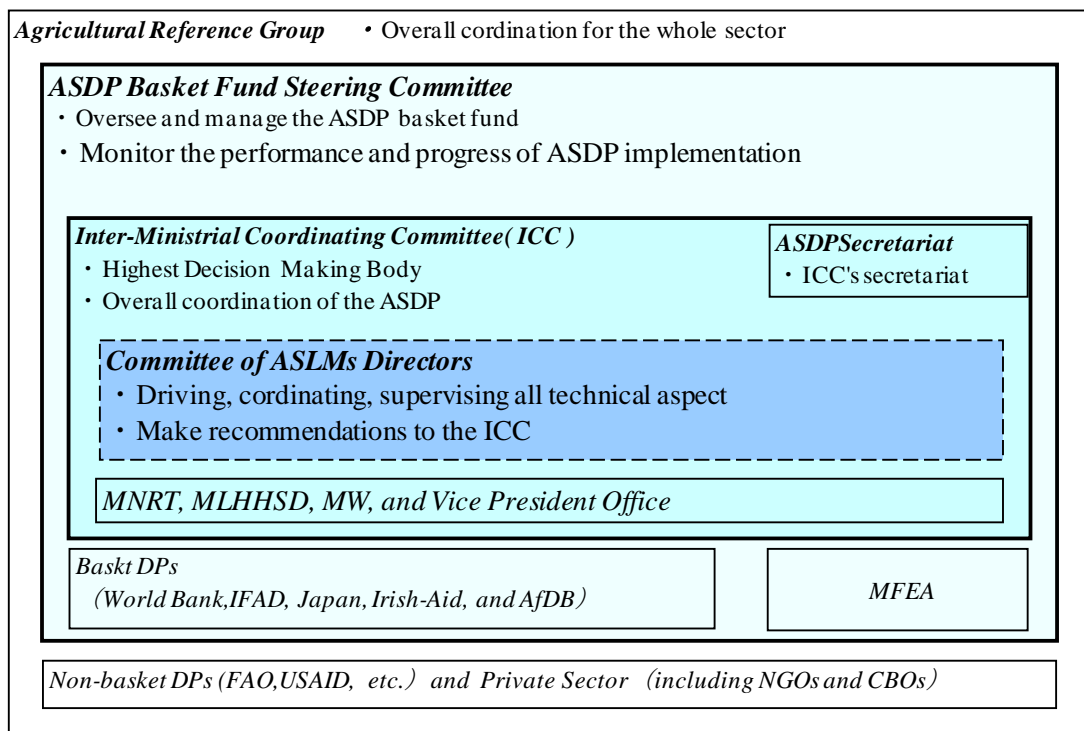
Sub-programmes	Main Components	Proposed Sub-Components
<b>A. Agricultural Sector Support and Implementation at District and Field Level</b>  (Through DADP/DDP)   (Indicative funding allocation: 75%)	<b>A.1 Investment and Implementation</b>	<ul style="list-style-type: none"> <li>• May include amongst other:</li> <li>• Irrigation and water management</li> <li>• Range management</li> <li>• Livestock development and animal health</li> <li>• Better land husbandry</li> <li>• Crop production and protection</li> <li>• Mechanization</li> <li>• Storage and post-harvest</li> <li>• Agro-processing</li> </ul>
	<b>A.2 Policy, Regulatory and Institutional Framework</b>	<ul style="list-style-type: none"> <li>• Policy and Regulatory framework</li> <li>• District institutions</li> <li>• Community empowerment</li> <li>• Agricultural information</li> <li>• Advocacy</li> </ul>
	<b>A.3 Research, Advisory Services and Training</b>	<ul style="list-style-type: none"> <li>• Client-oriented research</li> <li>• Animal and plant multiplication</li> <li>• Advisory services</li> <li>• Training of producers</li> <li>• Service provider training</li> </ul>
	<b>A.4 Private Sector Development, Marketing and Rural Finance</b>	<ul style="list-style-type: none"> <li>• Private sector development</li> <li>• Market development and infrastructure</li> <li>• Producer organizations</li> <li>• Financial institutions and services</li> <li>• Agro-processing</li> </ul>
	<b>A.5 Cross Cutting and Cross-Sectoral Issues</b>	<ul style="list-style-type: none"> <li>• Same list as Sub-Programme C: e.g., HIV/AIDS, Gender, Environment, etc.</li> </ul>
<b>B. Agricultural Sector Support at National Level</b>  (Indicative funding allocation: 20%)	<b>B.1 Policy, Regulatory, Legal and Institutional Framework</b>	<ul style="list-style-type: none"> <li>• Policy, regulatory and legal framework</li> <li>• Commercial sub-sector development</li> <li>• Agricultural information</li> <li>• ASDP management and Secretariat</li> <li>• Advocacy</li> </ul>
	<b>B.2 Research, Advisory Services, and Training</b>	<ul style="list-style-type: none"> <li>• Research</li> <li>• Animal and plant multiplication</li> <li>• Extension/Advisory services</li> <li>• Training and education</li> </ul>
	<b>B.3 Private Sector Development, Marketing and Rural Finance</b>	<ul style="list-style-type: none"> <li>• Marketing; Rural finance</li> <li>• Private sector development</li> <li>• Agro-processing</li> </ul>
<b>C. Cross-Cutting and Cross Sectoral Issues</b>  (Indicative funding allocation: 5%)	May include amongst other: <ul style="list-style-type: none"> <li>• Rural infrastructure and energy</li> <li>• Civil service and LGA reform</li> <li>• Land Acts' implementation</li> <li>• Health (HIV/AIDS, Malaria)</li> </ul>	<ul style="list-style-type: none"> <li>• Gender</li> <li>• Education</li> <li>• Environmental management</li> <li>• Forestry and fisheries</li> <li>• Water</li> </ul>

Source: URT, *ASDP Framework and Process Document Final Draft*, March 2003, pp. 21-22.

### (3) Implementation arrangements

The implementation of ASDP at national level is responsibility of MAFC, the Ministry of Livestock Development and Fisheries (MLDF), the Ministry of Water and Irrigation (MWI) and the Ministry of Industry, Trade and Marketing (MITM). These ministries also supervise and monitor the implementation of ASDP at district level in cooperation with the Prime Minister’s Office – Regional Administration and Local Government (PMO-RALG), which has jurisdiction over the local government authorities (LGAs). The five ministries are called the Agriculture Sector Lead Ministries (ASLMs). LGAs, the district councils in particular, assume responsibility for formulating and implementing DADPs, following the guidelines provided by the central government.

The implementation arrangement at national level is as illustrated in Figure 1. The Inter-Ministerial Coordinating Committee (ICC) is the highest decision-making body for the ASDP, providing overall policy guidance and coordination. The ASDP Basket Fund Steering Committee oversees the fund, reviews work plans and budgets and makes decisions on resource transfers from the holding account based on progress reports. The Committee of ASLM Directors coordinates and supervises all technical implementation of the ASDP. The ASDP Secretariat, which is designated to be the secretariat to ICC, was originally established as an independent coordination body of ASLMs. However, it is located under the Division of Policy and Planning (DPP) MAFC, and its functions are being transferred thereto.



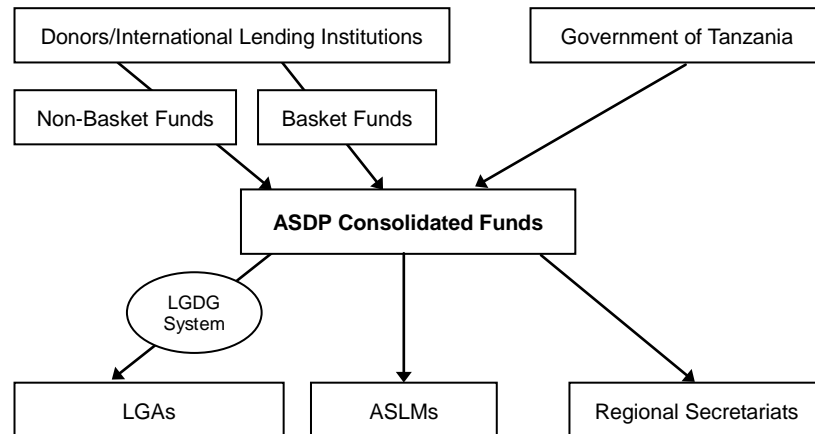
**Figure 1: ASDP Institutional Arrangement at National Level**

Note: 1) ASDP secretariat has recently been abolished. 2) EU has withdrawn from the basket support.

Source: URT, *ASDP Support through Basket Fund Government Programme Document*, 25 May 2006 (modified according to the current practice)

### (4) Funding mechanisms

The funding mechanisms of ASDP are as shown in Figure 2. At national level, the proposed annual expenditures presented in the MTEF (agreed between GoT and DPs) form the basis for planning for ASDP basket expenditures to be included in ASLMs’ budget submissions. At local level, the basket fund supported block grants have been integrated into the institutional arrangements used by the Local Government Capital Development Grant (LGDG) system.



**Figure 2: ASDP Funding Mechanisms and Flow of Funds**

Source: Elaborated based URT, *ASDP Framework and Process Document Final Draft*, March 2003, p. 45.

## (5) Expected impacts

In the ASDP M&E framework, it is currently expected to use the following impact indicators.<sup>11</sup>

- 1) Real agricultural GDP growth rate increased to 10 % p.a. by 2010.
- 2) Rural population below the basic poverty line reduced from 38% in 2000 to 24 % in 2010.

## 2.3 Major Events in the ASDP Formulation and Implementation

Since the starting point of formulation, the ASDP has been encountering several events and changes that have been brought with interactions among various stakeholders. Its historical process up to the present can be categorized into the following three stages. The flow of these events is delineated in Attachment 1, which is attached to the end of the main report.

- 1) From ASDS formulation till ASDP Partial implementation ( - June 2004)
- 2) Movement until the establishment of ASDP Basket Fund ( - June 2006)
- 3) After the Establishment of the ASDP Basket Fund (July 2006 - )

### 2.3.1 From ASDS Formulation till ASDP Partial Implementation ( - June 2004)

#### (1) Formulation of ASDS/ASDP Documents

After adopting the PRS, GoT had envisioned the development of the agricultural sector by SWAp. Receiving support from concerned DPs, it embarked on preparing the basic documents. As a due course, it began to prepare strategies, the (ASDS and the RDS, and completed them in October 2001 and December 2001, respectively.

During the formulation process of ASDS/ASDP, the basic institutional setting for GoT-DP consultation has been the Food and Agriculture Sector Working Group (FASWOG), especially the Task Force under FASWOG (FASWOG-TF). FASWOG-TF was a government-DP joint meeting specifically formed to discuss matters for ASDP.

With the completion of ASDS, GoT proposed to prepare the ASDP document by forming the government team and setting the deadline of March 2002. Behind this is their policy intention to embark on the implementation of ASDP within FY 2001/02. Acknowledging the ownership, DPs

<sup>11</sup> At present ASDP M&E Thematic Working Group has been revising the indicators. Hence they are still subject to change.

agreed on the proposal. However, when the first draft was presented in late March 2002, some DPs showed reservations about the contents and requested to have an appraisal of the document. After a few months of heated discussion between GoT and DPs, both agreed to revise the document. Eventually, a consultant team employed by DPs prepared “The ASDP Framework and Process Document”, spending almost one year (it was finalized in March 2003).

## **(2) Preparation for ASDP implementation, and partial implementation without Basket Fund**

In January 2003, based on the recommendation made by the consultant team for the preparation of The ASDP Framework and Process Document, the ASDP Secretariat was formed outside of ASLMs with coordination functions, while Task Forces<sup>12</sup> were established to implement ASDP.

The ASDP Framework and Process Document was finalized in March 2003. For the time being, responding to the request from ASLMs, all LGAs submitted DADPs by May 2003. Based on these plans, GoT distributed DADP funds of about 4 billion shillings, which were only sourced from the GoT pocket because the basket was yet to be established. Thus GoT started the implementation of DADP, a local component of ASDP.

## **(3) Formulation of the Agricultural Service Support Programme (ASSP)**

While many DPs were coordinating with each other for the establishment of the Basket Fund, IFAD and World Bank were, from early 2003, sending project formulation missions targeting the support for the extension and research development, i.e., Agricultural Service Support Programme (ASSP). When a mission visited in March 2003, other DPs supporting the ASDP were seriously concerned about this arrangement because the mission aimed at formulating a project with large financial inputs in parallel to the ASDP and because different funding mechanisms would prevent making the effective linkage between investment and extension activities at local level (May – October 2003). Consequently the discussion on the parallel funding planned by IFAD and the Bank continued for another year, and eventually resulted in the merging of the ASSP into the ASDP Basket Fund.

### **2.3.2 Movement until the Establishment of ASDP Basket Fund ( - June 2006)**

#### **(1) Joint DADP Program Formulation and the movement to establish the ASDP Basket Fund**

With the aim of uniting the ASSP with DADP and eventually setting up a united Basket Fund for the ASDP, the Joint DADP Program Formulation was launched from November 2004 to May 2005. The formulation was conducted jointly by GoT and DPs. It confirmed the direction for the unified basket fund, laying down most of the present arrangement of the ASDP (e.g., on fund flows through the LGCDG system, specific components of the DADP (i.e., DADG, AEBG and ACBG),<sup>13</sup> etc.).

#### **(2) Preparation of the ASDP Government Programme Document and its joint appraisal**

Upon the finalization of the Joint DADP Program Formulation, GoT prepared the ASDP Government Programme Document, which became a base of the united ASDP Basket Fund. Then, the draft of the document was completed in October 2005. Against this draft, the Joint Appraisal was conducted in February – March 2006 and through this process, the document was finalized in May 2006.

The joint appraisal was especially required for the process of loan approval by World Bank, which was to provide the loan of US\$90 million to the Basket Fund, around 60% of the total amount at that time.

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<sup>12</sup> There were four TFs: TF 1 for local investments (DADP component), TF 2 for regulatory issues, TF 3 for agricultural services (World Bank’s ASSP component), and TF 4 for cross-cutting issues.

<sup>13</sup> In DADP funding, there are three types of grants: District Agricultural Development Grant (DADG) for investment; Agricultural Extension Blok Grant (AEBG) for extension services and Agricultural Capacity Building Grant (ACBG) for capacity building components for the LGAs and private sectors.

Joint Appraisal Mission (JAM) was composed of several task teams, which dealt with specific aspect of the appraisal such as irrigation and financial management. JAM examined current design of ASDP and identified potential risk of implementation. As its outputs, the ASDP Program Document was revised and Aide Memoire was prepared.

### **(3) Preparation and agreement of the Memorandum of Understanding (MoU) for the ASDP Basket Fund**

Following the appraisal of the ASDP Government Programme Document, GoT and the concerned DPs entered the discussion on the Memorandum of Understanding (MoU) for the Basket Fund (May 2006). Similar to the Joint Appraisal, MoU was also a requirement of the World Bank loan process. MoU was finalized by a series of discussion between GoT and DPs in June 2006.

### **(4) Preparation of documents for implementation**

For preparation towards the establishment of the Basket Fund, a set of documents was prepared for the implementation of ASDP in addition to the ASDP Government Programme Document. They were 1) the ASDP Financial Mechanism Document and 2) ASDP Implementation Plan both of which constituted a part of MoU. The latter includes the simplified version of the DADP Guidelines.<sup>14</sup>

## **2.3.3 After the Establishment of the ASDP Basket Fund (July 2006 - )**

### **(1) Operation of ASDP by ASLMs**

Once ASDP had been commenced, it was recognized anew that effective coordination among ASLMs was the key to the efficient implementation of the program. ASLMs originally planned to utilize the ASDP Secretariat for their coordination, which was established in the previous ASDP arrangement (under ASDP Framework and Process document) as an independent coordination body of ASLMs. At present, however, the coordination functions are practically transferred into DPP MAFC. Therefore coordination among ASLMs is performed by the committee of directors and DPP MAFC.

### **(2) Contribution to the Basket fund and preparation of the annual work plan and budget**

Basket funding is referred to as financial contribution by DPs to the ASDP Basket Fund holding account, which is maintained at the Bank of Tanzania. The funds will then be transferred into the Exchequer bank account where they are merged with the funds provided by GoT.

Under ASDP with its basket fund arrangement, the GoT has now been able to supply resources for development regularly every year to LGAs. Such steady flow of funds allows LGAs for the first time to conceive development interventions in a long term perspective. They now prepare their agricultural development plan (DADP) every year and continuously communicating with local communities to identify effective activities for the betterment of the local poor.

While attaining positive effects of SWAp, there are some challenges for both GoT and DPs. To meet requests from DPs on Basket Fund monitoring, ASLMs are now required to prepare consolidated annual work plans and budget for Basket Fund, which is additional to their normal process of producing ministry-wise plans and budgets.

On the other hand, at DPs' side, the major international financiers have faced some challenges: IFAD have institutional difficulties to put funds into the Basket Funds; African Development Bank has made a great effort for basket funding by establishing new funding framework.

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<sup>14</sup> The DADP Guidelines had been prepared already but were required to simplify the contents, so as to become user-friendly.

### **(3) Dialogue and coordination mechanism between the government and DPs**

For consultation between GoT and DPs, the mechanism has been systematized in the meeting of ASDP Basket Fund Steering Committee (BFSC). There is another forum for broader stakeholders of the sector, which is the Reference Group Meeting. This forum is open to non-basket DPs, private sectors and civil group to discuss the issues of the agricultural sector as a whole. As regards coordination among DPs, the group has been organized as Agricultural Sector Working Group (of the Development Partners Group) (A-WG). It meets regularly per month and discusses the progress of ASDP and other relevant issues.

Recent trends on the DP side include: 1) All the assistance in the agricultural sector is to be aligned with ASDP by 2008; 2) DPs are becoming more tolerant to various aid modalities (especially, bilateral technical cooperation); and 3) DPs tend to request the government to show the impacts of ASDP as the program is approaching its middle stages.

### **(4) Joint Review by the government and DPs**

The implementation status of ASDP has been monitored by three annual reviews: namely Agricultural Sector Review (ASR), Public Expenditure Review (PER), and the Joint Implementation Review (JIR). ASR and PER look at production activities and economic and financial state of the agricultural sector in general. The outputs of these reviews serve as major inputs to the review of the GBS. The Joint Implementation Review is a review to examine the implementation status of ASDP, and has been performed every year. So far, three JIRs have been conducted.

### **(5) Thematic Working Groups**

Based on the recommendation from the Joint Implementation Review, “Thematic Working Groups (TWGs)” were established under ASDP Committee of Directors. There are 8 TWGs, namely 1) DADP Planning and Implementation (P&I), 2) ASDP M&E, 3) Irrigation, 4) Agricultural Service, 5) Marketing and Private Sector Development, 6) Food Security, 7) Procurement and 8) Communication. Progress and Status of activities are different among TWG. Some of them such as DADP P&I and ASDP M&E are active, while others are less so.



## **Chapter 3 Activities carried out by RADAG**

This chapter reports major activities that the RADAG program had conducted for the support of ASDP formulation and implementation. The activities are divided into the following five groups:

- 1) Participation in Joint Appraisal Mission and Joint Implementation Review;
- 2) Support to DADP Planning and Implementation;
- 3) Support to Finalization and Operationalization of the ASDP M&E Framework;
- 4) Studies on Institutional Arrangement; and
- 5) Other Activities.

### **3.1 Participation in Joint Appraisal Mission and Joint Implementation Review**

#### **3.1.1 Joint Appraisal**

During February and March in 2006, ASLMs and DPs conducted the Joint Appraisal of the ASDP Programme Document to establish the ASDP Basket Fund. Two tasks were undertaken by RADAG for the Joint Appraisal Mission (JAM), namely: 1) provision of synthesized inputs to JAM on the issues of local governments; and 2) participation in JAM as a member of the task team of Local Government Decision-making, Budgeting and Financial Performance. With regard to the first task, RADAG conducted a synthesis work on local government (summary of the recent studies and interview to stakeholders), and supplied the findings as an input to the task team of Local Government Decision-making, Budgeting and Financial Performance. For the second task, RADAG submitted comments on improvement of the DADP planning and implementation, and the comments are subsequently reflected in the ASDP Programme Documents or the Aide Memoire. Through these contributions, RADAG ensured the way forward of DADP trial and roll-out training by ASLMs and revision of the DADP Guidelines at the beginning of ASDP implementation.

#### **3.1.2 Participation in the Joint Implementation Reviews**

After the ASDP Basket Fund was established in June 2006 and ASDP was officially launched, there have been three Joint Implementation Reviews. RADAG participated in the last two reviews. In the second JIR, RADAG joined the review as an independent consultant to the task team of “Local Planning and Implementation”, as a member of the task team of “National Implementation and Monitoring”; and also supported the Review Management Team in finalizing the JIR Aide Memoire. In the third JIR, RADAG participated as a member of the task team of “Local Planning and Implementation”. In these reviews RADAG made proposals and contributed to make issues addressed later. Following are some of the proposals made by RADAG.

**Table 2: Proposals made by RADAG in JIR**

Subject of Review	Proposals
National level implementation and monitoring	<ul style="list-style-type: none"> <li>• Strengthening of institutional arrangement for coordination at DPP MAFC</li> <li>• Preparation of a generic ToR for overall coordination and operation of the Thematic Working Group</li> <li>• Strengthening of the Regional Secretariat Office for DADP implementation</li> </ul>
Local planning and implementation	<ul style="list-style-type: none"> <li>• Needs for prioritization of DADP activities</li> </ul>

### **3.2 Support to DADP Planning and Implementation**

DADP is the major component of ASDP, receiving 75% of the ASDP Basket Fund budget. It was produced based on village agricultural development plans (VADPs) and receives funds depending on

the performance of the LGA. As most of the poor live in rural areas and engage in agriculture,<sup>15</sup> DADP could function as a basic framework for their economic development. It is also important in terms of decentralization policy, as its system allows LGAs to formulate a development plan reflecting local conditions and needs

Taking into consideration the significance of DADP in ASDP, RADAG supported DADP planning and implementation. The support includes: 1) Preparation of DADP Guidelines; 2) Training on DADP Planning and Implementation; 3) Backstopping; 4) Quality Assessments of DADPs; 5) Enhancement of DADP Planning & Implementation (P&I) TWG Operation; and 6) Consolidation of DADP Quarterly Progress Reports.

### **3.2.1 Preparation of DADP Guidelines**

The DADP Guidelines were part of documents required in the MoU between GoT and DPs on the ASDP Basket Fund. There had been various versions of DADP Guidelines along with developments of the ASDP/DADP. The earlier ones that comprehensively integrated investment and service components were issued in 2005 and have undergone a series of revision since then. RADAG's support started with the preparation of the simplified DADP Guidelines in March 2006, as suggested by JAM. At a later stage, it was also substantially involved in preparation of DADP Planning and Implementation Guidelines in November 2007. These Guidelines serve as a base for further improvement.

### **3.2.2 Training of DADP Planning and Implementation**

In addition to the preparation of the DADP Guidelines, it was also agreed by the JAM that guidance on implementation and utilization of the agricultural grants (DADG, AEBG and ACBG) should be given to all LGAs before disbursement of funds commenced for the 2006/07 financial year. Training was conducted in trial and roll-out phases. The former was implemented mainly by external consultants together with key facilitators from ASLMs in two regions, Morogoro and Mtwara, in June 2006. After the trial training, roll-out training was carried out in all the remaining regions of the country from late July to mid-September 2006. RADAG assisted the preparation of training, which included facilitation of training of ASLM facilitators (Training of Trainers: ToT) and improvement of training materials. RADAG joined both trial and roll-out training with the responsibility for M&E on training methodology.

Overall, the training succeeded in facilitating all LGAs in understanding institutional aspects of the ASDP/DADP such as the concepts and funding mechanisms as a government program. However, it also articulated challenges in terms of practical ways of planning and implementing of DADP, e.g., linkage with LGDG system (such as M&E systems) and involvement of the private sector in DADP implementation. RADAG offered recommendations on such aspects as the finalization of DADP Guidelines and follow-up activities to training.

### **3.2.3 Backstopping**

During the late stage of roll-out training in September 2006, it was increasingly considered not only by RADAG but also by GoT that some follow-up activities would be needed to facilitate LGAs' preparation of DADPs for 2007/08. This consideration was due to the understanding that while the roll-out training made LGAs capable to formulate the action plan to produce a quality DADP (e.g., training of the Ward Facilitation Team (WFT)), there was no mechanism for ASLMs and regions to

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<sup>15</sup> More than 80% of the poor live in rural area (URT, Household Budget Survey 2007 Analytical Report Chapter 7, p. 5).

support and monitor their efforts. Consequently, after the roll-out training, the DADP P&I TWG set out to conduct the LGA backstopping in their DADP preparation. The activity, since then, became an annual operation of the TWG. RADAG has been a regular member of the activity, and contributing by offering advices, and preparing monitoring reports and proposals for improvement. RADAG participated in all of the three operations over the three-year period from November 2006 through December 2008.

**3.2.4 Quality Assessment of DADPs**

The first JIR, which was conducted in April 2007, pointed out the inadequate quality of DADPs and proposed several actions to be taken by the DADP P&I TWG, including designing effective systems for the quality control of DADP operation. RADAG decided to conduct a trial quality assessment of DADP documents. After ASLMs recognized the usefulness of the exercise, the operation was undertaken by the DADP P&I TWG together with RADAG for assessing the draft DADPs for 2008/09. In the first assessment, RADAG carried out 1) Development of a checklist for quality assessment, 2) Implementation of quality assessment, and 3) Mainstreaming of outputs of quality assessment by reporting the results to major stakeholders. In the second operation, RADAG took on 1) Support to preparation of a framework for DADP quality assessment, and 2) Participation in quality assessment. The assessment results of the second operation were immediately sent back to LGAs, and used for improvement.

The assessment framework has been revised, and as of December 2008 it has contents as briefed in Table 3 below. The formulation of this framework was, together with the setting-up of assessment characteristics, a key step in designing institutional arrangements for DADP quality improvement.

**Table 3: Outline of the Quality Assessment Framework Document**

<b>Objectives</b>	a. To provide a common base of quality judgment of a DADP b. To provide clear guidance to stakeholders on what is a quality DADP and how to achieve such DADPs
<b>Users</b>	<u>National:</u> DADP Evaluation Team (core DADP P&I TWG members and other ASLM officers) <u>Region:</u> RAA, RLA, or other related personnel for backstopping LGA’s planning of a DADP <u>District:</u> DFT and Council Management Team for preparation of a DADP
<b>Evaluation</b>	Total 23 characteristics in 7 aspects such as planning, activities, budget and M&E An evaluation sheet is to be prepared per LGA. It presents scores and observations and recommendations for specific guidance to LGAs.
<b>Scoring</b>	Score 0, 1 or 2 for a characteristic in accordance with the following general principle: 0 = No/Almost no description or compliance 1 = Described to some extent or compliance to some extent 2 = Well described or good compliance Obtain the total score of a DADP by adding all the scores given to individual characteristics and classify as follows*: Group A: Good quality – Total Score of 31 – 46 Group B: Fair quality – Total Score of 11 – 30 Group C: Poor quality – Total Score of 0 – 10

Note: \* In the actual exercise of the 2008/09 quality assessment in Morogoro, the ranges were slightly modified with the total score from 0 to 20 for poor quality and from 21 to 30 for fair quality. These modifications are to be reflected in the forth draft.

**3.2.5 Enhancement of DADP P&I TWG Operation**

Since the latter half of 2007, RADAG has been one of members of DADP P&I TWG, providing technical assistance to the management of the TWG in addition to the TWG’ activities to backstop LGAs in DADP planning and implementation. It was in February 2008 that the DADP P&I TWG, under the guidance of DPP MAFC, decided to revise its ToR and Work Plan. RADAG provided written comments on the existing ToR and Work Plan. Key comments were: 1) the addition of specific

objectives that have not yet been stipulated in the ToR but have been pursued by the TWG in the process hitherto; 2) explicit designation of outputs against each specific objective for effective task management; and 3) the establishment of an annual cycle of technical assistance for strengthening LGAs for DADP operation.

### **3.2.6 Consolidation of DADP Quarterly Progress Report**

Whilst providing technical backstopping to the DADP P&I TWG, RADAG extended its support to the Agriculture Section, Department of Sector Coordination of PMO-RALG. This section has a mandate of consolidating 133 of DADP progress quarterly reports submitted from all of LGAs into one report as a part of ASDP quarterly progress report. The task tends to be burdensome and tedious, which delays the preparation of the consolidated report. To mitigate situation, there has been policy direction of ASLMs to make RSs possess the function of consolidation within its own region so as to reduce the burden on the Agricultural Sector Unit. RADAG extended following support in this aspect: 1) to have participated in the consolidation task so as to understand the situation and issues; 2) To have participated in the training of Regional Secretariats (RSs) on the consolidation tasks and forwarded suggestions for further improvement. The suggestions include: To prepare a basic manual of computer know-how required for the report consolidation, e.g., how to calculate a sum and do sorting in MS Excel; To prepare a list of common mistakes observed in many LGA progress reports, and share it with LGAs so as to prevent them from making such mistakes in advance.

### **3.3 Support to Finalization and Operationalization of the ASDP M&E Framework**

Despite the signing of MoU for the ASDP Basket Funding in June 2006, and although an M&E framework had been formulated in the annexes of the ASDP Government Programme Document (May 25, 2006), the framework had not been finalized for actual operation. ASLMs were obligated by the basket DPs to finalize the framework by March 2007, and then move on to operationalize it. For this task, RADAG assisted GoT in establishing an ASLMs and DPs Working Group for ASDP M&E, which was materialized in December 2006.<sup>16</sup> RADAG had since continued to backstop the M&E TWG as the secretariat of the group at the beginning and later as its core member. In March 2007, the secretariat function was handed over to the M&E unit of MAFC to facilitate their ownership on the task.

#### **3.3.1 Study on ASLMs' M&E Capacity for DADPs**

Since the DADP started, ASLM officers have been dispatched to districts to monitor financial and physical progress of DADPs every year. RADAG undertook a study on ASLMs' M&E capacity for DADPs by reviewing the ToRs and participating in the actual monitoring in two regions in 2006. Through the study addressed were: 1) To review and re-formulate the ToR; 2) To establish a reporting and feedback mechanism; and 3) to involve the RSs in the DADP monitoring.

#### **3.3.2 Participation in the M&E Working Group of MAFC**

In August 2006, MAFC established a working group to strengthen its data collection and M&E system of the ASDP. In response to the request of MAFC, RADAG participated in the working group to provide technical backstopping. In September 2006, a meeting was held to discuss about the M&E frameworks and the formats of area-based programs. RADAG joined the meeting and facilitated a MAFC member of the group to explain overall idea of the ASDP M&E system. In the meeting, it was

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<sup>16</sup> The joint working group was then consolidated as one of the ASDP Thematic Working Groups. It is therefore referred to as the ASDP M&E TWG.

found that computer software at LGA level such as PlanRep2 and Local Government Monitoring Database (LGMD) promoted by PMO-RALG was to play an important role in the M&E system of MAFC, and yet the group did not have sufficient information about the reporting arrangement of the software and how they had been used at the local level. Then, RADAG had taken the following actions: 1) To invite a computer system analyst of PMO-RALG for a presentation; 2) To organize a field trip to three districts in Tanga region to observe current situations of the use of the software.

### **3.3.3 Establishment of the ASLMs and DPs Working Group**

Along with the MAFC M&E working group, DPs established a working group in October 2006 to examine the current M&E framework for the ASDP. MAFC and DPs agreed to consolidate their M&E working groups. It was also considered important to involve other ASLMs. RADAG thus assisted them in establishing a joint M&E working group by: 1) drafting ToR of the working group; and 2) undertaking a series of discussions involving ASLM Directors and DPs in collaboration with the JICA Tanzania Office. The ASDP M&E TWG was finally set up in early December 2006. RADAG initially assumed a role of secretariat and coordinated activities of the M&E TWG. At the end of March 2007, however, RADAG transferred the secretariat to MAFC's M&E Unit with a view to enhancing GoT's ownership in finalization of the M&E framework.

### **3.3.4 Finalization of ASDP M&E Framework**

Upon its return to Tanzania in May 2007 for the third year of the Program, RADAG re-joined the M&E TWG and started to backstop the secretariat group of TWG. RADAG facilitated the group in tasks for finalizing the M&E framework document, which include: To revise the table of content of the M&E framework; To select short-listed indicators<sup>17</sup> using SMARTU criteria; To develop data collection, reporting, monitoring and evaluation mechanisms of the ASDP; and To identify the roles of key institutions. In June 2007, a workshop was held to present a draft M&E framework and to solicit comments from a wider range of stakeholders, e.g., ASLMs, the National Bureau of Statistics (NBS), RSs, LGAs and DPs. With the comments incorporated, the revised ASDP M&E framework was submitted to DPP MAFC, and then approved by the Committee of ASLM Directors in late August 2007.

### **3.3.5 Finalization of Short-listed Indicators**

Although the ASDP M&E framework was approved, there remained a task that the short-listed indicators needed to be confirmed through field-testing. For this purpose, the M&E TWG planned field-testing where the short-listed indicators would be examined and baseline data would be collected. In the field-testing, availability and reliability of data for each short-listed indicator and its data source were verified. Contributions made by RADAG in finalization of the short-listed indicators include: 1) Finalization of the field test questionnaire, participating in the test, and preparing the report; 2) Data collection at national and local levels (including support to holding local workshops); 3) Preparation of the Baseline report; and 4) Finalization of the short-listed indicators through the above activities.

### **3.3.6 Preparation for the 2008 Agricultural Survey (Sample Census)**

In Tanzania, the agricultural survey was expected to take place in 2008/09. GoJ considered how to support the survey in financial aspect. General view on the last survey (the National Sample Census of Agriculture 2002/03) was that it had shortcomings such as a delay in publishing survey results and

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<sup>17</sup> The short-listed indicators were selected from the long-listed indicators to reduce the number of indicators to a manageable size. Another aim was to focus data collection efforts to the limited number of indicators that are feasible in the current situation. See Table 2 for the list of short-listed indicators.

insufficient involvement in planning of the “users” of survey results, i.e. such as ASLMs and LGAs. The JICA Tanzania Office, the JICA adviser to NBS and the Embassy of Japan agreed that they would take the initiative to facilitate the discussion among stakeholders by developing a framework for the survey. RADAG participated in this effort as a representative of the ASDP M&E TWG. Because of these efforts, MAFC, MLDF and MITM have gained a better understanding of the survey, and a technical committee to finalize the survey framework was established with participation from ASLMs and NBS.

In addition to the above-mentioned activities, RADAG attended monthly A-WG meetings and assisted the JICA Advisor for the ASDP in reporting the progress of the ASDP M&E TWG and participated in or made presentations at various workshops/meetings related to the M&E of the ASDP. Now technical support to the ASDP M&E TWG has been transferred in March 2008 to the JICA program of Technical Cooperation in Capacity Development for the ASDP Monitoring and Evaluation System.

### **3.4 Studies on ASDP Institutional Arrangements**

#### **3.4.1 Study on National-level Institutional Arrangements for ASDP Implementation**

This study was conducted in June – September 2007: 1) to investigate the current situation and issues of institutional arrangements at national level for the implementation of ASDP; and 2) to identify possible needs for technical assistance (TA) to facilitate the ASDP institutional arrangements at national level. Regarding the first objective, the study proposed that a coordinating unit for ASDP implementation be set up at the DPP MAFC. For the second objective, it was concluded that it would be effective to facilitate the ASLMs in not only technical expertise but also operational skills such as timely completion of tasks and proper reporting. It was also suggested that experts externally hired should work as a facilitator to enhance their potential through collaboration. The report was provided as an input to the National Implementation and Monitoring Subcomponent of the second JIR.

#### **3.4.2 Study on Coordination Mechanism of the Assistance with Particular Attention to TA for Capacity Development**

Since the outset of ASDP, a need for effective technical assistance (TA) has been felt to strengthen the capacity of actors at all levels to implement the program. However, the formulation of a TA program/project may not always be efficient because the coordination mechanism of TA in ASDP has not been clearly addressed among the stakeholders. Against the background, this study was conducted to examine a possible coordination mechanism of TA within the ASDP framework with a view to building consensus among the stakeholders. The study was carried out over the period of May – November 2008 by collecting information from other sectors, including health, water, local government and public financial management. By sharing the results with DPs and MAFC DPP, the importance of TA and its objective of CD as well as the urgency of policy dialogue on the supporting activities have been highlighted.

### **3.5 Other Activities**

#### **3.5.1 Agricultural Sector Review 2006/07**

In addition to JIR, the Agricultural Sector Review (ASR) is another key annual review of ASDP. Together with those of the Public Expenditure Review (PER), the results constitute major inputs to the GBS review from the agricultural sector. During RADAG Phase 2, three ASRs were conducted, i.e., 2006/07, 2007/08 and 2008/09. RADAG substantially participated in the ASR 2006/07, which was the first one since 2000 when the last ASR was conducted. Since then, a number of macroeconomic and

sectoral reforms had taken place, including the formulation of PRS and NSGRP, Crop Boards reforms, divestiture of agricultural parastatals and crop and livestock marketing reforms. Also, the ASDP Basket Fund was just established in July 2006. Therefore, ASLMs and DPs were acutely aware that the ASR needed to be carried out in 2006. Based on discussions between ASLMs and DPs, RADAG assigned a member to the review tasks for a three-month period from July to October 2006. RADAG's work, such as ToR preparation, data collection and analysis, review report writing, workshop preparation and presentation, logistical support, etc., greatly contributed to ensuring the quality of the review and its timely completion and to developing a basic structure of the ASR after 2006/07.

### **3.5.2 Study on Training Institutions**

Within the ASDS/ASDP framework, agricultural training institutions are to play an important role in updating knowledge and skills of farmers, extension officers and other service providers. ASLMs are expected to meet the new demand for demand-driven and business-oriented training by reforming the organization and activity of their training institutes. In line with this responsibility, GoT recently launched a major program, the Crash Programme, that would increase the number of extension officers from 3,000 to 12,000 for four years. JICA considered it timely to conduct a study on the agricultural training institutes to identify their present situation and problems facing them. RADAG thus conducted the study jointly with MAFC and MLDF to present a set of feasible reform actions to be taken by the ASLMs training institutes in two phases, i.e., the preliminary study in January – March 2007 and the final study in June – August 2007. The study proposed that ASLMs should immediately prepare a long term policy and implementation plan to guide the training institutes to the future.

### **3.5.3 Others**

RADAG has provided a variety of technical assistance for effective implementation of ASDP. The support activities also included those to enhance JICA's engagement in ASDP.

#### **(1) Fact finding study on DADP and LGCDG<sup>18</sup>**

In November – December 2005, RADAG carried out a fact-finding study on the DADP preparation and its relationship with the LGCDG system. Major findings include: 1) LGAs welcomed the unification of the two funds, expecting the simplification of procedures, timely disbursement and closer communication with the central government; and 2) LGA staff expressed some concern about the new arrangements, particularly the possibility of receiving no funds due to the failure of some departments. The report was distributed to the A-WG members to supplement their knowledge about the actual practice of DADP and LGCDG at local level.

#### **(2) Survey on DPs' views regarding ASDP framework**

As a part of collecting updated information at the outset of RADAG Phase 2, RADAG conducted a survey in January 2006 to find general views and opinions of agricultural DPs concerning the arrangements for the ASDP with particular focus on the collaboration mechanism among DPs. The findings of the survey were discussed with JICA with a view to improving its aid coordination for ASDP. Based on the discussion, JICA continued to commit itself to the aid coordination as the secretariat of ASDP, while making greater efforts to highlight the importance of bilateral technical assistance.

#### **(3) Review of the Financial Mechanism Document**

In January 2006, RADAG reviewed the draft ASDP Financial Mechanism Document and prepared

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<sup>18</sup> Currently named as LGDG.

comments for further refinement, such as: 1) The document should be confirmed in its consistency with other government documents, particularly those of the LGCDG system; 2) Issues other than financial ones had better be dealt with in other documents; and 3) It could be made more user-friendly by simplifying its contents.

#### **(4) Consultation for JICA's direction of technical assistance for DADP**

From June to August 2008, RADAG assisted JICA in exploring directions of technical assistance for DADP. The direction was discussed with government counterparts including the DPP of MAFC, the DADP P&I TWG and the Agricultural Sector Unit, Division of Sector Coordination of PMO-RALG. An agreed direction could include the principles such as: 1) JICA's support could focus on ASLMs' technical backstopping of LGAs in planning and ASLMs' monitoring of DADPs through the DADP quarterly progress reports; 2) The functions of RSs should be enhanced in both DADP planning and monitoring; and 3) Regular visits to some LGAs may be conducted so that ASLMs could recognize effectiveness of technical backstopping.



## Chapter 4 Contributions made by RADAG and remaining Challenges

The contribution made by RADAG and remaining challenges for ASDP can be summarized in Table 4. They are categorized according to the objectives of RADAG: 1) Enhancement of institutional and operational arrangements for the ASDP; 2) Establishment of the ASDP Basket Fund and follow-ups for the operation of the Fund; 3) Facilitation of DADP planning and implementation; 4) Capacity building of relevant organizations; 5) Dissemination of information and knowledge; and 6) Others.

**Table 4: RADAG's Support, Achievements and Remaining Challenges**

Support by RADAG	Achievement with other stakeholders	Remaining challenges
<b>1. Enhancement of institutional and operational arrangements for the ASDP</b>		
<ul style="list-style-type: none"> <li>• Study on National-level Institutional Arrangements for ASDP Implementation</li> <li>• Finalization and Operationalization of ASDP M&amp;E Framework</li> <li>• Participation in JIR</li> </ul>	<ul style="list-style-type: none"> <li>• ASDP M&amp;E Framework was formulated</li> <li>• Two additional TWGs have been established and TWG's coordination is begin strengthened</li> <li>• The staff and financial resources of the RSs are expanded</li> </ul>	<ul style="list-style-type: none"> <li>• Operationalization of M&amp;E framework</li> <li>• Further deployment of MAFC DPP</li> <li>• More coordination among TWGs based on Generic ToR</li> <li>• Clarification of the role of RS and Establishment of Supporting system to it.</li> <li>• While the importance of TA and capacity development and the urgency of their coordination have been highlighted, more effort will be needed in policy dialogue and setting up an institutional and procedural arrangement.</li> </ul>
<b>2. Establishment of the ASDP Basket Fund and follow-ups for the operation of the Fund</b>		
<ul style="list-style-type: none"> <li>• Support for Finalization of the ASDP Basket Fund Financial Mechanism Document</li> <li>• Participation in the JAM</li> <li>• Participation in the JIR</li> <li>• Support to the consolidation of DADP progress reports</li> </ul>	<ul style="list-style-type: none"> <li>• The Basket Fund was established.</li> <li>• Minimum conditions and performance criteria have been set and updated accordingly</li> <li>• Transferring some of consolidation responsibilities to the RS in progress</li> </ul>	<ul style="list-style-type: none"> <li>• Swift disbursement to LGAs</li> <li>• Improvement of DADP progress report at LGAs level and provisions of backstopping tools to RS</li> <li>• Investing the issue of "Value for Money" at activity level</li> </ul>
<b>3. Facilitation of DADP planning and implementation</b>		
<ul style="list-style-type: none"> <li>• Finalization of the Guidelines</li> <li>• Training on DADP planning and implementation</li> <li>• Backstopping</li> <li>• Quality assessment of DADP documents</li> <li>• Enhancement of DADP P&amp;I TWG operation</li> </ul>	<ul style="list-style-type: none"> <li>• DADP Planning and Implementation system in place based on the Guidelines</li> <li>• Quality assessment in place</li> <li>• Project Appraisal at field level for DADP preparation in place</li> </ul>	<ul style="list-style-type: none"> <li>• Updating of the DADP Guidelines reflecting implementation experiences and Continuation of DADP Quality Assessment</li> <li>• Investigation of actual process of planning and implementation at LGAs</li> <li>• Harmonization of various supports to LGAs, including coordination among relevant entities at central level.</li> </ul>
<b>4. Capacity building of relevant organizations</b>		
<ul style="list-style-type: none"> <li>• Collaboration with and technical backstopping to ASLMs and LGAs in activities of 2 and 3 above</li> </ul>	<ul style="list-style-type: none"> <li>• The TWGs internalized technical assistance of DADP guidelines, M&amp;E Framework, DADP quality assessment, etc</li> <li>• The M&amp;E TWG has now managed its operation with GoT initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Institutional arrangement for increaser of functionality of TWG</li> <li>• Support by DPs in operational aspect through co-working and accountability</li> <li>• Information sharing and coordination among GoT and DPs regarding to support for capacity building</li> </ul>
<b>5. Dissemination of information and knowledge</b>		
<ul style="list-style-type: none"> <li>• Preparation and circulation of various reports to stakeholders</li> <li>• Report to the Program's Advisory Committee to JICA in Japan</li> <li>• Report at seminars organized by JICA in Japan</li> </ul>		

• 6. Others
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|--|
| <ul style="list-style-type: none"><li>• Participation in the Agricultural Sector Reviews</li><li>• Examination of possible reforms of ASLMs' training institutions</li></ul> |
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Note : For 5 “Dissemination of information and knowledge” and 6. “Others,” only activities are depicted.

With respect to institutional and operational arrangements for the ASDP, RADAG has substantially contributed to finalization of ASDP M&E Framework. At present it has been finalized and serving as a guide to establish a practical M&E system encompassing ASLMs and LGAs. In addition, the institutional arrangements of TWGs and RS have been strengthened based on the recommendations of Joint Implementation Review. Improvement has also been seen at the central level as the coordination and consultation among stakeholders have now been relatively firmly established by the positive engagement of DPP MAFC and the committee of directors. However, challenges still remain for example in coordination among TWGs, operationalizing the generic ToR, clarification of Region’s roles and establishment supporting system to them.

As for the second objective, the Basket Fund was established through the process of Joint Appraisal in which RADAG took part. With Joint Appraisal, JIR and other activities, criteria for disbursement of DADP funds have been set and updated in accordance with the progress of implementation.<sup>19</sup> In addition, strengthening of the RSs in terms of human resources and budget has been tackled in order to capture financial progress and status at LGA level more efficiently. Future challenges are how to disburse funds to LGAs in a timely manner, how to strength the functionality of RS for monitoring of financial progress at LGA level. Moreover, of critical needs is to investigate value for money at operational level.

As regards DADP planning and implementation, the systems of planning, implementation and assessment has been in place through introduction of the DADP Guidelines and quality assessment. For further development, it is necessary to continue updating of the guidelines and implementation of the quality assessment. Of crucial needs is to confirm the effectiveness of these supporting activities by examining actual process of DADP planning and implementation at LGA level. Also, it could be effective for ASLMs to harmonize its various efforts in a systematic manner (e.g. checklist used for quality assessment could be introduced in the DADP Guidelines).

Last but not least, RADAG has been spending substantial time to co-work with DADP P&I TWG and ASDP M&E TWG. It has been observed that the operational modality of the TWGs has improved, as the methods and procedures suggested through our supports to, for example, DADP guidelines, quality assessment, and M&E framework have been adopted. As for ASDP M&E TWG, managerial capacity has also been enhanced by RADAG’s involvement. Remaining major challenge is to establish mechanisms to increase functionality of all TWGs (e.g. of coordinating members’ schedules for full commitments to TWG activities with balance to other duties, and of seeking more accountability at member level). Other elements desired in facilitating TWGs are greater participation of DPs in TWG activities and sharing information on how to promote capacity development at operational levels.

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<sup>19</sup> At present, almost all LGAs satisfy the condition of receiving funds that have been set by JAM. Hence they were updated to examine current capacity of LGAs in May to July 2008.

## **Chapter 5 Matters learned while Supporting ASDP**

After summarizing the characteristics of RADAG's support activities through Phases 1 and 2, this chapter discusses issues and topics learned or observed by RADAG during its service period. Although the focus has been mostly on the RADAG's phase 2 experience (November 2005 – December 2008), the range of search was extended to RADAG's phase 1 experience (March 2001 – March 2005) so as to look at the characteristics of SWAp in a broader perspective. In the following, issues and topics are described in a sequence of two groups, the first "During the period of ASDP formulation" and the second "During the period of ASDP implementation".

The characteristics of RADAG's support activities through Phases 1 and 2 are described as: 1) Support in response to needs of ASDP and stakeholders (i.e., functioning as "public goods" for effective and efficient implementation of ASDP); 2) Information collection, analysis and sharing; 3) Balance between government ownership/capacity building and output quality; and 4) Collaboration with JICA. These are also considered vital elements of TA in SWAp to which government ownership and partnership are indispensable. Thus, RADAG may have demonstrated an effective way of supporting SWAp through its activities.

### **5.1 During the Formulation of ASDS/ASDP**

ASDP stakeholders had spent substantial time and efforts to coordinate with each other in order to formulate ASDP/ASDP. It has been found that stakeholders had different views and expectations with regard to the development concept, the roles of the government, and quality of outputs. Such different views sometimes resulted in heated discussions, and at other times caused some delays in the process. The initial stage of formulation of ASDP has demonstrated the significance and difficulties of consultation/ coordination among concerned parties.

In the later stage of formulation, there were several specific events and undertakings, with which stakeholders prepared for effective implementation of ASDP e.g. Joint Appraisal, MoU and preparation for necessary documents for implementation. Such tasks required stakeholders to possess clear and practical outlooks in the operational aspect of the program to be implemented. ASDP had accomplished these undertakings by learning by doing. Review of its experiences has then articulated some expertise to be utilized in order to attain effective implementation.

#### **5.1.1 Formulation of ASDS/ASDP Documents**

##### **Needs for close consultation and coordination (Different views on the role of the government)**

From the beginning of the ASDS/ASDP process, there have been discrepancies among stakeholders (Government and DPs) on the roles of the government and issues of the Tanzanian agricultural development. The discrepancy was and has been wide between GoT and DPs, but small ones exist even among DPs. These differences sometimes caused delay in the process of document preparation.

A major difference is on the roles of the government. GoT tends to think that it has great responsibility in supporting farmers and agricultural stakeholders in general. The results are often supply-sided interventions in the program including many forms of subsidies and crop/area-specific promotion activities. On the other hand, many DPs who look at the sector from the market-based operation regard the role of the government should be to setting-up enabling environment for farmers. Although it is unavoidable to have different views whenever multiple parties are involved in a process, it would be beneficial for the process to take into account in advance some extra time which would be needed for settling the difference in opinions.

### **Importance of dialogue between the government and DPs, and the balance between the government ownership and quality of outputs**

As described in Chapter 2, Section 2.3.1 (1), there was a significant setback in the process of ASDP document because of a miscommunication between GoT and DP. Immediately after finalizing ASDS (October 2001), GoT proposed to start preparing ASDP. Acknowledging the government leadership, DPs followed that proposal. Then the first draft was hastily presented to stakeholders without much prior consultations. When the draft was presented in late March 2002, some DPs raised questions with respect to the consistency of the document with ASDS, etc. Though there were further correspondences between GoT and DPs, the result was to re-write the document from the beginning.

This provides many important lessons. First is that more close consultation should have been done between GoT and DPs during the preparation period especially on the contents of the document. Another was that GoT might have been too ambitious to carry out the task. More subtle but profound lesson is about how to keep balance between the ownership of the government and required quality of outputs. In general, DPs tend to expect output quality higher than the government does. If a task is fully given to the government, the ownership of the task will be high, but the output may be compromised in contents. On the other hand, if the task is conducted under DP's control, they will be satisfied with output quality, but government ownership will not be ensured. Arguably DPs could support the enhancement of the government capacity at the initial stage but reduce its involvement over time as the government demonstrates dependable operations.

### **Practicality of the basic program documents**

Program documents such as ASDP Government Programme Document are required to be practical and reflect well the situation of targeted areas or subjects. It is noted that because such a basic document is prepared at the central level, there is unavoidable tendency that process is guided more by development ideals and visions without losing touch on practice. For example, the approach that DADP funds should be used in three different categories, DADG for investment, ACBG for capacity building, and AEBG for extension services, is fairly impractical at the local level.<sup>20</sup> Ideally speaking, such inconsistency should be amended as they are found. However, in reality, such process is hardly possible because the document has often been jointly appraised by a big team and referred to as a base for funding system and agreement of concerned parties. Therefore the issue is how to prepare a more practical document. Therefore the issue is how to prepare a more practical document. It would be more effective for the program to examine, to a possible extent, effectiveness and efficiency of major components (e.g. local activities in the case of agricultural sector) at field before actually set out to the implementation.

#### **5.1.2 Participation of DPs in Formulation**

### **Reduction of transaction costs on the government side while increase of coordination costs on DPs' side**

As described in Chapter 2, one reason for adopting SWAp is the premise that the SWAp with Aid Coordination reduces the transaction cost. Indeed, with little needs for the government to coordinate with respective DPs, there might well be reduction of transaction costs at least the government's side. In the reality of SWAp, however, coordination needs have arisen at DPs' side to streamline their

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<sup>20</sup> This is because i) differentiation between capacity building and extension services at a specific activity is often difficult, (e.g. workshop for farmers on new varieties: If looked at from farmers' viewpoint, this is capacity building, but from officers' viewpoint, this is an extension services.) ii) Quite often, an activity contains all elements of investment, capacity building and extension services (e.g., development of demonstration plots with some facilities included: Obviously this activity would include all three components.).

activities to the government policy and system. These new requirements have entailed coordination costs on the side of DPs, though these are not often mentioned. Reduction of costs should be measured as a net of the reduction on the government side and the increase on the DPs side.

### **Government ownership (Importance of owing the management of working groups)**

The first institutional system of ASDP - the ASDP Secretariat as an overall coordination body with Task Forces (TF) for program implementation - was proposed by the consultant who facilitated the preparation of ASDP Process and Framework Document. The system resulted in that while TF 1 and 3 were fairly active, TF 2 and 4 were not as expected. Although it is hard to pin down any specific reasons for the weak outcome, one possible reason was that the system was not properly “owned” by the government, as it was introduced by the consultant with little coordination with GoT. This experience suggests that good consultation is indispensable prior to finalizing an institutional arrangement.

### **DP coordination and timing (Delay of ASDP implementation due to the effort of unifying the World Bank Project under a single basket arrangement)**

When the ASDP Framework and Process document was complete in March 2003, GoT embarked on the implementation of ASDP’s local component of DADPs with their own budget. On the other hand, there was the project formulation of ASSP led by World Bank and IFAD. At this juncture, some DPs raised questions about the effectiveness of ASDP in which other projects were going on in parallel under the program. Provided this concern, DADPs Support Programme July 2005 – June 2012 was conducted. Based on this, GoT and DPs moved on to prepare a unified Basket Fund. GoT then began to prepare a new ASDP document, the ASDP Government Programme Document; DPs suspended its supports for implementation until the document was completed. GoT was eager to start the program without waiting for DPs contribution. However, on the side DPs, effort was renewed to include the ASSP resources into the Basket, spending full three years for that purpose. This experience shows the difficulties of coordination as well as its significances.

### **Withdrawal from a program (A thought from the cases of DANIDA and EU)**

In the process of ASDP, the government of Denmark announced not to participate in the program at the last moment of the MoU signing despite its earlier commitment to the program. In addition, EU withdrew from the program from 2007/08 fiscal year. The reason of DANIDA, the Danish Development Agency, for the pulling out was their choice of other sectors in line with its strategy of selection and focus. However, they also showed concern about the large portion of irrigation activities in ASDP Government Programme Document at the last moment. On the other hand, EU started expressing the desire to pull out from the process around the end of 2006/07 fiscal year and stopped attending the Basket Fund Steering Committee since 2007/08. EU’s withdrawal was mostly due to shifting focus to other sectors as its major agricultural fund was approaching to the end. The reasons for withdrawal would vary from one case to another, but it is more likely that, from DPs’ perspective, the actions of the government or contents of a program are not compatible with their requirements. While the principle of SWAp is that DPs should continue supporting the government once they commit to SWAp with understanding that SWAp is a long term development process, they may consider withdrawal as an option if the contents or arrangements of a program become incompatible with their system.

### **Too much focus on the Basket Fund**

The basic concept of SWAp is the coordination and consultation of stakeholders so as to streamline various support activities (projects) along the government general policy and program. This concept does not render itself a focus on a pooled fund or a sector basket fund. However, it is often argued

without much delineation that a pooled fund is an essence of SWAp. This idea seemed prevailed in ASDP, narrowing the scope for contribution from technical assistant agencies. With regard to the coordination of TA activities, the government is currently preparing the National TA Policy. ASLMs are waiting for the completion. And once completed, the National Policy is expected to guide the sectoral policy for the TA coordination.

### **5.1.3 Joint Appraisal Mission**

#### **JAM is a good opportunity for stakeholders to raise issues for alignment**

Joint Appraisal was a significant event for stakeholders to articulate challenges and measure against them for ASDP implementation. This provided implication for a DP which intends to integrate its assistance policy into the program, though it is prerequisite to examine the usefulness of its policy for the program as a whole.

#### **Members for JAM should possess diplomatic skills with substantial experience of working for the country and a targeted sector.**

Joint Appraisal tends to be done in a few weeks with diverse nationality and subjects of the members. If joining the JAM, it is necessary to assign personnel who possess diplomatic skills and abundant experiences of working in the country/sector in question, so as to contribute to the efficient and effective implementation of joint appraisal.

#### **Importance of the follow-up after implementation**

There was tendency that stakeholders were satisfied with the implementation of itself. More crucial is to follow up the recommendations made by the JAM.

### **5.1.4 Memorandum of Understanding**

#### **Importance of coordinating agency**

MoU is a key document of ASDP, with which ASLMs and DPs agreed on various issues. GoT and World Bank took initiatives of preparing MoU, which had been revised through a series of discussion between GoT and DPs. For each discussion, JICA as a secretary of DPs' group made revision of the document to reflect agreed points precisely, which implies the importance of the coordinating agency for preparation of MoU in particular and other documents as well in general.

#### **DP coordination and timing (Need for dependable steps for signing)**

There was critical experience of signing MoU on DPs' side. It was said at that time that at least three DPs were required to sign the MoU in order to make it effective. It was confirmed that EU were ready for signing but there had been no DPs who could clearly pronounce timing of countersigning, depending on the approval from the headquarters. Fortunately since World Bank and Japan did succeed in obtaining the approval from their headquarters, MoU was made effective at the last moment. However, this experience pointed out that in preparing significant documents like MoU, it would be needed to have dependable steps for completion.

#### **Operational issue (Caution on audit requirement)**

At present, the MoU is under the process of amendment. Major reasons for revisions include the variance of audit requirement between government system and DP's requirement. DPs tended to seek audit reports which focus on the management of basket funds; however, existing government system is not able to produce such fund-specific reports. This experience implies that there had been little

examination over whether and how the existing system could be utilized for the operation of ASDP..

**5.1.5 Preparation of Documents for Implementation**

**Need to confirm the roles of the guidelines**

The numerous occasions of revising or updating the guidelines implies a variety of exceptions by stakeholders to the roles of the guidelines. For example, the initial version was demanded to disseminate information on ASDP/DADP concepts/systems. During the preparation of the MoU, then, the stakeholders required the guidelines to be user-friendly especially to show planning steps clearly. This experience indicates that more practical guidelines would be produced if stakeholders agree in advance on which kind of information should be included in guidelines.

**Importance of establishing updating mechanism**

In practice, documents for implementations such as guidelines should reflect issues that have been observed through experiences. It would be effective to establish the systematic mechanism of updating documents for implementation, including feedback mechanism from users, especially at the initial stage of implementation.

**Practicality of the basic program documents (Different interpretations of stipulations at the operation level)**

Guidelines are prepared based on a program document. However, in practice there have been several different interpretations on particular conditions of program operation. For instance, the DADP Guidelines stipulate the use of top-up ACBG for farmer empowerment and private sector development, which resulted in confusion with the use of AEBG. It is very important to make sure that basic documents that will be the source of operational instructions should be clearly described and sufficiently conducive for the operation at filed level.

**Various guidelines to be integrated**

Agricultural sector entails various kinds of activities such as construction of irrigation, training of farmers and their groups, livestock keeping, extension, marketing, etc. In order to respond this diverse, ASLMs have been developing various guidelines. Each division of sector ministries or working group has tended to prepare them with their own initiatives. It is required for the government to systematize and harmonize various guidelines, so as to be able to deliver a one message to the users.

**Importance of examining M&E document applicability during the formulation period**

For M&E of ASDP, there was a document in the attachments of ASDP Government Programme Document. However, since ASDP enters implementation stage, it was found that most of indicators adopted by the document were not practical. Then ASLMs-DPs joint working group (ASDP M&E TWG) have been revising the M&E framework. This experience implies the needs to provide careful consideration to methodology of M&E even in the formulation period of a program, though the attentions of the stakeholders at that time tend to be paid to the program design only.

The issues experienced and observed during formulation of ASDP can be summarized in Table 5.

**Table 5: Summary of Issues Experienced and Observed during Formulation**

Issues	Explanation
<b>5.1.1 Formulation of ASDS/ASDP Documents</b>	
Needs for close consultation and coordination	There are different views on the role of the government

(Different views on the role of the government)	between GoT and DPs and even among DPs.
Importance of dialogue between the government and DPs, and the balance between the government ownership and quality of outputs	There was insufficient prior coordination between GoT and DPs. DPs were not satisfied with the output by GoT. At last stage, GoT had to re-write the ASDP P & F document with strong request from DPs.
Practicality of the basic program documents	It was found that, for example, it was difficult to classify activities according to type of funds.
<b>5.1.2 Participation of DPs in Formulation</b>	
Reduction of transaction costs on the government side while increase of coordination costs on DPs' side	Transaction costs for program operation are reduced at the government by DPs aligning their approach to the government system. On the other hand, additional costs "coordination costs" are incurred by DPs as they need to coordinate themselves and to negotiate with headquarters or modify procedural arrangements to accommodate operations to the government system.
Government ownership (Importance of owning the management of working groups)	Some TFs became not so active. This was partially because external consultants did not make a closed coordination.
DP coordination and timing (Delay of ASDP implementation due to the effort of unifying the World Bank Project under a single basket arrangement)	The implementation of ASDP was postponed because of the efforts to involve World Bank/IFAD in the basket fund.
Withdrawal from SWAp (A thought on the case of DANIDA and EU)	Withdrawal of DANIDA and EU shows one of the options that DPs could take.
Too much focus on the Basket Fund	With too much focus on basket fund, the circle of DPs for ASDP had been narrowed.
<b>5.1.3 Joint Appraisal Mission</b>	
JAM is a good opportunity for stakeholders to raise issues for alignment	DPs could internalize its aid policy into SWAp through joint appraisal, as long as consideration is made for the benefits of the program as a whole.
Members for JAM should possess diplomatic skills with substantial experience of working for the country and a targeted sector.	JAM tends to be diverse in terms of nationality and subjects. It also has to conduct tasks within a few weeks. Hence diplomatic skills and substantial experience were required to be members of JAM.
Importance of the follow-up after implementation	Stakeholders tend to be satisfied with implementation of joint appraisal itself.
<b>5.1.4 Memorandum of Understanding</b>	
Importance of coordinating agency	JICA played a vital role in revising MoU while coordinating with stakeholders.
DP coordination and timing (Need for dependable steps for signing)	There was not clear information even at last moment on who would be signatory.
Operational issue (Caution on audit requirement)	It was found during implementation that audit requirement was different between GoT and DPs.
<b>5.1.5 Preparation of Documents for Implementation</b>	
Need to confirm the roles of the guidelines	Guidelines could be not only to sensitize LGAs on the institutional arrangement of SWAp but also to provide technical guidance on how to make/implement a plan.
Importance of establishing updating mechanism	It is during information to find some issues requiring adjustment in program. It would be effective to have system of updating mechanism.
Practicality of the basic program documents	It is likely that different interpretations arise in operation at field level. It is important to make sure basic program documents are clearly stated and conducive for field operation.
Various guidelines to be integrated	There are many guidelines to be prepared in the agricultural sector where activities are dynamic. They need to be systematized or harmonized to give one message to LGAs.
Importance of examining M&E document applicability during the formulation period	It is of crucial importance to pay careful attention to M&E documents from the stage of formulation.



## **5.2 During the Implementation of ASDP**

Once ASDP has been embarked, there had been several positive effects of SWAp. The first is the growth of government ownership. The government has been almost fully prepared to carry out the program by its own system. It has been observed some TWGs are gradually internalizing operations suggested from outside. It is expected such operations will continue under their ownership. The second is the unification of public expenditure. Before ASDP, projects were the base of development and the local governments could not expect equal and steady flow of funds for development. Now because of ASDP, all local governments can enjoy steady inflow of funds for agricultural development. Another is the greater availability of resources. The experience has shown that financial resource owned by one entity could be made available for others to implement unexpected but needed activities for ASDP. Lastly, information is shared among various stakeholders, which reduce the cost of information collection among them. These effects indicate advantages of SWAp.

On the other hand, the review of implantation stage has revealed some challenges for both the government and DPs to make SWAp into effect. First, the operational issues of the program are yet to receive more consideration and measures should be taken for greater effectiveness. SWAp is a new undertaking for ASLMs. It is of crucial importance for stakeholders to identify ways for capacity development. Secondly, both GoT and DPs have to adjust its systems for the operation of SWAp. In ASDP, adjustment by DPs to the government system was observed in auditing method and review implementation. On the other hand, additional attempts have been made by GoT in preparing the ASDP annual work plan and budget. Lastly, the importance of consultation/ coordination among stakeholders can hold even in the implementation stages. Measured consideration should be given to the ownership of the government. Repeated question during the implementation was on how the government could reliably own the process and the outcomes.

### **5.2.1 Operation of and Coordination within ASLMs**

#### **Importance and Challenges of coordination among ASLMs**

ASDP involves five ministries, and their coordination is fairly challenging, as has been observed by the preparation of the ASDP annual work plan and budget. The coordination among ASLMs is currently assumed by the ASLMs committee of directors together with DPP MAFC. Though some improvement has been seen in recent years, it would be desirable for ASLMs to put more importance on information sharing and coordination. Strong commitment on ASDP from member ministries is essential. Moreover, DPP offices of ASLMs should be strengthened by having a set of staff to be focal points of coordination. On the other hand, an example indicating the importance of coordination was the arrangements made for ASDP M&E system construction. Through consultation and coordination among ASLMs and with DPs, a cross-ministerial group, the M&E TWG has been set up and working on the task.

#### **Need for looking at operational issues**

SWAp has two characteristics: to respect the ownership of the government; and to manage the process on the result-based evaluation. In fact in ASDP process, stakeholders tend to evaluate the program in terms of outcomes and outputs. On the other hand, due to the respect to the ownership and limited manpower of DPs, the part of operation is left on the discretion of the government. SWAp has a number of advantages including revitalization of the government institutions. However, it would be naïve to assume that once funds are made available, the government would be able to implement the program with good efficiency. It would rather be said that many important issues are involved at the operational level.

### **Importance of capacity development**

This issue is related to the importance of the operational side of ASDP mentioned above. At present, limited attention has been given to the effectiveness and efficiency of operation, hence there has been weak discussion about the importance of capacity development in ASDP. In order to assure the effective use of funds and future sustainability, it is desired that more attention is drawn to the importance of medium and long term capacity development in such aspects as strategic planning, managerial skills, financial recording and reporting, and data collection and analysis.

### **5.2.2 Contribution to the Basket Fund and Preparation of Annual Work Plan and Budget**

#### **Positive Effect of SWAp (Unified public expenditure: Steady fund flow to LGAs)**

Based on the principles of the SWAp: i) Integration of development activities (projects) under a single sector-wide development program; ii) Joint effort of the government and DPs in the implementation of the program, DPs put their resources together in a basket and agree with the government on disbursing them according to the government's budget cycle and through a government channel. Under ASDP with its basket fund arrangement, the government has now been able to supply resources for development regularly every year to LGAs. Such steady flow of funds allows LGAs for the first time to conceive development interventions in a long term perspective.

#### **Too much focus on the Basket Fund (It took some time for major international financiers to adjust to the Basket.)**

While attaining positive effects of SWAp, there are some challenges for DPs. Major international financiers needed to spend a fairly great amount of time and effort within the organization to allow themselves to put funds into the Basket Fund. Considering the fact that some of the financiers had to make so much effort to follow the modality, it would not be productive to insist too much on the pooled funding. It may be more practical at least at the beginning of a program to allow various funding modalities and accept support to the sector as long as they are in line with the system and objectives of ASDP.

#### **Utilization of government system (Preparation of work plan and budget separate from regular ministerial ones)**

ASLMs are obliged to prepare the ASDP work plan and budget in addition to the ordinary ministerial annual plans and budgets. ASDP monitoring necessitates tracking the activities supported by the basket. As long as the sector pooled fund is separate from the government budget, the government needs to produce a separate annual plan and budget despite its redundancy.

#### **Utilization of the government system (Variance in audit requirements between GoT and DPs)**

In MoU, DPs who support the ASDP Basket Fund have demanded the government to submit audit reports on the use of the Basket Fund. However, it came to know that it is difficult for the government to produce audit report only for the basket. In the end, there was an agreement between the DPs and the government that the government audit results are to be accepted as substitutes for the original requirements. The lesson here is that once resources are put into a basket fund, the financiers are likely requested to adjust their audit requirements to the government system.

### **5.2.3 Dialogue Mechanism**

#### **Positive effect of SWAp (Broadening of available resources)**

The joint effort of the government and DPs entails close consultation and communication among

stakeholders. Such an arrangement will broaden the potential of available resources, either financial or human. It sometimes happens that an additional task is suddenly necessary, or that funds would become necessary from other sources because the timing is not concordant with the government financial cycle.<sup>21</sup> In such occasions, SWAp would give a broader potential of finding additional sources of funds or manpower unlike the project operation where such event would have an adverse impact on the schedule of the program.

#### **Positive effect of SWAp (Greater information availability)**

Similar to the aforementioned mutual support in mobilizing resources, SWAp has a great advantage in information collection and analytical works. DPs have their own agenda in development, and often conduct studies with their own initiative, and willing to share under SWAp. Everyone has benefited from this expanded availability of information.

#### **DP coordination (Difficulties of timely information sharing and updating)**

Grouping of DPs is basically temporal and ad hoc in nature. Because of reasons such as limited number of staff and additional duties assigned to those members, the attendance of members and follow-up of issues are sometimes not perfect.

#### **Operational issue (Benefit of adopting co-working support teams)**

In the ASDP implementation, the program needs to adjust the contents or the way it operates according to the review results of JIR, ASR or monitoring exercises. However, the government has been sometimes constrained by various conditions to address those in a timely manner. One example is the preparation of ASDP M&E system. The challenges are repeatedly raised in the last several BFSCs meetings. Because of the government effort, the framework document and the baseline data report have been finalized. But the system is by no means operational yet. One practical means to reduce the risk of delay would be to adopt co-working system. When it becomes necessary to tackle the issue rather quickly the co-working members can boost the operation by increasing the hand-on support.

#### **Government ownership (Perception gap about the extent of “Ownership”)**

Sometimes the boundary of the government ownership becomes a contentious issue in the dialogue. An example was the case that DPs strongly urged GoT to share the information and commit to the dialogue during the budget process. At one time GoT gave an explanation that budget process is government’s exclusive work, implying that it was not necessary for the government to involve DPs in the process. Although this was an extreme view presented in a heated discussion, the statement nonetheless illuminates an implicit perception gap between the government and DPs about the boundary of ownership. Because the boundary will never be delineated a priori, the balance must be found on case-by-case bases. It is only hoped that continuation of sincere dialogue with good wills would eventually reduce the gap.

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<sup>21</sup> One example was the Agricultural Sector Review (ASR) in 2006. At the time the Basket Fund was just established and ASDP process was not yet fully ready for regular operation. On the other hand, ASR was acutely needed as an input to the review of the general budget support. Given the situation, DPs, DANIDA and JICA in particular, came to support jointly the undertaking. While the operation should have been handled by the government, the emergency situation made such cooperation necessary (Indeed the government has since been dealing with the undertaking by themselves).

## **5.2.4 Mainstreaming**

### **Too much focus on the Basket Fund (Meaning of mainstreaming)**

In general there have been two major interpretations of the mainstreaming. Some considered mainstreaming as the termination of projects, while others understood it as the adjustment of project activities so as to address the issues articulated by the ASDP Government Programme Document. The former tended to be DPs who could provide financial support; the latter were likely technical agencies including JICA. In ASDP, the former idea was dominated and the circle of ASDP-supporting DPs has been narrowed.

### **Operational issue (Mainstreaming not only on modality but also on operation)**

When ASDP was under preparation, the discussion on mainstreaming concentrated on supporting modality. When it comes to implementation, however, mainstreaming at operational level becomes more critical. One example is the distribution of funds to LGAs. From the second year, ASLMs decided to reduce the amount of funds or halt disbursement to LGAs who are supported by projects in order to keep fairness. These experiences show that consistency and coordination among programs is required not only for modality but also for operational issues such as financing and rules of operation.

## **5.2.5 Joint Implementation Review**

### **Operational issue (Some shortcomings of the Joint Implementation Review)**

In the practice of JIR, some issues seem to remain unaddressed. First, because the review is conducted by a large group of participants, discussions tend to remain at the surface of issues. Second, because of large participation, there is a tendency that the review is considered finished when the draft of the final report is discussed and gets comments. The most crucial point is how to translate the results of the review into actions in the next stage. Also it seems there is a misconception that if anything is done with participation of all concerned parties, i.e. done “jointly” by everyone, the results are automatically authentic. Preferably the JIR should be supplemented by a few specific studies conducted by a small group of experts with sharp focus on a narrow range of issues. It will also be beneficial to supplement large meetings with meetings of much smaller group where discussions will be further deepened.

### **Utilization of government system (World Bank streamlined its mid-term review to the JIR)**

SWAp demands participating DPs to adjust their system consistent with that of the government. One recent example was that the World Bank accepted that their mid-term review would be conducted as a part of the government regular review. Along the development of ASDP implementation, we have seen many examples of this sort. Areas that DP's alignment is often required are financial process, procurement process or training process. Review process is one of typical subjects often required to streamline with the government system.

## **5.2.6 Thematic Working Groups**

### **Utilization of the government system (Institutional position of TWGs)**

There is some variance among TWGs in their activeness. One of the possible reasons is that the role of those TWGs is overlapping with that of divisions of ministries, e.g. food security. The modality of working groups (rather than existing departments) seems to function if the working group deals with cross-cutting issues. Considering the roles of existing departments and necessity of TWGs, a system of TWGs should be established to address all the major sub-components of the program. The ambiguity

of institutional position of TWGs also affects their operations. The progress of the TWGs' tasks tends to delay against plan. This could be attributed to such factors as difference among members in the commitment to TWG works, limited accountability imposed on the works undertaken by TWGs, and approval mechanism between TWG and management entities. It would be desirable to construct clear institutional environment for TWG.

### **Positive effect of SWAp (on the enhancement of the government ownership)**

While there are some institutional challenges, there are increasing case in which TWGs has accomplished their tasks with their own initiatives. For example, RADAG had undertaken secretary position of the ASDP M&E TWG at the beginning, but then transferred this mandate to the government members through co-working process. Presently, they took a leading role in management of the TWG. Another instance can be seen in the DADP P&I TWG, which also has been attempting to institutionalize and further develop the quality assessment originated from RADAG. These efforts to internalize external inputs show the positive effect of SWAp.

## **5.2.7 ASLMs' support to DADP Planning and Implementation**

### **Importance of trial exercise**

In SWAp which has been invented against ill-effect of project approaches, development activities tend to be conducted simultaneously to cover the whole area of the country. As done in the ASDP training, however, step-wise approach or trial exercise could be effective as it provides the opportunity to examine the applicability of activities and tools introduced. ASDP itself is a new trial and needs to go under the process of "Learning by doing". Therefore, instead of beginning at once with a full scale operation, a stage-wise approach will be more effective as it secures opportunities for learning and capacity development.

### **Training needed not only for sensitization but also for technical support**

Overall, the training was effective in sensitizing all LGAs in understanding institutional aspects of the ASDP/DADP. However, it also articulated challenges in terms of practical ways of planning and implementing of DADP. The training could have incorporated the element of technical instruction to LGAs on the preparation of DADPs to greater extent.

### **DP's engagement (Not as "supervisor" but as "Co-implementer")**

RADAG assisted ASLMs in conducting this training by playing a role of M&E on training methodologies. Consequently, it can not deny that there was perception that the support was "supervision by DPs". More effective approach could be to become a part of facilitators and implementers.

## **5.2.8 M&E**

### **Importance of field testing and trial exercise (for establishment of effective M&E system)**

In general SWAp entails a number of stakeholders, who tend to seek various kinds of information regarding the performance of SWAp. In ASDP M&E, initially the number of proposed indicators was more than one hundred. But they were reviewed on the applicability and screened by field testing, and finally identified as practical indicators for M&E. Moreover a trial data collection is planned in 4 districts in 2 regions. While the "slow" progress of work has often been pointed out, their efforts demonstrate the importance of trial exercise for establishment of effective systems.

### **Utilization of the government system (the case of DADP Progress Reports)**

The theory of SWAp requires the government system to be used for the implementation of the program. In reality, however, there is need to recognize the limitation or challenges of the government system. As stated earlier, the format determined by Ministry of Finance and Economic Affairs was not sufficient to yield data needed for ASDP stakeholders to examine the progress and achievement of DADPs. Hence ASLMs have developed another format for ASDP information needs, which results in duplication of system. SWAp assumes that eliminating projects facilitates unification of format and other procedural requirements, but the experience shows that existing government system also needs to be adjusted for that purpose.

### **Need to consider the capacity of local government**

SWAp tends to seek various kinds of information for the M&E purpose mostly based on information from the local government. However, in general LGAs do not understand how to use the format and/or cannot use computers due to lack of capacities and infrastructures. So it is important to note the local conditions (technical capacity and infrastructure) and reflect them to construct a feasible M&E system. The issues experienced and observed during implementation of ASDP can be summarized in Table 6.

**Table 6: Summary of Issues Experienced and Observed during Implementation**

<b>Issues</b>	<b>Explanation</b>
<b>5.2.1 Operation of and Coordination within ASLMs</b>	
Importance and Challenges of coordination among ASLMs	ASLMs consist of five ministries. Hence their coordination is challenging. On the other hand, the coordination taken to construct the ASDP M&E system has been helpful for the effective implementation of ASDP.
Need for looking at operational issues	Discussion among stakeholders tends to focus on big issues such as the progress and outcomes of the program. Attention to the operational issues of the program has been limited.
Importance of capacity development	The importance of capacity development will be recognized more easily if more attention is given to the operational aspect of the program.
<b>5.2.2 Contribution to the Basket Fund, and Preparation of the Annual Work Plan and Budget</b>	
Positive Effect of SWAp (Unified Public Expenditure through MTEF: Steady fund flow to LGAs)	Because of SWAp, the financial flow of aid agencies has been unified, and disbursed steadily through the government channels. Hence, the local government can now envision their development in much longer perspective.
Too much focus on Basket Fund (It took some time for major international financiers to adjust to the Basket.)	Some major international financiers have spent a great amount of time to adopt the Basket Fund arrangement. It would be worth considering a funding modality for SWAp other than basket funding.
Utilization of government system (Preparation of work plan and budget separate from regular ministerial ones)	Because the Basket Fund system necessitates an annual working plan and its corresponding budget specifically for the activities supported by the Fund, the ministries need to prepare them separate from their usual work plan and budget.
Utilization of the government system (Variance in audit requirements between GoT and DPs)	DPs need to have audit report focusing on the basket funds. However, the existing system of a government produces reports based on ministry's budget. Hence adjustments are needed to solve the inconsistency.
<b>5.2.3 Dialogue Mechanism</b>	
Positive effect of SWAp (Broadening of available resources)	The 2006 Agricultural Sector Review was carried out by good collaboration by DPs. In SWAp, resource availability will likely expand as more stakeholders are connected and coordinated by the network.
Positive effect of SWAp (Greater information availability)	Through the consultation and coordination, more information will be available. Consequently the cost for collecting information will be reduced.

DP coordination (Difficulties of timely information sharing and updating)	The grouping of DPs is in principle of temporary nature. When the engagement of members varies, the group may have difficulty in stable consultation.
Operational issue (Benefit of adopting co-working support teams)	Even if challenges were addressed during consultation process, consultation cannot alone ensure to address the challenges. It would be more effective to employ a team that work jointly with the government team, as RADAG did.
Government ownership (Perception gap about the extent of “Ownership”)	There is occasionally difference between the government and DPs with regard to the range of the government ownership. The government may refuse requests made by DPs by claiming that concerned issues are within the government ownership.
<b>5.2.4 Mainstreaming</b>	
Too much focus on Basket Fund ( Meaning of mainstreaming)	There have been two interpretations on the meaning of “mainstreaming”. One group stated that mainstreaming is to abandon all projects, while the other group considered that mainstreaming only means supporting activities should be aligned to an agreed program document. The former was dominant in ASDP and hence reduced the circle of stakeholders of the program.
Operational issue (Mainstreaming not only on modality but also on operation)	Mainstreaming should be considered not only at modality level but also at operational levels such as fund disbursement and implementation arrangements of field activities.
<b>5.2.5 Joint Implementation Review</b>	
Operational issue (Some shortcomings of the Joint Implementation Review)	Operational issues should be considered even in the joint implementation. In a large meeting such as plenary session, discussions are more likely to remain superficial. Also there is tendency to be contented once the large event is concluded by the wrap-up meeting. More effective review process should be designed.
Utilization of government system (World Bank streamlined its mid-term review to the JIR)	The World Bank agreed to conduct its mid-term review in the arrangement of the Joint Implementation Review of ASDP.
<b>5.2.6 Thematic Working Groups</b>	
Utilization of the government system (Institutional position of TWGs)	Some of the Thematic Working Groups overlap with the existing government divisions. The weak institutional arrangement of TWGs affects the commitment of members and causes delays in coordination and decision making.
Positive effect of SWAp (on the enhancement of the government ownership)	Some TWGs internalize the experience given by the external technical sources, and carry out it by themselves.
<b>5.2.7 ASLMs’ Support to DADP Planning and Implementation</b>	
Importance of trial exercise	Because of trial exercise, training method and materials were improved. Information sharing among trainers was also enhanced.
Training needed not only for sensitization but also for technical support	It was later recognized that the information disseminated by the training should have included not only SWAp arrangement but technical knowhow necessary in the implementation of the program.
DP’s engagement (Not as “supervisor” but as “Co-implementer”)	DPs should engage in activities of the government not as supervisors but as co-implementers.
<b>5.2.8 M&amp;E</b>	
Importance of field testing and trial stage (for establishment of effective M&E system)	ASDP M&E TWG has selected data and indicators which are actually collectable and usable in evaluation. It is aiming at establishing an effective M&E system through field tests and trial exercises.
Utilization of the government system (the case of DADP Progress Reports)	The present M&E system does not deal with monitoring demands of ASDP. Hence ASLMs are making effort to formulate a new monitoring format and disseminate it.
Need to consider the capacity of local government	Data needed in SWAp are typically collected from the local level. The data collection system should take into account the physical and technical capacity of the local government.





## **Chapter 6 Lessons learned and Suggestions for SWAp Implementation and Support**

This chapter draws lessons from the RADAG's experience of ASDP in Tanzania. The issues observed and experienced in the process are generalized to be lessons for future implementation and support of SWAp. As have been seen in Chapter 5, there are various issues to be considered in actual operation of SWAp for agricultural sector. These issues could be categorized into four principles of SWAp implementation and supports as follows.

- 1) To understand the General Nature of SWAp
- 2) To strengthen Consultation and Coordination among Stakeholders
- 3) To support Capacity Development of the Host Government
- 4) To develop Institutional Capacities of SWAp Supporting Agencies

### **6.1 To understand the General Nature of SWAp**

This principle represents prerequisite for any agency who consider participating in SWAp. The experience of SWAp (in ASDP) has entailed advantages and possible challenges. This principle then contains the following lessons.

#### **(1) To understand the positive effects that SWAp is highly likely to bring about**

- The government is assured its ownership over implementing development activities with its structure and system. Even at operational levels, as exemplified by ASDP M&E TWG and DADP P&I TWG, government organizations internalized technical support rendered by external agency into its working system.
- There is unification of public expenditure. SWAp allowed LGAs to receive steady annual budget for development. Hence they can now construct their development plan with long term views.
- There is a possibility that resources availability is broadened. Resource owned by respective agency could be utilized by others to attain the objective of program (i.e. joint efforts on resource uses).
- There is greater availability of information. SWAp greatly benefits participants in information collection and analytical works.

#### **(2) To understand possible challenges that SWAp may entail**

- Consultation/coordination must be challenging at initial stage of SWAp. Burden of coordination among DPs and within an organization such as negotiation with headquarters and modifying procedural arrangements is now borne by DPs. Although transaction costs of the government side may reduce because of simplified procedure, the coordination costs of DPs increase for greater requirement of information sharing and system alignment.
- Addressing operational capacity of the recipient government would help expand the effects of SWAp. With empirical evidence from ASDP, it can be acknowledged that real issues of SWAp are often found not only at higher level of authority but also at operation at ground.
- There are several challenges specifically for the agricultural sector to apply SWAp. Agriculture sector is so diverse that a program needs to be flexible and diverse. With diverse natures of activities, many stakeholders in both public and private sectors tend to be involved in agriculture. ASDP involves five ministries of so-called ASLMs even on the government side only, which requires greater needs for coordination, consultation and keeping commitment from every player.

Of possible challenges identified above, those of the agricultural sector are rather intrinsic. However for other challenges, i.e. effective and efficient coordination/consultation, enhancement of operational capacity of the government, there are some measures available to address the challenges. The following sections delineate such measures by drawing lessons learned from experience of ASDPs.

## **6.2 To strengthen Consultation and Coordination among Stakeholders**

The main activity of SWAp includes consultation and coordination among the stakeholders concerned. It is helpful in supporting SWAp to understand the significance, difficulty and limitations of consultation and coordination. Moreover, critical matters can be more strategically dealt with by knowing when consultation and coordination are especially needed. Finally, being familiar with the means of consultation and coordination will improve their effectiveness and efficiency. This principle contains the following lessons.

### **(1) To recognize the significance, necessary conditions, and limitations of consultation/coordination**

- Significance: It enhances the ownership of the host government for SWAp. In the initial institutional setting of the ASDP, a half of the task forces became inactive due partially to the lack of sufficient prior consultation with the government. RADAG spent a considerable time and energy in coordinating the stakeholders. As a result, skills have been internalized and are being operationalized by GoT. An implication of this experience is that the approach for consultation/coordination has a great influence on enhancing the ownership of the government.
- Significance: It secures the progress of SWAp. As has been seen in the revision of ASDP Process and Framework Document, insufficient consultation might bring about a grave consequence to the process. The experience suggests that consultation/coordination is of critical significance to accelerating the progress of work.
- Necessary condition: It is necessary to unify stakeholders' different views with regard to the development concept, and the roles of the government, etc. In the context of ASDP, different views sometimes resulted in heated discussions, and at other times caused some delays in the process.
- Necessary condition: Balance between ownership and quality/timing of output must always be sought. Typically DPs are likely to demand better quality and shorter time and thus employ a gap-filling support. However such services almost never help enhance the ownership of the government. There is a trade-off between the respect to the government ownership and output quality. To reduce the trade-off, more attention should be given to capacity development aspects. Necessary capacity may include managerial, planning, analytical skills, and in general organizational capacity. The achievement of capacity development would be measured by the level of accountability of activities at operational levels. As the capacity expands, as measured by the level of accountability, the government would claim a broader range of ownership (see 6.3).
- Limitation: It (consultation/coordination) may not alone put required actions into effect because the execution ability of the government is sometimes constrained (by limited number of staff, etc.). It seems less practical to consider that a program is implemented effectively and efficiently only through consultation and coordination. The enhancement of the government's capacity, particularly at operational levels, should be a major component of a program.
- Limitation: SWAp may lose dynamic effects if the membership of the consultation circle is narrowed. Because of the seemingly prevailing perception that ASDP must be implemented only through the Basket Fund, the circle of participating DP was made rather narrow in the past,

curbing to some extent the dynamism of ASDP.

**(2) To recognize particular occasions requiring close consultation/coordination**

- Consultation is particularly important when the process is moving toward producing key documents or agreements. The implementation of ASDP was postponed due to the effort of unifying the World Bank Project under a single basket arrangement. This experience articulated some occasions which critically requires good consultation/coordination.
- Consultation is also essential whenever variances are found between the systems of the government and DPs. To the extent SWAp is an on-going process, it is unavoidable that such variances keep appearing.

**(3) To know effective measures for better consultation/coordination**

- Theoretically the government should assume the role of coordination in SWAp. However, until the government is ready and capable for the task, DPs should employ consultants or task specific officers who could deal with coordination tasks among DPs and with the government. The position of the consultants should be neutral for all stakeholders regardless of the source of funds for employment. Tasks to be undertaken by the position include recording discussion, circulating and updating information, etc.
- The government and DPs should set up general rules of discussion to make consultation/coordination smoothly into effect. It is effective to set up a sort of Code of Conduct, which may stipulate the commitments of concerned parties to the process such as good attendance and respect to already-agreed matters.
- The government and DPs should establish clear consultation/coordination mechanisms for Basket DPs and/or Non-basket DPs. If appropriate, a separate forum with agenda broader than the basket funding should be positively promoted to incorporate views of non-basket supporters. By doing so, the consultation/coordination will be more dynamic and effective to SWAp implementation.
- The government should utilize its structures for coordination. As has been seen in the experience of ASDP secretariat, an independent secretariat outside of regular government institution may not work well; a system that embeds the mechanism within the existing government structure seems more workable.
- DPs should heed its attitudes in consultation/coordination. It has been observed that DPs often unwittingly interact with the co-working government staff as a supervisor rather than an equal partner in the tasks. Although not intentional, such attitude still brings about unnecessary misunderstanding in the relationship.

**6.3 To support Capacity Development of the Host Government**

Through the experience of ASDP, it has been noted that capacity development is very key for improving the effect of SWAp. This principle contains the following lessons.

**(1) To create environment, in which the government and DPs could discuss issues of capacity development openly and thoroughly**

- The DPs and stakeholders should identify capacity gaps and ways of addressing them. Once the program is put in operation, it is indispensable for stakeholders including the government to discuss about how effectively and efficiently the program is operated and how to advance operational capacities of the government.
- Attention should be broadened to the capacity of the local government, which tends to face

greater difficulties for implementation than the central government in terms of availability of infrastructure and human resources. As has been experienced in the establishment of ASDP M&E Framework, it is of critical importance to examine local conditions before designing program.

- It is also necessary to discuss the applicability of the government system to program operation. There have been many occasions where difference between the government and DPs appeared in terms of system requirements. These experiences indicate that stakeholders need to examine which system could be utilized and how system should be accommodated.

## **(2) To provide technical assistance in operational aspect**

- It would be a useful idea for DPs as well as the government to adopt joint-working system at the operational level in SWAp implementation. By employing such a complementary facility, the government can get technical support, while DPs can get involved in the operations of ASDP. Co-working thus enhances capacity development of the government with enhancement of consultation/coordination among the parties. With possible utilization of the basket fund, it is expected to enhance this working modality for effective implementation of ASDP.
- It may be also effective for DPs to request accountability from the government on particular operational issues such as effectiveness of training and guidelines. Preparing a report and making presentation of it entail the government personnel more commitment to the task, and facilitate them in improving quality of their work, and eventually contribute to their capacity development.

## **(3) To examine possibility and effectiveness of trial stage of SWAp**

- Finally, SWAp is a new paradigm of development which may require the government to implement it by “learning by doing”. In ASDP, it was found effective to adopt trial-exercise or field-testing approaches before to going to nationwide application. It is worth exploring the possibility of having trial stage of the program or its components prior to full application of SWAp nationwide.

## **6.4 To develop Institutional Capacities of SWAp Supporting Agencies**

The ASDP is the first attempt of agricultural SWAp not only for GoT but also for agricultural sector supporting DPs including JICA. The following are lessons considered useful for those aid agencies that will newly join SWAp.

### **(1) To accumulate knowledge of SWAp at institutional level**

- It is crucial to give full recognition to SWAp as an alternative to conventional bilateral approach and as a major approach at least in the African context. SWAp demands supporting agencies to align in such respects as project formulation, implementation, and monitoring and evaluation. Aid agencies need to have procedure adaptable to the system of SWAp.
- In addition to consultation with the government, coordination with other DPs is equally important. DP coordination is particularly a new factor in SWAp. Potential partners of SWAp should understand the importance of such joint activities and take advantage thereof.

### **(2) To enhance adaptability of institutional arrangements and operational systems to SWAp implementation**

- It is worth exploring new scheme for supporting SWAp. Efficient operation of SWAp requires support at operational level of a program such as RADAG’s facilitation along the process. It is therefore desirable for agencies who consider supporting SWAp in future to review their existing support scheme and examine the possibility of a new type of scheme adaptable to the process

support, as needs are perceived.

- It is important to strengthen linkage between policy-level and field-level support. In order for the stakeholders to produce effective and practical development program, DPs should, together with the government, bring field information to the process of policy formulation.
- In order to make best use of consultation and coordination mechanism, it is crucial to assign personnel equipped with diplomatic skills and knowledge on the host country to the position in charge of SWAp coordination. SWAp is implemented in a series of coordination process with the stakeholders. In order for DPs to effectuate their support, deployment of such personnel is essential.

### **(3) To prepare for future support to African countries from a long-term perspective**

- DPs should align their systems such as program formulation, funding, procurement and M&E to those of the host country when supporting SWAp. It is therefore important to examine from a long-term perspective how they should respond to the requirements in supporting the development of African countries.
- DPs can effectively support SWAp by having various assistance schemes. SWAp, especially agricultural SWAp, is a complex undertaking including various components like physical construction (e.g., irrigation development), technological development (e.g. agricultural research and extension) and significant involvement of the private sector (e.g., marketing and financial services). While DPs tend to focus only on financial support in SWAp, there is possibility that by responding to the needs of the whole sector, government and all other stakeholders, DPs can provide more effective development assistance through mobilizing various tools of technical assistance and private sector support.

## **6.5 Practical Suggestions**

Having obtained lessons learned and possible measures as identified, the present report concludes with practical suggestions for implementation of or support to SWAp (See Attachment 2 of the main report). The process of SWAp can be divided into three phases, i.e., 1) stage for determination of participation, 2) preparation stage, and 3) implementation stage.